

EMERALD BAY MUNICIPAL UTILITY DISTRICT
FINAL AND APPROVED
MINUTES OF SPECIAL EMERGENCY MEETING
OCTOBER 5, 2006

The Board of Directors of the Emerald Bay Municipal Utility District met on Thursday, October 5, 2006, at 9:00 a.m., at the MUD Office, 155 LaSalle Drive, Emerald Bay, Bullard, TX 75757. Directors Bill Harris, Ray Hartley, Howard Rutherford, and Robert Worsham met with Emerald Bay Club Board members Jim Speiran, Paul Randolph, and Prudy Arnold, and Golf Course Superintendent, Tommy Jones. Director Johnson met with MUD directors at 9:41 a.m. to review options presented to Club Board.

President Harris convened meeting at 9:00 a.m. to discuss potential options available to the District to provide the Emerald Bay Club with emergency water to irrigate the golf course. In order to provide more water capacity, larger pumps would have to be installed in both of the District's wells. Russell Drilling will be contracted to change the pumps at an estimated cost of \$17,400. Ray Hartley suggested charging the Club a rate of \$2.25 per 1,000 gallons of water plus \$0.25 for electricity per 1,000 gallons of water pumped for X weeks to recover X percentage of the District's cost. Calculations were made for 300,000 gallons/week and 500,000 gallons/week. Bill Harris suggested using a recovery percentage of 70 percent.

Director Hartley will prepare a proposal to the Club presenting both 300,000 gallons/week and 500,000 gallons/week options calculated on a 70 percent recovery. Both options are offered on a take or pay arrangement. The District reserves the right to adjust the gallons per week available for golf course usage based on the actual increased capacity generated by the larger pumps.

There being no further business, the meeting was adjourned at 10:24 a.m.

Respectfully submitted,

Deena M. Johnson
Secretary

William F. Harris
President

Attachment: Proposal #1 for EB Golf Course