

EMERALD BAY MUNICIPAL UTILITY DISTRICT
FINAL AND APPROVED
MINUTES OF REGULAR MEETING
AUGUST 16, 2010

The Board of Directors of the Emerald Bay Municipal Utility District met in regular session on Monday, August 16, 2010, at 5:30 p.m. in the Emerald Bay Club, 208 South Bay Drive, Bullard, TX 75757. Present were Directors Jaymie Foote, Bill Harris, Deena Johnson, and Paul Randolph. Six (6) Emerald Bay residents attended.

Director Harris called the meeting to order at 5:35 p.m. Mr. Harris commented on the many years of unselfish service by Ray Hartley, Treasurer of the District for over 16 years. It is a tragic loss for the board and for the community. Mr. Harris advised he would change the order of the agenda to discuss and act on the appointment of a new director. He noted that District member, Dwight Cole, had consented to serve on the board. **Director Harris made a motion to appoint Dwight Cole to fill the unexpired term of Ray Hartley (May 2014). Upon second (Randolph), the motion was approved by unanimous consent.**

The next order of business was to elect officers. **Director Harris made a motion that the present officers remain the same (President—Harris; Secretary—Johnson; VP Administration—Foote and Randolph) and Dwight Cole would assume the position of treasurer. Upon second (Randolph), the motion was approved by unanimous consent.**

Dwight Cole reviewed the financial summary for July 31, 2010. Under sewer system operations, total income for the month is \$27,012 and YTD is \$223,823 (\$4,000 greater than budgeted). The July electric bill of \$6,120.96 was not recorded until August 4 so total expenses should be \$20,625 instead of \$14,504. Net income (adjusted for above) is \$5,580. Under water system operations, the total income for the month is \$31,828, total expenses are \$15,429, and net income is \$11,393. Under road & bridge operations, the total income for the month is \$3,852 and YTD net income is \$289,442. **Director Harris made a motion to approve the July 31 financial summary on a conditional basis subject to review and change by a member or members of the financial advisory group. Upon second (Randolph), the July financials were approved by unanimous consent pending review.**

Director Harris asked for comments on the Minutes of the Regular meeting of July 19 and the Special meeting of August 2. **Director Randolph made a motion to approve said Minutes with a second (Foote); the Minutes were approved by unanimous consent.**

Under field/plant operations, Director Harris reported that a concrete ridge was discovered in the center of the South Bay Bridge when approximately 150 tons of asphalt was removed from the roadway. A contractor out of Houston has a diamond cutter capable of grinding down the ridge. The bridge will be closed during this operation (about 2 days). After the concrete ridge is removed, MUD contractors will continue with the renovation project as planned with one modification. Instead of resurfacing the bridge deck with E-Crete as originally planned, the deck will be resurfaced with 1-1/2 inches of compacted hot mix. MUD engineers have decided this is the best and most cost-effective route to take because of the ridge. Even with the 1-1/2 inches of hot mix, the net weight removal from the bridge will be approximately 100 tons and the bridge meets HS-20 Standards. Also the LaSalle drainage project is underway to fix the culverts and abutments to better handle rainwater runoff from CR344 and lessen erosion of the Church's property.

Director Harris noted the third water well has been drilled and the pipeline to the ground storage tank has been completed. The County (Roads & Bridges) has agreed to install new culverts at wellsite #3. Director Harris also noted that the District has hired a new operator, Michael Fyffe. Mr. Fyffe will take the water test next week to obtain a "D" Water Operator license.

Director Harris and Edd Clark (Club Board director) met with the Upper Neches River Authority regarding property below the 355' line behind the Emerald Isle townhouses on Henry Drive. Those residents are paying property taxes on easements in the flood plain. To get this property off the tax rolls, the residents would have to give the property back to UNRA.

There being no further business, the meeting was adjourned at 6:07 p.m. upon motion duly made (Randolph) and seconded (Foote) with unanimous consent.

Respectfully submitted,

Deena M. Johnson
Secretary

William F. Harris
President