

EMERALD BAY MUNICIPAL UTILITY DISTRICT
FINAL AND APPROVED
MINUTES OF SPECIAL MEETING
MARCH 1, 2013

The Board of Directors of the Emerald Bay Municipal Utility District met in special session on Friday, March 1, 2013, at 1:00 p.m. at the District's office, 155 LaSalle Drive, Bullard, TX 75757. Present were Directors Dwight Cole, Jaymie Foote, Bill Harris, Deena Johnson, and Paul Randolph. Two residents were in attendance.

Director Harris called the meeting to order at 1:05 p.m. and stated the purpose of the meeting was to review and approve three (3) Resolutions prepared by the District's Bond Attorney, John Boyle, required for the 2013 water distribution project.

Director Johnson reviewed Resolution No. 3012013A authorizing the District President, William F. Harris, to execute all documents associated with the 2013 water distribution project bond issue in conjunction with the approval of Bond Counsel, John F. Boyle, Jr. The project cost is estimated at \$3.5 million and will be funded with a 20-year Note. In the interim, Southside Bank has agreed to loan the District \$250,000 at 1.95 percent for two-years to pay design engineering costs, etc., and other funds expended prior to finalization of the project. **Director Randolph made a motion to approve Resolution No. 3012013A authorizing the President to execute all documents associated with said project. Upon second (Foote), the Resolution No. 3012013A was approved by unanimous consent.**

Director Johnson reviewed Resolution No. 3012013B authorizing intent to use proceeds from future revenue notes to reimburse expenditures made from current revenues for engineering, property acquisition, and construction for the project. **Director Randolph made a motion to approve Resolution No. 3012013B authorizing and expressing intent to use proceeds from future revenue notes to reimburse expenditures made from current revenues for said project. Upon second (Cole), the Resolution No. 3012013B was approved by unanimous consent.**

Director Johnson reviewed Resolution No. 3012013C to approve a two year Note with Southside Bank and authorize President Harris to execute said Note along with all necessary documents associated with the 2013 water distribution project. **Director Randolph made a motion to approve Resolution No. 3012013C approving the two-year Note with Southside Bank. Upon second (Foote), the Resolution No. 3012013C was approved by unanimous consent.**

Directors Harris and Johnson along with District Engineer, Kirk Bynum, met with the District's attorney, Glen Patrick, to write an agreement acceptable to all parties. Director Harris reviewed the engineering agreement with Brannon Corporation by reading specific conditions of the agreement. After further discussion, **Director Randolph made a motion to approve the engineering services agreement. Upon second (Cole), the engineering agreement was approved by unanimous consent.**

Director Harris advised that the Advisory Group met on February 19 to review the project presentation. Due to the complex nature of the project, it was recommended that a letter be sent

to all residents explaining the necessity of a water surcharge in the amount of \$35.00. Members of the Advisory Group agreed to meet with Glen Patrick (District's attorney) to draft a water surcharge letter. President Harris then read said water surcharge letter into the record. Glen Patrick is also drafting an easement agreement. **Director Johnson made a motion to approve the water surcharge letter as drafted. Upon second (Randolph), the letter was approved by unanimous consent.**

There being no further action or business to be discussed, the meeting was adjourned at 2:15 p.m. upon motion duly made (Randolph) and seconded (Foote).

Respectfully submitted,

Deena M. Johnson
Secretary

William F. Harris
President

Attachments:
Resolution No. 3012013A
Resolution No. 3012013B
Resolution No. 3012013C
Engineering Agreement
Water Surcharge Letter

THE STATE OF TEXAS §

COUNTY OF SMITH §

BEFORE ME, the undersigned authority, on this day personally appeared William F. Harris and Deena M. Johnson, President and Secretary, respectively, of the Emerald Bay Municipal Utility District; known to me to be the persons whose names are subscribed to the foregoing.

SUBSCRIBED TO AND SWORN TO before me, under my official hand and seal of office this ____ day of _____, 2013.

Notary Public in and for the State of Texas