

**EMERALD BAY MUNICIPAL UTILITY DISTRICT**  
**FINAL AND APPROVED**  
**MINUTES OF SPECIAL MEETING**  
**MAY 18, 2006**

The Board of Directors of the Emerald Bay Municipal Utility District met on Thursday, May 18, 2006, at 9:00 a.m., at the MUD Plant, 155 LaSalle Drive, Bullard, TX 75757. Present were Directors Bill Harris, Ray Hartley, Deena Johnson, and Howard Rutherford. Also in attendance were the District's legal counsel, Glen Patrick, the District's Engineer, Kirk Bynum, and two Emerald Bay residents.

The meeting was called to order by President Bill Harris at 9:10 a.m. President Harris stated the purpose of the meeting was to address Ameritank's request for payment and other issues regarding the construction of the elevated storage tank. Mr. Bynum stated that he had transmitted the Statement of Construction Completion and Affidavit of All Bills Paid forms to Ameritank. Mr. Bynum also noted that Ameritank's President, Bruce Julius, called and confirmed that Ameritank would accept payment less the one percent (1%) retainage to release lien claim. Mr. Patrick verified that the District had conducted due diligence by conducting an inspection of the tank construction and recommended payment be made to Ameritank. Mr. Bynum notified Mr. Julius the Board would prefer that payment be made to Ameritank's legal counsel, Lois A. Rockefeller of Wagstaff, Alvis, Stubbeman, Seamster & Longacre, to be held in trust until the District receives a Release of Lien in recordable form. **Director Hartley made a motion to make a check payable to both Ameritank and Lois Rockefeller in the amount of \$17,288.10 to be held in trust pending issuance and receipt of a Release of Lien in recordable form and receipt from Ameritank of a one-year bonded warranty per contract and a four-year extended warranty covering workmanship and materials. Such motion was seconded by Director Rutherford and approved by unanimous consent.** Mr. Patrick will forward the check with a letter conveying the terms of acceptance to Ms. Rockefeller.

There being no further business, the meeting was adjourned at 9:40 a.m. upon motion duly made and seconded (Harris/Rutherford) with unanimous consent.

Respectfully submitted,

Deena M. Johnson  
Secretary

William F. Harris  
President

