

EMERALD BAY MUNICIPAL UTILITY DISTRICT
FINAL AND APPROVED
MINUTES OF SPECIAL MEETING
NOVEMBER 26, 2007

The Board of Directors of the Emerald Bay Municipal Utility District met in special session on Monday, November 26, 2007, at 3:00 p.m., in the President's Room of the Emerald Bay Clubhouse, Emerald Bay, Bullard, TX 75757. Present were Directors Bill Harris, Ray Hartley, Paul Randolph, Howard Rutherford, and Deena Johnson. Glen Patrick (District's legal counsel) and thirteen (13) Emerald Bay residents attended the meeting.

President Harris called the meeting to order at 3:05 p.m. and explained the purpose of the adoption of the non-standard rules was to protect the District members from bearing the expense of expanding the water and sewer facilities to service any future commercial and/or residential developments both inside and outside the boundaries of the District.

Director Harris addressed the request for non-standard service by developer, Larry Cawthon, for his LaSalle project. Director Harris read the procedures (listed below) to be followed by Mr. Cawthon in order for the District to provide water and sewer service for six (6) new residences on LaSalle.

1. Submit three (3) copies of an engineered preliminary plan or final plat as approved by the Smith County Commissioners Court. If the Smith County Commissioners Court does not require a plat for this development, the Applicant must provide a certified letter from the Smith County Commissioners Court advising a new plat is not required for this project. A plat drawn to scale showing all lot lines, easements, dimensions and layout of proposed structures including proposed utility connection points must be provided for the District's engineer to perform a feasibility study.
2. Applicant will provide a completed Preliminary Application for Non-Standard Water and/or Wastewater Subdivision Service (Appendix 1B) with a deposit of \$850 payable to the Emerald Bay Municipal Utility District.
3. Applicant will pay all required fees with application and the funds will be held in an escrow account until completion of the project. Any excess monies in escrow account will be refunded or any additional costs will be billed upon completion of project.
4. Applicant must submit construction plans and specifications prepared by a licensed, professional engineer for requisite improvements to the system's infrastructure to service a proposed "interior" development for review by District's engineer.

5. District will assist the Applicant in anyway to determine the location of utility service lines, best method of extending utility lines and connections, and any manhole repairs that may be required for extension of service.
6. Payment of applicable sewer and water tap fees at \$750/each are due upon approval of building permit or upon application for service.
7. Applicant must secure District approval of contractor prior to sewer line construction and installation of sewer taps.
8. District will construct all water connection lines and install water taps. Direct pass-through costs will be billed to the Applicant/Developer.

Mr. Cawthon inquired about the location of water and sewer lines on his LaSalle property to service six (6) new homes. Mr. Harris noted the District will determine the exact location of the water lines that run along Lasater and the best method to install the new water lines to service his development. In regard to the sewer lines, Mr. Harris noted the depth of the manhole on Cawthon's property might be an issue. A 6-inch sewer line will have to be installed along LaSalle with a cleanout at the MUD plant's fence. Mr. Cawthon indicated the requirements and fees were reasonable, and he would comply with the stated procedures for the requisite non-standard service.

Director Johnson asked the directors to review the revisions to the Chapter 7 rules and reduced fees recommended for non-standard service to an interior development. She also asked directors to determine whether the interior development definition shown in Schedule "C" should be six (6) or ten (10) lots/connections. **Director Hartley made a motion to use six (6) lots for definition and said motion was approved unanimously. Director Johnson then made a motion (seconded by Rutherford) to accept the revisions to Chapter 7 non-standard rules and said motion was approved by unanimous consent.** The revisions must be published in the newspaper for two consecutive weeks and will be effective five (5) days after last publication date.

President Harris introduced Glen Patrick (the District's attorney) to discuss the Open Meetings Act. A "meeting" is defined as a deliberation between a quorum of an organizational board or gathering of a quorum of the organizational board to discuss public business or public policy during which the governmental body takes formal action. A "deliberation" is a verbal exchange during a meeting of a quorum of a governmental body concerning an issue within the jurisdiction of the governmental body or any public business. The meeting notice has to be posted at least 72 hours prior to the meeting. Only items on the posted agenda can be discussed at the meeting. Board members may answer questions on items not listed on the agenda if they can be answered with a couple of sentences; otherwise, the items should be placed on the agenda for the next meeting. One to two hours of training is required for each board member (training videos are available through the Texas Attorney General's office). Mr. Harris pointed out a violation of the Open Meetings Act can result in a misdemeanor charge.

Mr. Patrick defined “closed meeting” or executive session as a meeting to which the public does not have access. A closed meeting must be posted and a recording and/or certified agenda of proceedings in closed session must be preserved for at least two years after the meeting date. Closed meetings are permitted for consultation with attorney regarding litigation, real property matters, and personnel matters.

Mr. Patrick addressed the five (5) member board stipulation set by the state legislature (Sec. 54.101). A municipal utility district shall be governed by a board of five directors. Even the commissioner’s courts of large counties consist of only five members. A “quorum” is a majority of the board members. For special called meetings, a super majority or four members must be present and four members must vote on each motion.

Lastly, Director Harris will notify Larry Cawthon of the District’s adoption of plumbing codes. Director Randolph discussed briefly the necessity for implementation of plumbing and electrical inspections of all new construction and major remodeling projects.

Upon motion duly made (Randolph) and seconded (Harris), the meeting was adjourned at 4:07 p.m.

Respectfully submitted,

Deena M. Johnson
Secretary

William F. Harris
President