

Minutes
Lakeway Municipal Utility District
Board of Directors Meeting
September 10, 2025

The Board of Directors met in REGULAR session at 9:30AM at 1097 Lohmans Crossing, Lakeway, Texas, with the following participating:

Directors Present :	Phil Lanier Don Goff Jason Buddin
Directors Absent :	Lawrence Christian Frank Cooley
Staff Present:	Earl Foster Loyd Smith
Attorney's Present:	Anne Stanford Lauryn Robinson-Young

QUORUM:

1. Determine Quorum and Call to Order
Meeting was called to order at 9:30 AM.
Lanier declared a quorum of Directors present.
2. Pledge of Allegiance was led by Lanier.

CITIZENS

3. None

AGENDA ITEMS:

4. Public Hearing on 2025 Proposed Tax Rate and Discussion and Possible action on Proposed Tax Rate for 2025.
 - Foster said the proposed rates are .0531 total comprised of .0359 for debt and .0172 for M&O. These rates were approved at the August BOD meeting and have been posted properly in the newspaper as required. These rates are the same as FY24 and will be about a 1.7% increase due to the higher tax value of property.
 - Since there were no comments from the public, the Public Hearing was closed.
 - Goff asked if there had been any feedback from the public; Foster replied none and added that we usually don't hear from the public unless the rates are raised.

- Buddin moved to approve FY25 Tax Rate of .0531 as presented; Goff seconded.
- General Board Discussion.
- Motion passed unanimously.

5. Discussion and possible action on Health Insurance.

- Foster said the HR Committee met on August 28 and reviewed the 44% increase proposed by Curative and the 16.9% increase proposed by Cigna. It is the recommendation of the Committee and Staff that we move to Cigna.
- Goff asked about the employee's reaction; Foster replied they were disappointed but given the potential increase in their payroll deductions were willing to accept the change.
- Goff moved to approve moving to Cigna with a 16.9% increase in FY26; Buddin seconded.
- General Board discussion.
- Motion passed unanimously.

Buddin recommended moving Item 17 to this point in the agenda since the nominated Committee Member is in attendance and would not have to sit through the whole meeting; Lanier agreed to move Item 17 to this point on the agenda.

17. Discussion and possible action to approve Kat Grady for Finance Committee.

- Foster said Grady was recommended by another Committee member, and has a good background and staff recommends approving this appointment.
- Buddin agreed and moved to approve the appointment; Goff seconded.
- General Board discussion.
- Motion passed unanimously.

6. Discussion and possible action to approve COLA, Merit increase

- Foster said the HR Committee also reviewed the proposed increase of 4% Merit increase as well as On Call increase from \$125 to \$200 and the Standby increase from \$50 to \$100. The HR Committee and Staff both agree to recommend approval.
- Foster added that he did access the ECI report and also SHRM; SHRM shows increases average 3.5-4.2%.
- Lanier said he had just read the CPI is 2.6%, so this increase should keep our employees a little ahead of the increases.
- Buddin added that the proposed increase is also in line with neighboring MUD's.
- Goff moved to approve the increases as presented; Buddin seconded.
- General Board discussion.
- Motion passed unanimously.

7. Discussion and possible action on FY26 Revenue/Expense Budget.
 - Foster reviewed the proposed budget and said not much has changed from what was presented in August with the exception of adding the On Call and Standby increases to the expenses and the increase in Water base rates to \$33 and Wastewater base rates to \$27.
 - Lanier pointed out that expenses are increasing by ~6% and revenue by ~9%.
 - Buddin moved to approve the budget as presented; Goff seconded.
 - General Board discussion.
 - Motion passed unanimously.

8. Discussion and possible action to approve Pay Application #15 for Prota, Inc. for S-5 Water Recycling Plant Expansion.
 - Foster indicated Pay Application #15 has been reviewed by both the Engineer and the General Manager and reviewed the progress on the construction and recommends payment of this Pay Application.
 - Lanier moved to approve Pay Application #15 as presented; Goff seconded.
 - General Board discussion
 - Motion passed unanimously.

9. Discussion and Possible action to approve transferring \$21,500 from Budget line item 7105 to Capital Expenditure 14-08 to re-paint Elevated Storage tanks.
 - Foster said this is an annual entry to fund maintenance of our water tank painting.
 - Lanier asked if this is done every year; Foster replied we inspect and touch up yearly and perform whatever needs to be done. He added that full painting usually occurs for each tank at 15–20-year intervals.
 - Goff asked if this is something the Board has to approve, or could Staff just do it; Foster replied that it is in his authority to do, but he just likes to keep the Board informed.
 - Lanier said he appreciates the transparency.
 - Goff moved to approve the transfer as presented; Lanier seconded.
 - General Board discussion.
 - Motion passed unanimously.

10. Discussion and Possible action to approve Leak Adjustment for 104 Wanakah Ct.
 - Foster said this item was on the agenda last month, and we were hoping the customer would attend this meeting to answer questions.
 - Lanier said the customer is not here to explain, and he wasn't comfortable granting this adjustment without further information.

- Foster said it is a pretty significant bill, and the customer was out of town when the leak occurred, and they did get it fixed upon returning.
- Lanier said they did get our emails, but they went to SPAM; Foster said he didn't know the answer to that.
- Buddin said there was no known negligence on the customers part; Foster said it doesn't appear to be negligence.
- Foster added that with the last couple the Board has approved the leak relief but with a reduced amount.
- Lanier said he is not comfortable approving without more information; Foster added that they have paid a portion of the leak.
- Goff asked if we had checked it; Foster said it was just a consistent leak, but he was not sure if we had responded and would check on that.
- Buddin asked if the leak was irrigation; Foster replied yes.
- Lanier said we have quite a few questions without answers.
- Goff asked what our philosophy is with the leaks; do we always give 100%; Foster said the last couple you haven't gone with the full relief.
- Stanford said the policy is outlined in your Rate Order, but you can ask customers to come in and discuss.
- Smith said I think we should send them a letter with our questions since we have asked them to come to the meeting without success.
- Foster said we will send them a letter with our questions and bring it back to the Board.
- General Board discussion.
- Lanier tabled the item.

11. Discussion and possible action to approve a water and wastewater easement along the southeast corner of 702 N. Ranch Road 620.

- Foster said this easement is mainly for WCID17 and our intent is to create a Public Easement which is not finalized subject to AT&T. He added we are looking to have a permanent easement for WCID17 and a temporary easement for the contractor, and we would like to have Board approval on these subject to our attorney's approval.
- Lanier moved to approve the two easements as described subject to attorney's approval; Buddin seconded.
- General Board discussion.
- Motion passed unanimously.

12. Discussion and possible action on General Manager's Salary/Benefits.

- This item was pulled.

13. Discussion and possible action on Amended and Restated Wastewater Capacity and Services Agreement with Travis County Municipal Utility District #12.

- Foster explained that this is to revise our agreement with Rough Hollow and the Highlands for the wastewater side since we will be taking over their service. I would like Board approval to proceed subject to attorney’s revisions and approval.
- Goff moved to approve the Amended Agreement subject to attorney’s revisions and approval; Buddin seconded.
- General Board Discussion.
- Motion passed unanimously.

14. Discussion and possible action on GM Report, Financials, Calendar & Expenditures over \$25,000.

- Foster reviewed financial reports saying LMUD continues to be in solid financial shape with revenue and expenses and reviewed the current month and year-to-date figures.
- Buddin moved to approve the financial statements through July; Goff seconded
- General Board discussion.
- Motion passed unanimously.
- Foster noted the next meeting will be Wednesday, October 8, 2025

CONSENT AGENDA- The following consent items may be approved by one Board vote. Any Director may pull consent items from the consent agenda for discussion.

Goff moved to approve the consent agenda; Buddin seconded. Motion passed unanimously.

15. Approve Minutes from Regular Board meeting August 28, 2025.

16. Suggested Write Offs.

ADJOURNMENT

The meeting was adjourned at 10:26AM.



 Loyd Smith, Finance/Administration Manager

Minutes approved on the 8th day of October 2025.



 President, Board of Directors

ATTEST:


 Secretary, Board of Directors
 TREASURER

