

EMERALD BAY MUNICIPAL UTILITY DISTRICT
FINAL AND APPROVED
MINUTES OF SPECIAL MEETING
MARCH 25, 2010

The Board of Directors of the Emerald Bay Municipal Utility District met in special session on Thursday, March 25, 2010, at 5:00 p.m. at the District office, 155 LaSalle Drive, Bullard, TX 75757. Present were Directors Bill Harris, Ray Hartley, Deena Johnson, Paul Randolph, and Jo Sharp. Seven District residents attended.

President Harris called the meeting to order at 5:00 p.m. and asked the District Treasurer, Ray Hartley, to open the sealed bid proposals to finance the Emerald Bay Club's golf course drainage system. Bid requests were mailed to Regions, Citizens First, Austin Bank, Capital One and Southside Bank. Only Capital One Bank and Regions Bank submitted sealed bids by the deadline. Director Hartley opened and read the proposal from Regions Bank for the tax exempt revenue note bond in the amount of \$499,950 for 10 years at an interest rate of 5.85 percent with 10 basis points for origination and counsel fees. Director Hartley then opened and read the proposal from Capital One for the tax exempt revenue note bond in the amount of \$499,950 for 10 years at a fixed interest rate of 4.73 percent with all costs to borrower subject to underwriting, documentation, and closing requirements. Additionally, Capital One would increase rate on District's depository accounts to .50 percent. **Director Harris made a motion to accept the bid from Capital One at 4.73 percent for the 10 year tax exempt revenue note bond in the amount of \$499,950. Upon second (Randolph), the motion was approved by unanimous consent.** It was noted that District counsel, Glen Patrick, will provide the attorney's opinion that the note/bond will be tax-free.

President Harris made a motion to approve the Golf Course Greens and Drainage Project Finance Agreement as presented at the March 15 regular meeting with one change (IIIId) adding a \$2,000,000 general liability insurance policy to be made to the District and the Club. Upon second (Hartley), the Agreement was approved by unanimous consent. The agreement will be executed by the District President (Bill Harris) and Club President (Larry Henness).

There being no further business, the meeting was adjourned at 5:15 p.m. upon motion duly made (Randolph) and seconded (Sharp) with unanimous consent.

Respectfully submitted,

Deena M. Johnson
Secretary

William F. Harris
President

Attachments:
Capital One Bank Bid Letter
Regions Bank Bid Letter
Golf Course Greens and Drainage Project Finance Agreement