

**EMERALD BAY MUNICIPAL UTILITY DISTRICT**  
**FINAL AND APPROVED**  
**MINUTES OF REGULAR MEETING**  
**OCTOBER 13, 2008**

The Board of Directors of the Emerald Bay Municipal Utility District (District) met in regular session on Monday, October 13, 2008 at 5:30 p.m., at the Emerald Bay Club, Bullard, Texas 75757. Directors William (Bill) Harris, Ray Hartley, Paul Misso, and Paul Randolph were present; five other persons also attended all or part of the meeting.

President Harris called the meeting to order at 5:33 p.m. and asked for comments on the Minutes of the September 15, 2008 Regular Meeting. **Director Ray Hartley made a motion to approve the Minutes. After second by Director Paul Randolph the Minutes were approved by unanimous consent.**

Director Hartley reviewed the summary of checks written as of September 30, 2008 as well as the Statement of Cash Flows. **Director Hartley made a motion to approve the checks paid and the financial reports, and Director Randolph seconded the motion. The check summary and the financial reports were approved by unanimous consent.**

At the beginning of discussion of Agenda Item 4, President Harris observed that the address for the vacant building was on FM 344, not on FM 244, as stated in the agenda. Director Hartley reported the substance of the request from Mr. William Pillsbury to suspend sewer charges for the vacant building since the water (supplied by Southern Utilities) was presently shut off. After discussion, the board concluded that it was customary to suspend sewer charges for properties for which the water had been shut off, but that verification of that status was needed. Director Hartley stated that he would pursue the verification with Mr. Pillsbury, and the meeting proceeded to the next agenda item. However, at 5:50 p.m. Mr. Pillsbury arrived at the meeting. The situation was explained to him. He agreed to cooperate in obtaining from Southern Utilities verification that the water was shut off. Mr. Pillsbury asked whether the District had plans to furnish water to the area in which the vacant building is located. President Harris responded that not yet having done so has been, and now is, simply a matter of priorities and that there is nothing precluding installation of District water lines in the future. The directors were in general agreement that the District should develop a standard form that customers could sign when authorizing third parties to supply needed information about them to the District.

President Harris reported that the easement related to the Number 3 Well Site was complete. The owner accepted \$2,448 and the District agreed to bore under the gate to the property for fifteen feet west of the gate at Highway 178.

The directors reviewed the remaining 25 accounts/properties for which no service agreements have yet been received. Some have refused. Others have not yet responded to the repeated requests. An effort will be made by the directors to assure that those who have not responded have indeed received the initial and subsequent requests.

Reporting on matters related both to field operations and plant operations, President Harris stated (1) that he is seeking information on a 13-stage pump and a 50 hp motor to serve as a spare part in the event of an emergency. The consensus among the directors was that this is prudent since, while labor to make an emergency repair is readily available, obtaining such a part could leave the District on rationed water for an extended time. (2) Henry Drive construction is substantially complete except for a manhole to be completed by a contractor and for testing of water meter performance in the case of one customer. (3) Foundations are being prepared for all five radio towers to be erected in the future. This is to economize on both labor and concrete costs. (4) Water bottles for state-mandated testing have been delivered, and the protocol for the tests will be developed over the next few weeks (reported by Director Randolph). (5) The pipeline supplying effluent to the golf course continues to show evidence of a leak through which gravel and debris enters and threatens the whole pump and sprinkler line system. A company specializing in camera examination of such problems will arrive at the site on October 14, 2008 and begin an analysis of the potential for this technology to locate the problem. This is a very high priority for the sanitary sewer system at the moment.

**Director Hartley made a motion to accept the resignation of Director Howard Rutherford effective September 30, 2008. Said motion was seconded by Director Randolph and approved by unanimous consent.**

There being no further business, the meeting was adjourned at 6:12 p.m., upon motion duly made by Director Randolph, seconded by Director Hartley, and approved by unanimous consent.

Respectfully Submitted,

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Paul M. Misso  
Secretary

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William F. Harris  
President

Attachment:  
Financial Summary for September 30, 2008