

Emerald Bay Municipal Utility District
Minutes of Regular Meeting
Monday, July 20, 2015

The Board of Directors of the Emerald Bay Municipal Utility District met in regular session announced and posted 72 hours in advance as required by Chapter 551, as amended and open to the public on Monday, July 20, 2017 at 4:30PM at the District Office at 155 LaSalle Drive, Bullard, TX 75757 for the purpose of considering the following agenda:

Call to order by William Harris at 4:35PM. In attendance were: President, William F Harris, Vice President, Dwight Cole and Treasurer, Barry Botti. Directors Jane Watson and Inge Grant were granted excused absences. A quorum was established.

The Treasurer presented the monthly/quarterly/year to date financial information (see attached forms). Water revenues are down because of lower usage due to the wet fall and spring. Maintenance and payroll expenses are higher. Water and wastewater net revenues are down. President Harris moved to accept the financial report, seconded by Dwight Cole and motion was passed unanimously. The Treasurer went onto report that, as previously approved, the 2010 Note A (for Water Well 3) was paid off from the 2013 Water Improvement Note proceeds and that arrangements were made with Southside Bank to reduce the interest rate and monthly payment on 2010 Note B (for drainage improvements). Also as previously approved, efforts are being made to refund the 2005 revenue note at Capital One Bank with a revenue note at Southside Bank that will lower the interest rate and the monthly payment. Problems have arisen with the Texas Attorney General's Office (who approve loan arrangements made by state government agencies) that are delaying the process. Our attorney is working with the AG to facilitate the process. Once arrangements for all 3 loans have been completed, cash flow for debt service purposes will be reduced by \$5,233.12/month or \$62,797.44/year (see attached schedule).

The Treasurer presented a proposed revision to the District operating budget (see attached). Director Cole moved to accept the revised budget, seconded by President Harris, motion was passed unanimously.

President Harris presented for consideration of payment Application for Payment No 6 from AAA Sanitation, Inc (copy attached) for progress on Contract A- Water System Improvements. He reported that work is complete on the segments of the improvements requiring 10" pipe and related fittings. With the dry weather, work is progressing on the other segments of the contract and hopefully the fairway on Hole #13 of the golf course will soon dry up enough to allow completion of the line across the golf course to connect up to Williamsburg Lane. VP Cole moved to approve payment, seconded by Treasurer Botti, motion passed unanimously.

President Harris reported on operations. During construction of the development at the marina, the contractor shattered the 6" water line leading to the marina. We repaired it and

are invoicing the marina for repairs. We are having "bullets" constructed to aide in pulling pipe through bored holes. We had problems with SCADA communications from the well sites. DFS and Bloch suggested a new antenna and new radio frequencies (old frequencies were experiencing interference from another source), since the alterations, problems are minimal.

Projects: New blower motors are on order for the treatment plant that will reduce concerns about plant operations, electric line from Well 1 to Well 2 needs to be rebuilt and options for doing so are being evaluated and possible repairs to the line from the effluent ponds to the club pump need to be investigated.

There being no further business, the meeting was adjourned at 5:15PM.

William Harris
President

Barry Botti
Acting as Secretary