

**Emerald Bay Municipal Utility District**  
**Special Meeting Minutes**  
**Monday, October 9, 2017**

The Board of Directors of the Emerald Bay Municipal Utility District met in special session on Monday, October 9, 2017 at 10:00 AM 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 residents of Emerald Bay attended the meeting along with Compliance Officer, Lori Wiginton, and Kirk Bynum and Bryan Johnson of The Brannon Corporation.

Director Harris called the meeting to order at 10:03 AM. Director Harris advised the Board that approval was needed for a note with Southside Bank on the 2017 Street Renovation Project. He explained that the note would be for \$1,000,000.00 for 3 years at 2.3% interest rate. Upon approval of the resolution, Director Harris and Director Stein would have to sign and seal the paperwork packets upon which they would be distributed as follows: 1 to Southside Bank, 1 for the MUD office and 3 to the bond attorney.

Director Harris informed the Board that currently it is unclear what the monthly charge will be for the residents of Emerald Bay although he knows it will be less than \$50 a month. He explained that MUD is working to stabilize the lot count in Emerald Bay for residents. MUD is working with Charlie Hale and Emerald Bay HOA to determine what they consider to be membership lots. Mr. Hale has advised that he thinks if the lot has street access then it can be sold as a membership lot even if it is just a partial lot. If a partial lot does not have street access, it could not be sold as a membership lot. Mr. Hale has informed MUD that the HOA will be holding a work session on how to resolve this issue and then a HOA meeting to vote on outcome. Once MUD receives the outcome from HOA, MUD will add up the number of lots within the community and make the determination on how to charge each lot.

Director Harris read Resolution 10-9-2017 to the Board for the approval of the note from Southside Bank. Inge Grant made a motion to accept the resolution, Barry Botti seconded and the motion was accepted unanimously.

Director Harris advised the second order of business was to award the contract for the 2017 Street Renovation Project. He asked Kirk Bynum, Engineer, to explain the bids for the project to the Board. Mr. Bynum explained to the Board that there are 3 bids, a base bid, and an alternative bid 1 and alternative bid 2. He informed the Board of the difference between the 3 bids and recommended that the Board accept Alternative Bid 2 for \$1,760,607.75 from L & L Asphalt Corporation out of Tyler, TX. He explained that Alternative Bid 2 included an overlay of all streets within Emerald Bay, correcting the areas with base failure and a full depth asphalt repair of 850' of North Bay Drive from Henry Drive up the hill. Director Grant asked Kirk Bynum about communication between the contractor and MUD in order to inform the community of when certain areas of streets would be shut down or impassable. Several board members

along with the residents in attendance asked about the drainage problems within Emerald Bay. Kirk Bynum informed everyone that drainage is not a part of this project. Director Cole asked about the reputation of L & L Asphalt Corporation. Mr. Bynum explained that he has worked with L & L Asphalt on several projects and have been happy with their results and that he had not heard of any major issues with work from L & L Asphalt Corporation. Kirk Bynum informed the Board that the projected length of the project is 9 months.

Director Barry Botti made a motion to award the contract for Alternative Bid 2 to L & L Asphalt Corporation contingent on the funding of the note from Southside Bank, Dwight Cole seconded and the motion was carried unanimously.

Director Lynne Stein asked about the start date for the loan and the start day for the project. Director Harris advised that the first payment for the loan with Southside Bank will be in November 2017. Kirk Bynum explained that he is unsure of the start date for the 2017 Street Renovation Project as there will have to be a pre-construction meeting sometime after October 23, 2017 as Director Harris will be out of town until that date and depending on the weather situation. He also advised that asphalt does not work that well in colder weather so it could be possibly March 2018 before the actual asphalt work may begin however some other parts of the project may be able to be done on good weather days.

Director Harris asked for an update on the personal leave/vacation leave for the new policy. Director Stein explained that recalculations are being done with all employees time starting from their hire anniversary dates. Director Harris requested the Board look over the new policy and make notes or suggestions to bring up at the regular quarterly meeting in October. He also advised that the regularly scheduled quarterly meeting is going to be rescheduled from October 16, 2017 to October 23, 2017 as he will be out of town until then.

There being no further business, Director Harris adjourned the meeting at 10:53 AM.

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William F Harris  
President

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Lynne Stein  
Secretary

Attachments:  
Bid Tabulation Sheets