



Emerald Bay Municipal Utility District
Regular Meeting Minutes
Monday, January 18, 2021

The Board of Directors of the Emerald Bay Municipal Utility District met in regular session on Monday, January 18, 2021 at 4:40 PM at the District Office, 155 LaSalle Road, Bullard, TX 75757. Present were Directors Barry Botti, Dwight Cole, Inge Grant, Bill Harris, and Becky Kirkpatrick. Acting Business & Personnel Manager, Laurie Threet, was also in attendance.

Director Botti presented to the Board the submission and response materials regarding the Annual Audit. He noted that the auditing firm recommended that the Emerald Bay Municipal Utility District raise our capitalization limit from \$1000.00 to \$5000.00. Director Botti was in agreement with this recommendation, and Director Grant made a motion that we approve the change. President Harris seconded the motion, and the motion passed unanimously.

Being no questions from the Board, Director Botti then recommended that the Board approve the Annual Audit Report as submitted and Director Cole made a motion to approve. Director Grant seconded, and the motion passed unanimously.

Director Botti then presented the Financial Summary Report, noting that sewer and water administration expenses have increased. He noted, however, that there has also been an increase in the number of initiation fees for 2020. In Roads, revenues are less because the Roads Service charges were reduced following the settlement with L&L. In October last note payment of the streets project was paid. Because of the settlement, we have a large cash balance in the Roads account. Road revenues and expenditures should allow for a substantial cash balance available when the streets need seal coating, general repairs, and re-paving. Our cash on hand for streets is stands at \$926,575.00. Director Botti suggested that \$800,000.00 of that amount be moved into Certificates of Deposit with Southside Bank. This would be structured as four \$200,000.00 CD's, one having a six-month maturity and three having a twelve-month maturity. President Harris made a motion to approve, Director Grant seconded, and the motion passed unanimously.

With no further business in relation to the Financial Summary Report, Director Grant made a motion to approve the report as presented. Director Cole seconded, and the motion passed unanimously.

Director Botti then presented both the Original Fiscal Budget report and the First Revision of the Fiscal Budget Report. With no questions from the Board, Director Grant made a motion to accept both the Original and First Revision of the Fiscal Budget Report as presented. Director Cole seconded, and the motion carried unanimously.

President Harris presented the Operations Report, noting that the backup diesel pump at lift station #3 is currently malfunctioning. We have moved a mobile generator into position at lift station No. #3 if we were to have a severe power outage. He also noted that service had been performed to relieve several sewer lines within the community had blockages. Finally, he laid out the plan to have the ground storage tank painted on the inside. The target date for this project is Spring, 2021. President Harris noted that the job would require the water from well #3 to be redirected to the storage tower during the time of repairs, and that the job was estimated to take three weeks to complete. His estimate for the job was \$89,920.00, however this was not all-inclusive. President Harris recommended that \$110,000.00 be set aside for the storage tank painting project. Director Grant made a motion to approve, Director Botti seconded, and the motion passed unanimously.

Director Harris then outlined the need for generators to be installed at lift stations 1,2,4,5,6, and 7. The recent loss of power due to weather highlighted the importance of keeping the lift stations operational. Estimates for the generators are approximately \$9300.00 per generator. Additional expenses will be incurred to install the LP tanks needed to service the generators. Director Harris advised that the total cost for the improvements to the six lift stations would be approximately \$90,000.00. Director Cole made a motion to approve the expenditure, Director Grant seconded, and the motion passed unanimously.

Acting Business & Personnel Manager, Laurie Threet presented the Delinquent Account Report. The Emerald Bay MUD has seven accounts that are over 30 days delinquent for a total of \$873.00. One account is 60 days delinquent and owes \$91.00, and one account is over 90 days delinquent and owes \$663.80. Ms. Threet also noted that the Emerald Bay MUD provides sewer service for a few homes that are located outside our community. One of these homes was over 90 days delinquent on their account but collection in the amount of \$1604.00 has now been made. These homes receive water service from Southern Utilities. Southern Utilities has agreed to cut water service to homes that are delinquent in payments to EB MUD. Southern will charge EB MUD \$25.00 for the cut off service. EB MUD will notify Southern Utilities when the account in question becomes current, and the water service will be restored. Said account will also be responsible for reimbursing EB MUD for the \$25.00 fee.

President Harris adjourned the meeting to Executive Session at 5:37 PM in order to discuss personnel and staffing issues.

At 5:58 PM President Harris reconvened the Regular Session.

President Harris made a motion to offer Ms. Laurie Threet permanent employment as the Business & Personnel Manager, noting that she would also now become eligible for insurance coverage. Director Grant seconded the motion, and the motion passed unanimously.

Ms. Threet presented the proposed changes to the Personnel Manual. A change was made to Section 3.07 – Use of District Property and District Credit, Section 4.02 – Discrimination, Sexual Harassment, and Hostile Work Environment, Section 5.04 – Workdays, and Section 7.02 – Disciplinary Action. President Harris made a motion to accept the changes as presented and Director Botti seconded. The motion carried unanimously.

President Harris discussed a change that would be occurring regarding server security and access to data. He stated that passwords would be changed and in the future access to the server and business information contained therein would be given on a “need to know” basis. President Harris made a motion to accept this revised policy and Director Grant seconded. The motion passed unanimously.

There being no further business, Director Harris adjourned the meeting at 6:06 PM.

William F Harris
President

Becky Kirkpatrick
Secretary

Attachments:
Handbook Changes
Roads and Bridges Cash Forecast
Financial Summary Dec 2020