

EMERALD BAY MUNICIPAL UTILITY DISTRICT
FINAL AND APPROVED
MINUTES OF SPECIAL EMERGENCY MEETING
SEPTEMBER 8, 2006

The Board of Directors of the Emerald Bay Municipal Utility District met on Friday, September 8, 2006, at 7:45 a.m., at the MUD Plant, 155 LaSalle Drive, Emerald Bay, Bullard, TX 75757. Present were Directors Bill Harris, Ray Hartley, Deena Johnson, Howard Rutherford, and Robert Worsham. One Emerald Bay resident also attended.

President Harris placed a call to Chuck McCool, the insurance adjuster for the Texas Municipal League, at 7:45 a.m. Mr. Harris reviewed the Carver residence claim and opened the floor for questions to be addressed to Mr. McCool. Director Hartley noted the homeowner wanted to submit a claim for electricity usage during the cleanup. Mr. McCool requested electricity statements for the three months prior to the incident and the month the incident occurred.

Director Worsham asked Mr. McCool whether there was a deductible on the policy. Mr. McCool explained the policy is a contract with the TML—not an insurance policy. The District is a member of a fund and there is no deductible.

Mr. McCool further explained the considerations given in assessing the claim. As the resident only occupies the property on weekends, the life of the carpeting was extended from 7 years to 10 years and depreciated only 20 percent. Director Harris requested that Mr. McCool contact the homeowner to explain the settlement. It is the consensus of the Board members that only the insurance adjuster and the claimant be involved in the settlement of any and all damage claims against the District.

There being no further business, the meeting was adjourned at 8:02 a.m.

Respectfully submitted,

Deena M. Johnson
Secretary

William F. Harris
President