



The Board of Directors of the Emerald Bay Municipal Utility District met in regular session on Monday, July 19, 2021 at the District Office, 155 LaSalle Road, Bullard, TX 75757. Present were Directors Dwight Cole, Inge Grant, and Bill Harris. District Business Manager, Lorraine Threet was also in attendance along with Jim Chase.

President Harris called the meeting to order at 5:00 PM.

President Harris made a motion that the minutes of the April 19, 2021 meeting be approved. Director Grant seconded the motion, and the motion passed unanimously.

District Business Manager Lorraine Threet presented the financial report, noting that sewer revenues have been fairly consistent, but expenses in this category are up slightly due to the extra repairs made to lift stations. Comparing year-to-date Net Income: \$113,919 for 2021 and \$133,586 for 2020 - Net Income from year-to-year is down a little.

Water revenues for the month are down \$8000 compared to 2020 due to the increased amount of rainfall we have received. Road's revenues are up \$28,000 due to the number of new members moving into the community. Within the last 2 years there as been a 33% turnover rate in the community. We could surpass that this year, but it will soon plateau. Director Cole made a motion to accept the financial report, Director Grant seconded the motion, and the motion passed unanimously.

District Business Manager Lorraine Threet presented information that will affect the current budget, but full details regarding these adjustments are not yet known at this time. Adjustments have to be made to previous allowances due to an average increase of approximately 40% in steel and other materials, as well as unforeseen repairs to additional equipment. Original cost of the ground storage tank was \$78k. Replacement tanks will be considerably higher now. When all estimates and bids are submitted a fully revised budget will be brought before the board.

Director Harris made a motion to remove the greens fees of \$9.22 from billing since the debt has been retired, but increase the water and sewer charges. Due to increased costs of materials for repairs, equipment costs, and payroll expenses the monthly charges of water and wastewater should increase by \$3.75 each. The motion was seconded by Director Cole and passed unanimously.

President Harris presented the operations report, noting the following:

1. We are looking for ways to save money on the ground storage tanks.
2. We have a chlorination problem with Well# 2 and it is currently out of service.
3. We have a continuing problem with inflow and infiltration of rain water that is causing a problem with our lift stations, plant, and other essential equipment. It is a longterm problem that we are addressing.

4. The backup generator project is well underway on the existing (6) six small lift stations. All of the LP Gas tanks are installed and we are preparing to build pads for the generators.
5. We are still trying to get Oncor to examine power poles and determine if the meter will have to be moved so we can continue with plans to add a storage building to the MUD property.

Director Harris provided information regarding the Texas Water Code Backflow and Customer Service Inspection rules. He noted that TCEQ rules require the District to create and enforce a working policy referred to as a "Cross Connection Program". He made a motion that any backflow device within the District be inspected every 5 years. The individual property owner will be notified by letter every 5 years when their backflow device is due for inspection and the customer must return a backflow inspection certification within 60 days in order to maintain water service. The cost of the inspection shall be borne by the owner of the property where said backflow devices are located. The motion was seconded by Director Cole, and passed unanimously.

Director Harris presented a motion to hire 2 new operators due to the resignation of Brent Little. One is a licensed water operator and the other holds multiple licenses, all of which will be a great asset to our organization. The motion to hire both operators was seconded by Director Cole, and passed unanimously.

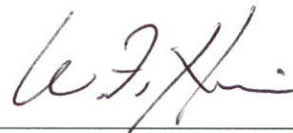
Director Harris made a motion to approve a payment in the amount of \$3500.00 to Mr. Danny Fountain for damages to equipment from powerlines supplying power to our well. The motion was seconded by Director Cole, and passed unanimously.

Director Harris presented an update on the newest stage in the Mallards Cove development, which has been inspected by Brannon Corp. and is in compliance thus far.

There being no further business, Director Harris adjourned the meeting at 6:52 PM.



Becky Kirkpatrick, Secretary



William Harris, President