

EMERALD BAY MUNICIPAL UTILITY DISTRICT
FINAL AND APPROVED
MINUTES OF REGULAR MEETING
NOVEMBER 15, 2007

The Board of Directors of the Emerald Bay Municipal Utility District met in regular session on Thursday, November 15, 2007, at 2:00 p.m., in the Emerald Bay Club conference room, Emerald Bay, Bullard, TX 75757. Present were Directors Bill Harris, Ray Hartley, Deena Johnson, and Howard Rutherford. Director Paul Randolph was excused. Two Emerald Bay residents attended the meeting.

President Harris called the meeting to order at 2:00 p.m. **Director Hartley made a motion to approve the Minutes of the October 22 regular meeting and the November 5 special meeting as written. The motion was seconded by Director Rutherford and said Minutes were approved by unanimous consent.**

Director Hartley presented the financial summary for October 31, 2007, for review and discussion. Under sewer system operations, Director Hartley noted net income was \$15,405 for the month (\$11,487 more than budgeted). He pointed out this was attributed to the collection of \$11,805 in property taxes. Under water system operations, the net income was \$12,369 (\$6,279 more than budgeted). Operations and maintenance expenses for both water and sewer were under budgeted numbers. The water fund owes the sewer fund \$13,000 which will be transferred this month. The capital fund is \$43,967 (includes non-standard fees paid by Root). **Director Hartley made a motion to approve the October 31 financials. Upon second (Rutherford), the motion was approved by unanimous consent.**

Director Johnson addressed the proposed general purpose easement drafted by the District's attorney, Glen Patrick. The easement property description was changed from ten feet to five (5) feet wide on each side of the water and/or sewer line located on Grantor's property. Director Hartley confirmed the Unit and Lot information for each District resident is available on-line through the Smith County Appraisal District records. Director Harris noted the easements will be recorded in the Smith County Records and will therefore appear in any title search. **Director Rutherford made a motion to approve the general purpose easement with the suggested change. Upon second by Director Hartley, the easement was approved by unanimous consent.**

Director Rutherford gave update on field operations. Director Hartley noted several complaints regarding water meter readings. Twenty (20) water meter readings were rechecked with only one error. There may be a leak on the customer's side of meter at 209 N. Bay (Hare). Rutherford will recheck the water leak repair near Holmes residence on Holly Hill as area is still wet. A resident on Marina (Sterling) has requested removal of 1-inch meter and installation of 5/8 inch meter (estimated cost is \$200).

Director Harris gave update on plant operations. Golf course maintenance area will be connected to District's wastewater collection system. The sewer line has been marked along Hicks Drive and the Contractor will determine depth of the sewer line (3-1/2 to 4 feet). Contractor will have to bore under Hicks Drive to connect maintenance barn restroom to sewer line (septic tank will be abandoned).

Director Harris advised Terry Cowan will execute a revised easement granting a 15-foot permanent easement with an additional 15-foot temporary easement for the construction of the pipeline from well site #3 to well site #1 (plant). The District will file suit against Fountain for the remaining 400 feet to condemn the property. Cowan will survey two locations (one southern and one northern) for 150-foot radius sanitary easements around well site #3. District will get second appraisal on the easement. Three (3) member panel will conduct condemnation hearing to award judgment.

Director Harris detailed manhole and driveway repairs proposed for 113 Henry Drive (Parmlee). District will repair area 9 feet by 30 feet across width of driveway (\$1,500 quote). An extension will be added to raise the manhole to street level. Mr. Harris also advised the District will contact other homeowners on Henry Drive to discuss replacing faulty sewer taps. District rules (Sec. 3.08) require cost of replacement of original taps not inspected and approved by the District to be shared one-half by District and one-half by property owner.

Director Harris advised a certified plumber states it is legal to install a flapper valve or backflow valve on a property owner's sewer service line (Henry Drive).

Director Harris discussed using the flow rate method to determine commercial sewer charges for Club facilities (kitchen, restrooms, etc.) Further consideration must be given to this matter before a formal proposal to the Club Board can be made regarding any commercial rate revisions.

Additionally, Mr. Harris has asked Southern Utilities to provide water usage records for the commercial properties located outside the boundaries of the District. Letters will be sent to all commercial users requesting authority to obtain water usage records from Southern Utilities. Water usage records will be annualized and divided by twelve (12) to arrive at a monthly usage amount to calculate the commercial sewer rate.–

There being no further business, the meeting was adjourned at 3:34 p.m. upon motion duly made (Rutherford) and seconded (Hartley) with unanimous consent.

Respectfully submitted,

Deena M. Johnson
Secretary

William F. Harris
President

Attachments:
Financial Statements 10/31/07
November Project Punchlist