Minutes
Lakeway Municipal Utility District
Board of Directors Meeting
July 22, 2026

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

Directors Present :	Lawrence Christian Phil Lanier Don Goff Frank Cooley Jason Buddin
Directors Absent :	None
Staff Present:	Earl Foster Loyd Smith
Attorney's Present:	None

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 Christian.

CITIZENS

3. None

AGENDA ITEMS:

4. Discussion and possible action on Water Service Agreement with West Travis County PUA.

   - Foster said this is specifically for a Grant that we are applying for through Texas Water Development Board (TWDB) and to allow the West Travis County PUA (WTCPUA) to get some water from us. Having this agreement in place shows that with the expansion we are able to provide water to WTCPUA, and firms up WTCPUA's responsibilities for the Water Plant improvements,
   - Lanier asked if this was the same grant you were talking about in the last Board meeting that has to be done in the next couple of weeks; Foster replied yes that it has to be done by July 31, 2026. He added that WTCPUA still has a lot of

Engineering work to be done to ensure their system can handle all of this, and it also gives them the assurance that we are prepared to accommodate them. He added that initially we are doing three micro-floc units with the third being a backup and extra steel work. We could always pull these out if we didn't get the grant. We are trying to prepare for the best case and the worst case. The best case is we get the grant and do it all.

- Buddin asked if we currently supply them any water; Foster replied no, MUD 11, 12, & 13 currently get water from WTCPUA and we're taking that over, so part of the agreement is that we will furnish WTCPUA with 1MG of water on an as needed basis.
- We sent this to their attorney who redlined several items, and then our legal counsel redlined some other changes, and we sent it back to them and haven't heard back from them yet, Foster added.
- Goff asked how long it would be before we know if we got the grant; Foster replied we should know in September if we scored high enough and added he hated to get his hopes up, but there is a good potential that if we score high enough, we can get the grant. The meat of this agreement will not change; the red lines are small details in working.
- Lanier moved to approve the Water Service Agreement with WTCPUA subject to our attorney's final approval; Buddin seconded.
- General Board discussion.
- Motion passed unanimously.

5. Discussion and Possible action on Health Insurance.

- Foster said that our first quote was a 23.75% increase over this year's premium, but that our agent was able to get that down to 14% if we do not go our for bids and added that he had talked to Goff and Buddin about the proposal. This increase is in line with what other municipalities in our area are experiencing.
- Goff added that this increase is below market and we experienced high usage this year at 153% of expectations.
- Cooley said he did not like a proposal based on our not obtaining other bids; Foster mentioned that other companies will try to "buy" the business at a low rate and then raise it considerably in subsequent years which has happened to us before.
- Cooley asked if we were confident that going out for bids would result in quotes higher than the 14%; Foster replied yes.
- Goff added it would definitely be above 14%.
- Buddin said that his company of ~60 employees went up 15% after being with the same company for 20 years and only after negotiating with the provider.
- Lanier said the 14% increase could have been suggested by our agent with the no bid clause as a negotiating tool.
- Foster said it would be very helpful in our budgeting process to get this approved.
- Christian asked if the coverage would remain the same; Foster replied yes.

- Goff added that we still have to figure out what changes would be made to our employees share of the increase.
- Goff moved to approve the quote from our existing provider at an increase of 14%; Lanier seconded.
- General Board discussion.
- Motion passed unanimously.

.ADJOURNMENT

The meeting was adjourned at 10:47 AM.

Loyd Smith, Finance/Administration Manager

Minutes approved on the 12th day of August 2026.

President, Board of Directors

ATTEST:

Secretary, Board of Directors

LAKEWAY MUNICIPAL UTILITY DISTRICT