

**MINUTES OF A REGULAR MEETING
OF THE BOARD OF DIRECTORS
HORIZON REGIONAL M.U.D.**

A regular meeting of the Board of Directors of the Horizon Regional M.U.D. was held on Tuesday, September 26, 2013 at 6:00 p.m. at 14100 Horizon Blvd, Horizon City, Texas, pursuant to notice given in accordance with the law.

The attendance roll was signed by the members of the board, to-wit:

Benny Davis	President- Not Present
Maureen Singleton	Vice President
Bob Jarvis	Secretary
Kit Thomas	Treasurer
Bonnie Moorhouse	Asst. Secretary

A quorum was established. Also in attendance were the District's consultants: Severn Trent's Service, Inc. (Mrs. Janita Williams, Mr. Charlie McGinnis); TRE & Associates, Inc. (Ms. Troncoso). President Davis called the meeting to order. The Pledge of Allegiance was said with audience participation.

Agenda

Item

4: **RECEIVE CITIZEN COMMUNICATIONS:**

Mrs. Pena noted met with Director Davis and Mr. Pepe and is seeking a delay of a week or two for the Grand opening of the Restaurant, since several Walls need replacement. Mrs. Pena also noted she has obtained all of the permits needed to open the Restaurant. Director Jarvis noted very impressed with all of the remodeling, and Director Singleton has been by to see the progress and is very happy.

Mr. Alan Petrov noted no action needed to be taken, since the Commencement date is not tied with the 18 Months of no rent, as described in contract. Director Singleton wanted to know if the Liquor license would extend to sell liquor in the Golf Course and Mrs. Pena noted the license does allow sale in the Golf Course.

5: CONSENT AGENDA:

- A: Consider and Take Action to Approve the Minutes of the Regular Meeting held on August 22, 2013 and Special Meeting held on September 05, 2013 and Special meeting held on Sept 19, 2013.**
- B: Consider and take Action to Approve the Payments of Bills and Invoices for Operations and Construction, and to approve the Transfer of Funds.**
- C: Consider and take Action to Approve the Financial Statement for the Month Ending August 31, 2013.**

Motion was made by Director Thomas and seconded by Director Jarvis to approve the consent agenda.

Vote was unanimous to approve.

6: Consider and Take Action on Management Report relating to Management and Operational Activities of the District. (Management)

Mr. McGinnis noted there was 26 net change meters for the month of Sept 12, 2013
Total gallons of water pumped in August 157,887,900. Capacity of Wheeler Wells is at 48.31% and Desert Well Field is at 53.49%. Wastewater is Minus 8 and total net change 92. Total plant capacity is 3.0 MGD and Percent Capacity is 53%.

Capital project –Booster pump #4 Ms. Troncoso the Engineer will be reporting on this project. Mr. McGinnis moved to read Joe Paxton's report. In Joe's report, El Paso Hills Lift station is running on one side, all other lift stations are fully operational. All meters have been calibrated second week of September; the rains of September 12 caused flooding at the wastewater plant. Mr. McGinnis moved to set October calendar.

Motion to approve the Managers report was made by Director Thomas and seconded by Director Jarvis.

The ensuing vote was unanimous to approve.

7. **Consider and take action on Management Report Relating to Management and Operational Activities of Spray Field No. 1. (Spray Field Management)**

Mr. Gates Jeff Read the report of progress for the Spray Field. Mr. Gates noted irrigation is still being worked on; some seed was washed out on #5-7-12-13, and replaced 30 heads, that need to be dug up. In the fairways there is still bare areas that need to be germinated, it appears the areas not germinating are contaminated, will need to replace with fresh soil and fresh sand and peat mixture and then seed again.

Directors Jarvis and Engineer Ms. Troncoso were very impressed on Spray Fields improvements.

The tee consoles, water stations, cart rakes, and seed and soil and buckets have been ordered, total cost \$12661.00. Need to send a check for signs and Carts.

For the carpet needing steam cleaning, received 2 bids.

I have put together a proposed list based on my information on other courses; need to decide what the rates will be?

Motion to take action on operational Spray field No. 1 report by Director Jarvis and seconded by Director Thomas.

The ensuing vote was unanimous to approve.

8. **Consideration and possible action on a Take Over Agreement with the Hanover Insurance Company, the bonding agent on the District's Booster Pump Station No. 4 Project. (Legal Counsel)**

Legal Counsel Mr. Alan Petrov noted this is the project with Red Cliff is going out of business, Hanover Insurance, bonding agent taking over, Bonding agent will pay whatever is owed to Red Cliff Company.

Motion made to approve taking over the agreement with the Hanover Insurance, and the bonding agent was made by Director Jarvis and seconded by Director Thomas.

The ensuing vote was unanimous to approve

9. **Consider and Take Action on repairs for Well 1-38 from West Texas Water Well Service. (Management)**

Charlie McGinnis noted need repairs on well 1-38 and received two quotes, the one from Drilling and Pump Solutions for \$20,265.00 and the other from West Texas Water Well service for \$16,052.50, the lowest quote was from West Texas.

Motion to grant contract to the lowest bidder West Texas Water Well Service was made by Director Thomas and seconded by Director Moorhouse.

The ensuing vote was unanimous to approve.

10. **Consider and Take Action on Repairs for Well 2-32 from West Texas Water Well Service. (Management)**

Mr. McGinnis noted need repairs for Well 2-32 and received two quotes, one from Drilling and Pump Solutions, for \$20,265.00 and West Texas Water Well Service for \$16,052.50

Motion made to grant the contract to the lowest bidder West Texas Water Well Service was made by Director Thomas and seconded by Director Moorhouse

The ensuing vote was unanimous to approve.

11. Consider and Take Action on Purchase of Storage Container from Mobile Mini Inc. (Management)

Mr. McGinnis noted we are presently renting storage containers and would like to purchase rather than rent, to save money. The price for a container is \$4345.00. Director Thomas asked if the container would be a new one, or the container we already have? Mr. McGinnis noted a new one.

Motion was made by Director Thomas to purchase instead of renting storage containers and seconded by Director Jarvis.

The ensuing vote was unanimous to approve.

12. Consider and Take Action on Engineering Report Relating to Construction and Activities of the District. (Engineering Consultant)

Ms. Troncoso noted no Applications for Service Commitment, the construction Plan Review is the same as discussed in Operations Whataburger and Taco Bell. Construction Observation and Approved Utility Service Commitments. Director Thomas requested if possible to add committed LUE's to every page. Director Moorhouse wanted to know the opening date for Wal-Mart and Ms. Troncoso noted as soon as paperwork is turned in. Director Moorhouse wanted to know if Horizon View Estates had been accepted and Ms. Troncoso noted only the 1st face has been accepted.

Moved to projects under construction:

Lagoon Decommissioning & Spray Field # 1 Effluent Lift Station- TCEQ has approved the design of the Spray Field #1 Effluent Lift Station, this project will advertise in October for award in October 2013.

WWTP Bar Screen Improvements- The bar screen design has been approved by TCEQ, this project to advertise in beginning of September 29, 2013 for award in October BOD meeting.

RO Concentrate Disposal and Permit Amendment- Final permit received, is now in process of finalizing the electrical and structural design for the concentrator unit and is currently submitted to TCEQ. Project will be advertised in October to award in November 2013.

The additional evaporation ponds is complete and TCEQ Approval has been received, the project will begin advertising for bid on September 29, 2013 to award in October BOD meeting.

RO Prefiltration- Evaluation of water samples for Well 8 pending and well 7 scheduled for Tuesday, Evaluation of skid system and filters to be determined pending additional information, a recommendation for the design and equipment purchase will be provided in October.

Booster Pump Station#4 – TRE is working with Surety Company in order to facilitate project completion.

Spray Field No.1Irrigation System Improvements- Design on hold, pending further direction from the Board of Directors.

Motion made to accept the Engineers Report was made by Director Thomas, Director Jarvis Seconded.

The ensuing vote was unanimous to approve.

13. Consider and Take Action on an amendment to the District's rate scheduled to include a price for the sale of raw water. (Legal Counsel)

Mr. Alan Petrov noted rate table does not provide raw water, very likely to use effluent water new leasee requested price for 50%, Mr. McGinnis no price set up, but after investigating will probably cost 98 cents per 1000. Director Jarvis noted since it has to go thru the RO, cost of pipe information given to Director Davis, Mr. Davis is absent today.

Motion to Table Item until Spray Field committee meets Oct 3rd was made by Director Jarvis and seconded by Director Thomas.

14. Consider and Take Action on Lease Agreement on Golf Course

Mr. Alan Petrov received a punch list of 37 Items needing discussion, Matt Pepe noted unfortunately our attorney is out of the country and sent old list. Mr. Crowder Items have been addressed and ready to act, items tweaked in general Red line document corresponds with our understanding raw water needs numbers; Mr. Alan Petrov noted had conference with attorney, phone out of service lost communication.

Mr. Alan Petrov to enter into executive session, executive session was entered at 7:03 p.m. and came back from executive session at 7:47 p.m.

Mr. Alan Petrov will have a meeting on Oct 3rd Thursday, Mr. Pepe we could get our attorney to work A.S.A.P and finalize draft.

Motion to Table until Oct 3rd Spray Field Meeting to take action on Lease Agreement with Horizon Delta was made by Director Thomas and seconded by Director Jarvis.

The ensuing vote was unanimous to approve.

**15. Consider and Take Action on the District Budget for Fiscal Year 2013-2014.
(Management)**

Mr. Charlie McGinnis recommended for Budget to be approved, Mr. Alan Petrov noted October 1 Thru September 31 is the fiscal year to adopt the budget.

Motion made by Director Thomas to approve the Budget for Fiscal Year 2013-2014 and seconded by Director Jarvis.

16. Reports and Discussion of Other Matters That May Come Before the Board.


Director Moorhouse was appointed to Rio Grande Council, Director Singleton is happy Director Davis is doing better, and happy with New Leaser. Jay Blobner from Horizon City Improvements thanked Horizon Regional for the help and support during the raining season.

There being no further business before the Board, the meeting was, upon motion duly made, seconded and carried, adjourned at 7:54 p.m.

READ, APPROVED, AND ADOPTED THIS _____ DAY OF October 24, 2013.



Maureen Singleton, Vice President
Board of Directors
Horizon Regional M.U.D.



Bob Jarvis, Secretary
Board of Directors
Horizon Regional M.U.D.

JW/CM