

Emerald Bay Municipal Utility District
Regular Meeting Minutes
October 23, 2017

The Board of Directors of the Emerald Bay Municipal Utility District met in regular session on Monday, October 23, 2017 at 4:00 PM at the District Office, 155 LaSalle Road, Bullard, TX 75757. Present were Directors Barry Botti, Dwight Cole, Inge Grant, William Harris, and Lynne Stein. Two Emerald Bay residents and Compliance Officer, Lori Wiginton, also were in attendance.

Director Harris called the meeting to order at 3:59 PM. Director Harris asked for the Board to read over meeting minutes from the regular meeting on July 17, 2017 and the special meeting minutes from August 18, 2017 and October 9, 2017. Bill Harris made a motion to approve all 3 sets of meeting minutes, Barry Botti seconded and the motion was approved unanimously.

Director Botti presented to the Board the financial report. He explained that assets are down due to depreciation. He relayed to the Board that sewer revenue is consistent from last year but expenses are down and water revenue is down slightly as well as expenses. Director Botti informed the Board that the adjustments being shown on both water and sewer are from Mallard's Cove. He explained roads revenue is down due to a decrease in initiation fees because of fewer new residents moving into Emerald Bay but road expenses were up due to repairs that have been made and preparing for the upcoming street project. Barry Botti made a motion to accept the financial summary, Inge Grant seconded and the motion was carried unanimously.

Director Botti presented the 2017-2018 proposed budget for the Board to look over. Director Botti explained that the budget is based on estimates of how many homes sell in Emerald Bay this year along with an estimate of roads once MUD starts billing for the street project. He also advised that the money for the street project will be capitalized at this time. Director Botti reminded the Board that the budget gets revised quarterly as required by TCEQ therefore the budget will continue to be more precise as the year goes on. Dwight Cole made a motion to accept the 2017-2018 proposed budget, Inge Grant seconded and the motion was carried unanimously.

Compliance Officer, Lori Wiginton, went over the current delinquent accounts with the Board. Some discussion was made in regards to handling the delinquent accounts and the meeting was turned back over to Director Harris for the operations report.

Director Harris informed the Board that water well #3 is shut down at this time due to the VFD tripping. It is assumed that the VFD is tripping because the A/C unit is not cooling properly. He also advised that the blowers are working great now. MUD had a repairman from Javelina Mechanical come out and look at them and it was determined the air on the WWTP was

pinched back too far causing the blowers to run hot. The air was opened up and the blowers are working properly and well within the recommended heat range. The ground storage tank at well #1 has sprung another leak in a joint and we have already welded several leaks on the ground storage tank. Director Harris explained that he is considering having a coating put on the inside of the tank to prevent further leaks. He advised that the estimated cost of this is approximately \$60,000.00. The chlorine analyzer at the elevated storage tank is not working at this time and the card has been sent to Hanna Instruments for repair. Director Harris informed the Board that the note was in the bank for the street project and that the pre-construction meeting for the WWTP Rehabilitation was to be held on October 24, 2017 at 2:00PM.

Compliance Officer, Lori Wiginton, and the two residents of Emerald Bay then left the meeting.

The Board went into closed executive session at 5:05 PM.

The Board reconvened to open session at 6:03 PM.

The Board discussed two documents presented by Director Harris, a memo to the employees with the new additions and clarifications to the shift hour policy, tool, equipment, and general safety guidelines, and Jay Mesa's annual review for November 2017. Inge Grant made a motion to approve, Barry Botti seconded and both documents were approved unanimously.

There being no further business, Director Harris adjourned the meeting at 6:15 PM.

William F Harris
President

Lynne Stein
Secretary

Attachments:
September 2017 Financial Summary
2017-2018 Proposed Budget