Minutes
Lakeway Municipal Utility District
Board of Directors Meeting
July 8, 2026

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 Lawrence Christian Frank Cooley
Directors Absent :	None
Staff Present:	Earl Foster Loyd Smith
Attorney's Present:	Anne Stanford

QUORUM:

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

CITIZENS

3. None

AGENDA ITEMS:

4. Discussion and possible action to approve Non-Corporate Resolution for Financial Northeastern Companies.

   - Foster said this was a resolution we passed in 2016 and FNC is just asking us to update our resolution.
   - Foster said he forwarded this to our attorneys, and they added the statement "Not withstanding any terms or conditions to the contrary, organization does not authorize any action in violation of it's Investment Policy, a copy of which is available by request".
   - Christian asked why it says "Non-Corporate"; Stanford replied because Lakeway MUD is not a corporation.
   - Cooley moved to approve the resolution as presented; Buddin seconded.

- General Board discussion.
- Motion passed unanimously.

5. Discussion and Possible action to approve a Quote from Austin Armature Works LP for 2 pumps at L-2.

   - Foster said this quote is for refurbishing 2 pumps at Lift Station 2 and will save us $8K per month on rental.
   - Lanier asked how old the pumps are; Foster said 26 years.
   - Lanier asked where the pumps are; Foster replied off of Highlands in Rough Hollow.
   - Cooley asked if there was any warranty included; Foster said he would have to check, and that typically it's 30 days for repairs.
   - Christian asked how much new ones would cost; Foster replied around $27K.
   - Cooley said they will be substantially new pumps and should carry some warranty.
   - Lanier moved to approve the quote for $42,603.60 as presented; Goff seconded.
   - General Board discussion.
   - Motion passed unanimously.

6. Discussion and possible action to approve Pay Application #10 for Landmark Structures for Highlands 1.0MG Elevated Storage Tank (E-6) project.

   - Foster said Pay App #10 has been approved by the LMUD Engineer and by Foster, and that work is progressing well. He added that this pay app is for $116,280 and that not much work was done in June.
   - Christian asked when the tank would be raised; Foster replied that August 7 is the latest date he has, but he would keep the Board informed.
   - Lanier asked when it would be completed; Foster replied the end of November.
   - Goff moved to approve Pay App #10 for Landmark in the amount of $116,280 as presented; Lanier seconded.
   - General Board discussion.
   - Motion passed unanimously.

7. Discussion and possible action to approve Pay Application #25 for Prota, Inc. For S-5 Water Recycling Plant Expansion.

   - Foster said the majority of work has been done and both Foster and the LMUD Engineer have approved this Pay App #25 for $74,100 and that the project should be completed by the end of December.
   - Buddin moved to approve Pay App #25 for Prota, Inc. in the amount of $74,100 as presented; Lanier seconded.
   - General Board discussion.
   - Motion passed unanimously.

8. Discussion and possible action to approve Amendment #3 to Agreement for Professional Services with Walker Partners.

- Foster said this regarding a 3rd Micro-floc; the proposal is to complete the preliminary engineering and get approval from TCEQ, and then we can make the decision when to install.
- Cooley asked how much it would be to install the third one; Foster replied between $3 & $5M.
- Christian said all we are approving today is the engineering and TCEQ approval; Foster agreed that we still retain the option as to when we do it.
- Lanier said we can take bids for the 3rd unit, so we can always cancel; Foster agreed.
- Buddin asked if we could install more if needed; Foster said yes.
- Christian asked if our structure could handle a third unit; Foster replied yes that there is room for another one in the building.
- Lanier moved to approve Amendment #3 as presented; Cooley seconded.
- General Board discussion.
- Motion passed unanimously.

9. Discussion and Possible action to approve amendment to "Commercial Contract Unimproved Property" by and between the District and HSD-Lohmans Partners, LP., pertaining to the monthly Extension Payments for Parcel 3.

- **The Board went into Executive Session in accordance with the Texas Open Meetings Act Section 551.072 (Discussion of Real Estate) at 9:50AM.**
- **The Board returned to Open Session in accordance with the Texas Open Meetings Act Section 551.072 (Discussion of Real Estate) at 10:10AM.**

- Christian declared the closed session had ended and stated the meeting was now open and ready to consider a motion.
- Cooley moved that we provide authority to our General Manager to negotiate an acceptable agreement with HSD-Lohmans Partners, LP. pertaining to the monthly extension payments for Parcel 3; Buddin seconded.
- General Board discussion.
- Motion passed unanimously.

10. Discussion and possible action on Plat approval for 429 Sunfish.

- Foster said this is to rejoin two lots that were separated in 1996 and they want to put them back together with a common driveway. He added that LMUD has no problem with this and no reason not to approve.
- Goff asked if the City had to approve too; Foster replied yes.
- Lanier moved to approve the Plat as presented; Cooley seconded.
- General Board discussion.

- Motion passed unanimously.

11. Discussion and possible action on quote from Environmental Improvements, Inc. for Electric Actuators for both B&C Plants.

    - Foster said this is something we need to move to more dependable electric solutions.
    - Goff asked about power failures; Foster replied we have two suppliers that back up our power if one fails.
    - Foster added that this is a budget item and we have the money to do this.
    - Lanier moved to approve the quote as presented in the amount of $41,080; Cooley seconded.
    - General Board discussion.
    - Motion passed unanimously.

12. Discussion and possible action to approve and authorize submitting financial assistance application from the Texas Water Development Board (TWDB) for the water supply and infrastructure grant program:
    a. Approve and authorize application seeking financial grant assistance not to exceed $21,000,000 too provide for constructing and expanding the District's Water Treatment Plant.
    b. Designate Earl Foster (General Manager) as the authorized representative of Lakeway Municipal Utility District for the purpose of furnishing information and executing such documents as may b required in connection with the preparation and filing of such application for financial grant assistance and the rules of the TWDB.

    - Foster said he needs the Board approval to pursue this possible grant which could possibly pay for our entire water plant ($18M), and to engage the consultant, Susan Roth to pursue this application.
    - Lanier asked about the cost of the consultant; Foster replied we used her once before an it cost around $16K.
    - Goff asked when this would start; Foster replied July 31.
    - Stanford said she knows Roth, and she is very well connected and respected.
    - Foster said this could be very good news but doesn't want to get his hopes up.
    - Cooley moved to approve the LMUD application seeking grant assistance not to exceed $21M and to designate Foster as our authorized representative in this endeavor; Buddin seconded.
    - General Board discussion.
    - Motion passed unanimously.

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

- Foster said that LMUD is in good financial shape, with 68% of budgeted revenue and 65.7% of budgeted expenses through May.
- He added that our Annual Water Quality Report has been published and distributed.
- Our new hire in Administration, Hillary Bates, is concentrating on compliance working with customers who are in violation and helping them get back on track.
- Foster recapped our Rough Hollow acquisition; ~2,000 new customers will come on board officially on September 1, but actual turnover will be September 10 due to the holiday.
- Goff asked if we needed to hire additional people; Foster said not at this time.
- General Board discussion.
- No action was taken.

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; Lanier seconded. Motion passed unanimously.

14. Approve Minutes from Regular Board meeting June 10, 2026.

.ADJOURNMENT

The meeting was adjourned at 10:33 AM.

Loyd Smith, Finance/Administration Manager

Minutes approved on the 12th day of August 2026.

President, Board of Directors

ATTEST:

Secretary, Board of Directors