Legacy Water Supply Corporation
Special Meeting
MINUTES
October 21, 2025 at
1:00 p.m. CST
401 East Sonterra Blvd., Suite 375,
San Antonio, TX 78258

1. **Call to Order and Roll Call**:
   a. David Earl called the meeting to order at 1:13 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 Byrne James with Earl & Associates, P.C., General Counsel for the Corporation; Tom Sage with Hunton Andrews Kurth LLP, Bond Counsel for the Corporation; and 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. September 23, 2025.
         1. *Kathleen "Kandy" Walker made a motion to approve the September 23, 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 act on certification of existing membership roster and ratification of memberships accepted prior to approval and implementation of amendment of bylaws of the Corporation;

i. *General Counsel provided background on the Resolution approving Agenda Item 5(a) and clarifying the existing members(s) of the Legacy Water Supply Corporation. Melissa Johnson made a motion to approve the Resolution for Agenda Item 5(a). Kathleen "Kandy" Walker seconded the motion. The amended motion was unanimously approved and carried.*

b. Receive status updates on construction and activities related to Regional Water Project and its customers from Project Control;

   i. *Project Control w was not in attendance however General Counsel provided a brief update on Agenda Item 5(b). No further action was required by the Board.*

c. Receive status updates on pursuit of state and federal grants and other funding for Regional Water Project from General Counsel, Gene Lindgren, and Bond Counsel;

   i. *General Counsel, Bond Counsel and Gene Lindgren provided detailed background on Agenda Item 5(c). No further action was required by the Board.*

d. Receive status update on NewGen rate study and analysis from Project Control;

   i. *Project Control was not in attendance however General Counsel provided a brief update on Agenda Item 5(d). No further action was required by the Board.*

e. Receive update and 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. *General Counsel provided background on Agenda Item 5(e); Bond Counsel is currently working on drafts of Agenda Items 5(e) through 5(g) and 5(i) through 5(l). Melissa Johnson then made a motion to table Agenda Items 5(e) through 5(g) and 5(i) through 5(l) until a later meeting date. Raul Leal seconded the motion. The motion was unanimously approved and carried.*

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

   i. *Bond Counsel is currently working on drafts of Agenda Items 5(e) through 5(g) and 5(i) through 5(l). Melissa Johnson then made a motion to table Agenda Items 5(e) through 5(g) and 5(i) through 5(l) until a later meeting date. Raul Leal seconded the motion. The motion was unanimously* *approved and carried.*

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

   i. *Bond Counsel is currently working on drafts of Agenda Items 5(e) through 5(g) and 5(i) through 5(l). Melissa Johnson then made a motion to table Agenda Items 5(e) through 5(g) and 5(i) through 5(l) until a later meeting date. Raul Leal seconded the motion. The motion was unanimously approved and carried.*

h. Consider and take possible action on filling one or more of 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. *General Counsel provided background on Agenda Item 5(h). Melissa Johnson then made a motion to continue Agenda Item 5(h) until a later meeting date. Kathleen "Kandy" Walker seconded the motion. The motion was unanimously approved and carried.*

i. 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. *Bond Counsel is currently working on drafts of Agenda Items 5(e) through 5(g) and 5(i) through 5(l). Melissa Johnson then made a motion to table Agenda Items 5(e) through 5(g) and 5(i) through 5(l) until a later meeting date. Raul Leal seconded the motion. The motion was unanimously approved and carried.*

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

   i. *Bond Counsel is currently working on drafts of Agenda Items 5(e) through 5(g) and 5(i) through 5(l). Melissa Johnson then made a motion to table Agenda Items 5(e) through 5(g) and 5(i) through 5(l) until a later meeting date. Raul Leal seconded the motion. The motion was unanimously approved and carried.*

k. 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 purchase of four (4) currently existing public drinking water supply wells, pipelines, and related engineering, hydrology, and associated improvements for the Regional Water Project;

i. *Bond Counsel is currently working on drafts of Agenda Items 5(e) through 5(g) and 5(i) through 5(l). Melissa Johnson then made a motion to table Agenda Items 5(e) through 5(g) and 5(i) through 5(l) until a later meeting date. Raul Leal seconded the motion. The motion was unanimously approved and carried.*

l. 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;

ii. *Bond Counsel is currently working on drafts of Agenda Items 5(e) through 5(g) and 5(i) through 5(l). Melissa Johnson then made a motion to table Agenda Items 5(e) through 5(g) and 5(i) through 5(l) until a later meeting date. Raul Leal seconded the motion. The motion was unanimously approved and carried.*

m. Discussion and consideration of any new business required to be brought before the Board on a future agenda and possible action directing placement on the agenda of a future meeting;

i. *No action was required by the Board.*

n. Consider and act on next meeting date.

i. *After discussion, Melissa Johnson made a motion propose a future Special Board meeting on November 11, 2025, at 1:00 p.m. CST, at 401 East Sonterra Blvd., Suite 375, San Antonio, Texas 78258. 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. *Melissa Johnson made a motion to convene into executive session at 2:12 p.m. CST; Raul Leal seconded the motion. The motion was unanimously approved and carried.*
   ii. *The Board met in Executive Session with General Counsel on matters permitted by Chapter 551 of the Texas Government Code; no decisions were made and no action was taken by the Board during Executive Session.*
   iii. *Melissa Johnson made a motion to re-convene into regular session at 3:08 p.m. CST; 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. Melissa Johnson seconded the motion. The motion was unanimously approved and carried, and the meeting was adjourned at 3:08 p.m. CST.*

(SEAL)

Melissa Johnson
Secretary, Board of Directors