Legacy Water Supply Corporation

Special Meeting
MINUTES
September 9, 2025
at 1:00 p.m. CST
1826 North Loop 1604 West, Suite 260,
San Antonio, TX 78248

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1. **Call to Order and Roll Call**:

   a. David Earl called the meeting to order at 1:20 p.m. CST.

   b. Directors Present: Kathleen "Kandy" Walker, Melissa Johnson, and Raul Leal attended virtually via Microsoft Teams.

   c. Others Present: David Earl and Johnathan Earl, Counsel for Legacy Water Supply Corporation; Gene Lindgren.

2. **Determine Quorum**: A quorum was present.

3. **Public Comments**: There were no public comments.

4. **Public Hearing(s)**: None.

5. **Consent:** The following item(s) may be acted upon in a single motion. No separate discussion or action on any of these item(s) will be held unless pulled at the request of a member of the Board:

   a. Consider approval of the Minutes of the following Legacy Water Supply Corporation Meeting(s):

      i. August 13, 2025; and
      ii. August 19, 2025.

         1. *Kathleen "Kandy" Walker made a motion to approve the August 13, 2025, and August 19, 2025, Legacy Water Supply Corporation Meeting Minutes. Raul Leal seconded the motion. The motion was unanimously approved and carried.*

6. **Action/Discussion Items:**

   a. Consider and take possible action on a proposed amendment to Exhibit HH of the Wholesale Water Treatment Agreement between the Corporation and TSG Water Resources Texas, LLC;

      i. *Melissa Johnson made a motion to approve Agenda Item 5(a). Kathleen*

"Kandy" Walker seconded the motion. Melissa Johnson then made an amended motion to correct the address and place of employment for the Secretary, Treasurer, and President of the Corporation on Exhibit HH. Kathleen "Kandy" Walker made seconded the amended motion. The amended motion was unanimously approved and carried.

b. Consider and take possible action on proposed Notice of Approval for Interim Treatment System Design to TSG Water Resources Texas, LLC, in accordance with Wholesale Water Treatment Agreement between the Corporation and TSG Water Resources Texas, LLC;

   i. *Counsel for the Corporation provided background on Agenda Item 5(b). Raul Leal then made a motion to approve Agenda Item 5(b). Melissa Johnson seconded the motion. The motion was unanimously approved and carried.*

c. Consider and take possible action on renewal of Master Services Agreement with Plummer and Associates, Inc., for the provision of consulting and professional engineering services to Corporation;

   i. *Counsel for the Corporation provided background on Agenda Item 5(c). Melissa Johnson then made a motion to approve Agenda Item 5(c). Raul Leal seconded the motion. The motion was unanimously approved and carried.*

d. Consider and take possible action on a Master Services Agreement between the Corporation and LRE Water, LLC, for the provision of professional engineering and hydrology related services;

   i. *Counsel for the Corporation, David Earl, provided background on Agenda Item 5(d). Melissa Johnson then made a motion to approve the Agreement with the following amendments to the Agreement: add paragraph #3 to the schedule on page 1 and re-number accordingly; modify the email addresses under what became "4 compensation" under 4(b) of the Agreement, to correct RZ & B to Endura; and to add an email for Jordan Wise with Project Control. Kathleen "Kandy" Walker made seconded the motion to approve the Agreement as amended. The motion was unanimously approved and carried.*

e. Consider and take possible action on Task Order No. 1 under the Master Services Agreement between the Corporation and LRE Water, LLC, for designation of interim Engineer of Record;

   i. *Counsel for the Corporation provided background on Agenda Item 5(e). Melissa Johnson then made a motion to approve Agenda Item 5(e). Raul Leal seconded the motion. The motion was unanimously approved and* *carried.*

f. Consider and take possible action on Task Order No. 1 under the Master Services Agreement between the Corporation and Colliers Engineering & Design, LLC, for provision of professional engineering and grant support services;

   i. *Counsel for the Corporation provided background on Agenda Item 5(f). Melissa Johnson then made a motion to approve Agenda Item 5(f). Raul Leal seconded the motion. The motion was unanimously approved and carried.*

g. Receive status update of NewGen rate study and analysis from Project Control;

   i. *Project Control was not present at the Meeting. Kathleen "Kandy" Walker made a motion to table Agenda Item 5(g) until a later meeting date when Project Control can be in attendance. Melissa Johnson seconded the motion. The motion was unanimously approved and carried.*

h. Receive development status updates from Project Control;

   i. *Project Control was not present at the Meeting. Melissa Johnson made a motion to table Agenda Item 5(h) until a later meeting date when Project Control can be in attendance. Kathleen "Kandy" Walker seconded the motion. The motion was unanimously approved and carried.*

i. Consider and take possible action on an interlocal agreement between the Corporation, City of Laredo, Texas, Webb County, Texas, and Legacy Municipal Management District to jointly fund and participate in a water analysis and blending study related to the Regional Project to be carried out by the Corporation, for the benefit of the parties to the agreement;

   i. *Counsel for the Corporation provided background on Agenda Item 5(i). Melissa Johnson then made a motion to table Agenda Item 5(i) until a later meeting date, with a stipulation that documents are provided to the Board for review at least 24-48 hours in advance of the next scheduled meeting. Raul Leal seconded the motion. The motion was unanimously approved and carried.*

j. Consider and take possible action on an interlocal agreement between the Corporation, City of Laredo, Texas, Webb County, Texas, and Legacy Municipal Management District for jointly funding and participating in the Regional Project;

   i. *Counsel for the Corporation provided background on Agenda Item 5(j). Melissa Johnson then made a motion to table Agenda Item 5(j) until a later* *meeting date, with a stipulation that documents are provided to the Board for review at least 24-48 hours in advance of the next scheduled meeting. Raul Leal seconded the motion. The motion was unanimously approved and carried.*

k. Consider and take possible action on establishing terms for standard groundwater lease agreements;

   i. *Counsel for the Corporation provided backgrounded on Agenda Item(s) 5(k) through 5(q). Melissa Johnson then made a motion to table Agenda Item(s) 5(k) through 5(q). Kathleen "Kandy" Walker seconded the motion. The motion was unanimously approved and carried.*

l. Consider and take possible action on establishing terms for standard wholesale water supply agreements;

   i. *Counsel for the Corporation provided backgrounded on Agenda Item(s) 5(k) through 5(q). Melissa Johnson then made a motion to table Agenda Item(s) 5(k) through 5(q). Kathleen "Kandy" Walker seconded the motion. The motion was unanimously approved and carried.*

m. Consider and take possible action on filling the currently vacant Board positions in compliance with the requirements and procedures set forth in the bylaws of the Corporation, including receiving and considering nominations and acting to appoint Directors.

   i. *Counsel for the Corporation provided backgrounded on Agenda Item(s) 5(k) through 5(q). Melissa Johnson then made a motion to table Agenda Item(s) 5(k) through 5(q). Kathleen "Kandy" Walker seconded the motion. The motion was unanimously approved and carried.*

n. Consider and take possible action on a proposed groundwater lease agreement between the Corporation and Walker Water, LLC, with consent of surface estate holder(s);

   i. *Counsel for the Corporation provided backgrounded on Agenda Item(s) 5(k) through 5(q). Melissa Johnson then made a motion to table Agenda Item(s) 5(k) through 5(q). Kathleen "Kandy" Walker seconded the motion. The motion was unanimously approved and carried.*

o. Consider and take possible action on a proposed groundwater lease agreement between the Corporation and Kyley Water, LLC, with consent of surface estate holders;

   i. *Counsel for the Corporation provided backgrounded on Agenda Item(s) 5(k) through 5(q). Melissa Johnson then made a motion to table Agenda*

Item(s) 5(k) through 5(q). Kathleen "Kandy" Walker seconded the motion. The motion was unanimously approved and carried.

p. Consider and take possible action on a proposed water facilities and easement purchase agreement between the Corporation and SE Legacy Development, LLC, in relation to the Project;

   i. *Counsel for the Corporation provided backgrounded on Agenda Item(s) 5(k) through 5(q). Melissa Johnson then made a motion to table Agenda Item(s) 5(k) through 5(q). Kathleen "Kandy" Walker seconded the motion. The motion was unanimously approved and carried.*

q. Consider and take possible action on membership applications received by the Corporation from the following applicants, subject to the provisions of the Bylaws of the Corporation:

   1. Legacy Municipal Management District;
   2. Webb County, Texas; and/or
   3. City of Laredo, Texas;

   i. *Counsel for the Corporation provided backgrounded on Agenda Item(s) 5(k) through 5(q). Melissa Johnson then made a motion to table Agenda Item(s) 5(k) through 5(q). Kathleen "Kandy" Walker seconded the motion. The motion was unanimously approved and carried.*

7. **Executive Session:** No action shall be taken in Executive Session. A closed Executive Session may be held if the discussion of any of the above agenda items concerns any one of the following:

   a. Seeking the advice of General Counsel concerning pending or contemplated litigation, settlement offers, or any matter in which the duty of General Counsel to the Board of Directors of the Corporation under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with the Texas Open Meetings Act (TEX. GOV'T CODE § 551.071);
   b. Deliberating the purchase, exchange, lease, or value of real property if deliberation in an open meeting would have a detrimental effect on the position of the Corporation in negotiations with a third person (TEX. GOV'T CODE § 551.072);
   c. Deliberating a negotiated contract for a prospective gift or donation to the Corporation if the deliberation in an open meeting would have a detrimental effect on the position of the Corporation in negotiations with a third person (TEX. GOV'T CODE § 551.073);
   d. Deliberating the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee; or to hear a complaint or charge against an employee or officer unless the officer or employee who is the subject of the deliberation or hearing requests a public hearing (TEX. GOV'T

CODE § 551.074); or

e. Deliberating economic development negotiations or the offer of a financial or other incentive to a business prospect (TEX. GOV'T CODE § 551.087);
f. Reconvene in Open Session to consider and take possible action on any item discussed in Executive Session.

  i. *Kathleen "Kandy" Walker made a motion that the Board table Agenda Item 6, as Executive Session was not necessary. Raul Leal seconded the motion. No executive session was held.*

Counsel for the Corporation suggested that the Board discuss when the next Special Meeting should be held. After deliberation, Melissa Johnson made a motion to schedule the next Special Meeting of the Legacy Water Supply Corporation on September 23, 2025, to be held at 1826 North Loop 1604 West, Suite 260, San Antonio, TX 78248 at 1:00 p.m. Kathleen "Kandy" Walker seconded the motion. The motion was unanimously approved and carried.

8. **Adjourn.**

  i. *Kathleen "Kandy" Walker made a motion to adjourn the meeting. Raul Leal seconded the motion. The motion was unanimously approved and carried, and the meeting was adjourned at 2:38 p.m. CST.*

(SEAL)

Secretary, Board of Directors