

EMERALD BAY MUNICIPAL UTILITY DISTRICT
FINAL AND APPROVED
MINUTES OF SPECIAL EMERGENCY MEETING
OCTOBER 9, 2006

The Board of Directors of the Emerald Bay Municipal Utility District met on Monday, October 9, 2006, at 11:00 a.m., at the MUD Office, 155 LaSalle Drive, Emerald Bay, Bullard, TX 75757. Present were Directors Bill Harris, Ray Hartley, Deena Johnson, and Robert Worsham. Director Rutherford was absent.

President Harris convened meeting at 11:06 a.m. to discuss the proposal and conditions for the District to provide the Emerald Bay Club with emergency water to irrigate the golf course. Director Worsham noted the proposal is only offered in answer to the Emerald Bay Club's request for water to irrigate the golf course. The District's first priority is to provide water to the residents of the District. Any increase in water capacity after installation of larger pumps should be more proportionately divided to service the District's residents. Mr. Worsham preferred the 70 percent recovery calculation, but would agree to 60 percent if that was the consensus of the other directors. President Harris did not have a preference, and Drs. Hartley and Johnson favored 60 percent.

Ray Hartley presented the revised proposal calculated on a 60 percent recovery for a minimum of 6,857,142 gallons over a one-year period would render \$12,000 to the District. Even though the Emerald Bay Club would agree to pay 60 percent of the well expansion cost; the Club would actually be paying only 50 percent of the well expansion as 10 percent of the cost would be for installation of the pipeline, piping, meter, backflow prevention device and other parts. The Club would pay only 60 percent of the actual cost of the project not the projected cost. **The Club will pay a flat monthly fee of \$1,285.00 for one year.** Director Hartley will finalize the proposal to the Club for their approval.

If the Club approves the proposal, Russell Drilling will be contracted to pull the present pumps and install new **12-stage pumps** at an estimated cost of **\$17,400.** Director Worsham requested cost information to replace the motors at the same time. Additionally, the District must lay a 2-inch line to the holding pond, install a 2-inch water meter, gate value and backflow device.

Proper notice will be given to all residents notifying of the shutdown and restriction of water usage to household needs only (no outside watering). All storage

facilities will be filled to capacity prior to shutting down the system to change the pumps. Estimated time for changeover operation is 36 hours.

There being no further business, the meeting was adjourned at 12:10 p.m.

Respectfully submitted,

Deena M. Johnson
Secretary

William F. Harris
President

Attachment: Proposal #2 for EB Golf Course