

**EMERALD BAY MUNICIPAL UTILITY DISTRICT**  
**FINAL AND APPROVED**  
**MINUTES OF REGULAR MEETING**  
**FEBRUARY 21, 2011**

The Board of Directors of the Emerald Bay Municipal Utility District met in regular session on Monday, February 21, 2011, at 5:30 p.m. in the Emerald Bay Club, 208 South Bay Drive, Bullard, TX 75757. Present were Directors Dwight Cole, Jaymie Foote, Bill Harris, Deena Johnson, and Paul Randolph. Three (3) Emerald Bay residents attended.

Director Harris called the meeting to order at 5:30 p.m. Director Harris asked for comments on the Minutes of the Regular meeting of January 17, 2011. **Director Randolph made a motion to approve the Minutes of January 17, 2011 with a second (Foote); the Minutes were approved by unanimous consent.**

Treasurer Cole reviewed the financial summary for January 31, 2011. Under sewer system operations, total income was \$27,215 (\$108,558 YTD compared to \$88,091 in 2010). Director Cole pointed out that the difference in total income from 2010 was the \$21,031 collected through the \$9.22 greens drainage service charge. Administrative expenses were only \$928 for January due to one-time insurance reimbursement of \$1,350 from Texas Municipal League (TML). Plant operating expenses were only \$2,967 as there were no chlorine charges. Net income for the month is \$10,569 (\$33,444 YTD compared to negative \$119,392 YTD in 2010 due to \$200,000 inter-company transfer to the water fund.)

Under water system operations, the total income for January was \$28,875 (\$121,198 YTD compared to \$81,243 in 2010 reflects the rate increase and higher usage due to drought). Total expenses were \$12,344 resulting in net income for the month of \$11,685 (\$53,300 YTD compared to \$212,447 in 2010 due to abovementioned inter-company transfer). Treasurer Cole explained the \$200,000 transferred from the sewer fund was for the third water well.

Under road & bridge operations, total income was \$4,086 resulting from the road maintenance charge. Treasurer Cole noted that \$8,000 has been collected YTD from initiation fees and explained that of the \$12,500 initiation fee for new members, \$10,000 is allocated to the Club, \$500 to the HOA, and \$2,000 to the District for road maintenance. Other income consists of \$192,105 transferred from the Club/HOA and \$55,104 from member assessments for bridge renovation project. The net income for January was \$3,944.

The balance sheet shows total cash accounts for January at \$518,885 and customer accounts receivables were \$66,974. Treasurer Cole noted that construction in progress (\$753,279) consisted of \$350,000 for improvement of the golf course, \$300,000 for third water well, and cost to complete installation of SCADA system. **A motion was made (Randolph) and seconded (Foote) to approve the January financials. The motion was approved by unanimous consent. After review of the January check detail, a motion was made (Randolph) and seconded (Foote) to approve all checks written for the month. The motion was approved by unanimous consent.**

Director Foote gave an update on the customer billing list project. She has worked with Club Director Edd Clark and Club office manager, Marian Gardner, to get a current member billing list. The Club's data will be consolidated with the District's billing list into a spreadsheet of all customer accounts for water, sewer, road maintenance, and drainage fees. There are 8-10 items to be resolved with the District's billing list.

Director Harris presented an update on the District's field and plant operations noting:

- (1) the installation of the SCADA system for the sewer plant is 80 percent complete;
- (2) the control panel on top of the sewer plant has been replaced;
- (3) the float switch at the Williamsburg lift station failed and has been replaced;
- (4) we will be installing SCADA on lift station #3 in the near future;
- (5) the new lift pump for lift station #8 located at the treatment plant failed in 8 days and the supplier replaced the pump at no charge;
- (6) a new 15HP pump for lift station #3 has been ordered at a cost of \$6,000;
- (7) the north wastewater treatment plant sludge return has been cleared and the plant is back up to full capacity;
- (8) we are considering putting in electrolytes for golf course pump house;
- (9) splitter box must be replaced between two sewer plants;
- (10) utility power is being installed at the #3 well site.

Mr. Harris also noted that the TCEQ will be inspecting the District's wastewater plant on March 3. The bond issue should be submitted to the state attorney general this week. It will take about 30 days to finish the process with the TCEQ. The total of the two Notes is \$799,950 with \$300,000 designated for the #3 water well and \$499,950 for golf course drainage.

There being no further business, the meeting was adjourned at 6:05 p.m. upon motion duly made (Randolph) and seconded (Foote) with unanimous consent.

Respectfully submitted,

---

Deena M. Johnson  
Secretary

---

William F. Harris  
President

Attachments:  
Financial Summary for January 31, 2011  
Check Detail for January 2011