

Emerald Bay Municipal Utility District
Regular Meeting Minutes
July 17, 2017

The Board of Directors of the Emerald Bay Municipal District met in regular session on Monday, July 17, 2017 at the District Office, 155 LaSalle Drive, Bullard, TX 75757. Present were Directors Barry Botti, Dwight Cole, Inge Grant, Bill Harris, and Lynne Stein. Compliance Officer, Lori Wiginton, and Emerald Bay resident John Bloom were also in attendance.

Director Harris asked the Board to review the minutes from the regular meeting held on April 17, 2017. Director Grant made a motion to accept the minutes as read, Dwight Cole seconded and the motion was carried unanimously.

Director Barry Botti presented the Quarterly Financial Statement to the Board. He explained that MUD has paid and had installed the second pump at the golf course pump house but that was a capital expense. He advised that sewer revenue for the year was up but so were expenses therefore our sewer net income is down. Director Botti informed the Board that our water revenue is up about \$16,000 from the previous year and water expenses are about the same as last year. Roads revenue is steady at this time but expenses are up due to the preliminary work on the street project. Director Harris interjected that he has paid back \$1,590 in roads fees to the church as they have been paying these fees for several years and the church doesn't pay property taxes which is how MUD bases charging road fees to customers. Director Botti made a motion to accept the financial statement, Lynne Stein seconded and the motion was approved unanimously.

Director Botti went over the revised quarterly budget with the Board. He explained that he had added 2 more construction permit fees into the budget as we have several new houses being built and that roads initiation fees are ahead of last year. He explained that there were no significant changes in the budget revision and it is reflecting the actual budget and projected budget for the next 3 months. Inge Grant made a motion to accept the quarterly budget, Dwight Cole seconded and the motion was carried unanimously.

Director Botti then advised the Board that it was time for the annual financial report audit request from Acker & Company. He said they would do the same thing as the last years before for \$200 more this year. Director Botti recommended that the Board keep Acker & Company as the auditors as they do a good job and are familiar with utility districts, Dwight Cole seconded the recommendation and the motion was carried unanimously.

Director Harris advised the Board that he was going to include delinquent accounts on the agenda from now on. Lori Wiginton explained that we have approximately 30 delinquent accounts from individuals who no longer live in Emerald Bay or have passed away that need to be cleared up which she is working on and we currently have about 5-6 delinquent accounts on current members. Director Stein brought up the possibility of "dinging" a customers' credit through a collection agency to attempt to collect on some of the delinquent accounts. It was explained to the Board by Director Harris that the agreements between the Club and MUD on collecting from the \$5,000 a member gets refunded when they move is only valid if the member actually signed the agreement. Lori Wiginton

advised she would continue working through these accounts and report back to the Board at a later date.

Director Harris reported to the Board the operations at the MUD plant. Director Harris explained to the Board that the webpage has been dead for about 3 years as Microsoft no longer supports Front Page so he has spoken to Group M7 Design and they are redoing the MUD webpage which may take 6-8 weeks to be completed and that he has already paid them for half of the projected costs. He informed the Board that the new website will be ADA & mobile compliant. He reported that both of the vertical turbine pumps in the golf course have been replaced and are working and stable. Director Harris advised that our third blower was back from Gardner Denver however the motor is blown in it and he will be taking it to TEMSCO to have the motor fixed and rewound. MUD is running two blowers at this time, the backup blower has been running for a week or so now and is doing well. Director Harris reported that the WWTP Rehabilitation Project (painting the sewer plant) has been put in the paper for bids by Kirk Bynum, District Engineer, and the bid opening is on Friday, July 21, 2017. He explained that AAA Sanitation was going to clean out the sludge from the tanks and that the tanks would be washed, parts taken off and blasted before painting would actually occur. The project will be done on one tank at a time as to keep the plant running. Director Cole inquired how the water wells were running and if everything was going well with them to which Director Harris responded that the water wells are running well.

Director Harris updated the Board on the ongoing street project. He explained that currently we have 315 signatures of residents who are for this project and that volunteers are still contacting the remaining membership. The yeses are a majority and the project will proceed. Director Grant and John Bloom have both been working diligently on contacting residents and that we have approximately 70 residents that have not signed in support nor objected to the project. Director Harris advised that in about 2 weeks, he will put something out on community interest that we will be closing out the letter campaign and having the official yeses added up, then he will give Kirk Bynum the go ahead to post bid requests in the paper for the project. Director Harris informed the Board that Greg Sims with Southside Bank has us locked into an interest rate of 2.3% for the loan for 120 days, and that if he sees the rates are going to bump up; Director Harris will go ahead, take the loan out and start billing residents.

There being no further business, Director Harris adjourned the meeting at 5:20PM.

Respectfully Submitted,

William F Harris
President

Lynne Stein
Secretary

Attachments:
Financial Summary
Quarterly Budget Revision