

**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 Thursday April 23, 2015 at 6:00 p.m. 14100 Horizon Blvd, Horizon City, Texas, pursuant to notice given in accordance with the law.

The roll was called of the members of the board, to-wit:

Benny Davis	-	President
Bonnie Moorhouse	-	Vice President
Bob Jarvis	-	Secretary
Florence K. Thomas	-	Treasurer
Dean Hulsey	-	Not Present

Director B. Davis called the meeting to order. A quorum was established. Also attending the meeting were the District's consultants: Severn Trent Services. Account Manager Charlie McGinnis and Administrative Assistant Elvia Munoz, Branch Manager Mark Steelman, TRE & Associates, Inc. Linda Troncoso, Xochitl Aranda, and District Attorney Alan Petrov. The Pledge of Allegiance was said with audience participation.

4. RECEIVE CITIZEN COMMUNICATIONS

Mr. Schaar explains to Board Members that he was involved in some developments here in Horizon City. Mr. Schaar is asking Board Members for help to collect his money from the lots. Mr. McGinnis advised all that he was waiting on Attorney A. Petrov for approval. Ms. Cecil Armstrong also asked Board Members to please rush process for collection. Ms. Armstrong explained that \$3,100.00 has been collected and that a different address that has been given service, that specific customer has not paid additional fees. Ms. Armstrong concluded that she would like the Board to have this resolved. Director B. Davis apologized to Mr. Schaar and Ms. Armstrong. Director B. Davis advised them that he would have Attorney A. Petrov and Mr. McGinnis resolve this as soon as possible and would have Mr. McGinnis call them back with resolution.

5. CONSENT AGENDA.

- A: Consider and Take Action to approve the Minutes of the Regular Meeting held on March 26, 2015, and Special Meeting held on March 19, 2015.
- B: Consider and Take Action to Approve the Payment 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 March 31, 2015.
- D: Consider and Take Action on Lagoon Decommissioning project Pay Estimate No. 7.
- E: Consider and Take Action on RO Pre-filter System Improvements Project Pay Estimate No.3.
- F: Consider and Take Action on Acceptance of Darrington Eastlake Commercial Improvements for Operation and Maintenance.
- G: Consider and Take Action on RO Concentrator Project Pay Estimate No. 4.
- H: Consider and Take Action on RO Pre-Filter System Improvements Pay Estimate No. 3.
- I: Consider and Take Action on Acceptance of Rancho Desierto Bello 6 for Operations and Maintenance.

Items D and H were pulled off and deleted.

Motion was made by Director B. Jarvis and seconded by Director K. Thomas to approve the payment of bills, invoices, minutes of the regular meeting, special meeting, financial statement for the month, and transfer of funds with the exception of D and H.

Vote was unanimous to approve.

6. **REVIEW AND APPROVE QUARTERLY INVESTMENT REPORT ANNUAL REVIEW OF THE DISTRICT'S INVESTMENT POLICY, IF NECESSARY.**

Motion was made by Director K. Thomas and seconded by Director B. Jarvis to approve Quarterly Investment Report.

Vote was unanimous to approve.

7. **CONSIDER AND TAKE ACTION ON MANAGEMENT REPORT RELATING TO MANAGEMENT AND OPERATIONAL ACTIVITIES OF THE DISTRICT.**

Director B. Davis asked on unaccounted water. Mr. McGinnis explained that the office is sending out 50-70 meters per month to replace for all the nonworking meters. Mr. McGinnis also informed Board Members that he had just been informed by one of our operators that on the sewer treatment plant influent lift station had developed a leak at the concrete part of wet well. A contractor had already been notified to come and look and to give a price on repair. Contractor will be there tomorrow and Ms. Troncoso will be meeting with them tomorrow as well.

Account Manager Mr. McGinnis explains the net water connections. Total active, inactive and district meters for the month are: 10,008. Averaging connections per last (3) months= 11

Mr. McGinnis continues with well pumping report: Total gallons pumped for March 2015 were 140,123,700. Wheeler well field capacity is at 40.48% and Desert Well field is at 46.55% Waste water system reports total for the month of March 2015 is 7455 and year to date net change (6 month) is 178 averaging connections per last 3 months = 8

Influent received in March 2015 was 76,218,000 and effluent delivery total was 73,169,400 well water spray field is 3,976,000.

GLO 22,715,000 and SPUR 46,478,400

Total plant capacity: 3.0 MGD

Percentage of capacity: 73.3%

Mr. McGinnis reported that 3 customers were assisted with late fees. All inquiries were resolved. For the month of April Mr. McGinnis advised that a total of \$1,889 delinquent letters were mailed and 80 disconnections were done. Mr. McGinnis concluded that approval was needed to send \$2,186.66 to collections and \$37.28 for write offs. Director B. Jarvis asked Mr. McGinnis to please provide a 2 year tax report and present the report at the next budget meeting.

Motion was made by Director K. Thomas and seconded by Director B. Jarvis to approve Management Report and to send \$2,186.66 to collections and \$37.28 for write offs.

Vote was unanimous to approve.

Branch Manager Mr. Mark Steelman explains to Board Members about reorganizations at Severn Trent Services. Mr. Steelman advised Board Members he would be point of contact and next presented Mr. McGinnis as the new Account Manager, explained that the Account Manager would be to serve the Board. Next Mr. Steelman presented Mr. Joe Paxton as the new Operations Manager and Mr. David Munoz as the new Maintenance Manager. Director B. Davis asked if he would be here for the District more often. Mr. Steelman advised he would be here at least one week per month. Mr. Steelman concluded by presenting Ren Nelson Director AVR, Inc. Ms. Nelson is the billing Director and explained that she would be here to visit quarterly. Director B. Davis advised Mr. Steelman that he and the Board were very happy to know he would the new Branch Manager.

8. CONSIDER AND TAKE ACTION ON THE ENGINEERING REPORT RELATING TO CONSTRUCTION AND ENGINEERING ACTIVITIES OF THE DISTRICT.

Ms. Troncoso explains that on RO Membrane the supplier should give a 5 year warranty to the District. On the RO Concentrator building it is completed and awaiting on equipment arrival and GST to be erected. Next Ms. Troncoso advised that the pre-filters were delivered last month and pipe is being installed. The RO Membrane replacement TRE is currently awaiting receipt of the final warranty documents in order to proceed with recommendation of acceptance. The El Paso Hills Lift Station Replacement the TCEQ has approved the design of the lift station and the electrical and structural designs are underway.

Motion was made by Director B. Jarvis and seconded by Director K. Thomas to approve Engineering Report.

Vote was unanimous to approve.

9. CONSIDER AND TAKE ACTION ON MANAGEMENT REPORT RELATING TO MANAGEMENT AND OPERATIONAL ACTIVITIES OF SPRAY FIELD NO 1.

Director K. Thomas advised no changes and explained golf course would reopen tomorrow. Director B. Davis explained that there was a wine tasting event last week on Saturday, and was very successful. Director B. Davis advised that Mr. Delgadillo had made \$1,500.00 in parking and concluded that this event was to help and benefit the March of Dimes.

10. CONSIDER AND TAKE ACTION ON RO MEMBRANE REPLACEMENT PROJECT.

Attorney A. Petrov explains that he is trying to keep the retainage on the RO Membrane Replacement Project. Director B. Davis asked if this can be an automatic warranty in the contract. Mr. Petrov explained only if membranes were not working. Director B. Davis said in theory it would not cost if collected from their retainage.

11. CONSIDER AND TAKE ACTION ON INCENTIVE FOR RO CONCENTRATOR PROJECT.

Ms. Troncoso explained she had no price yet on the RO Concentrator Project. Mr. Petrov advised this can be placed on a change order. Ms. Troncoso advised Board Members she would get back with them with a price.

12. CONSIDER AND TAKE ACTION ON CHANGE ORDER FOR SPRAY FIELD IRRIGATION SYSTEM IMPROVEMENTS.

On the change order for Spray Field Irrigation System Improvements, Ms. Troncoso explained she and Mr. Petrov had discussed letter that had been received from CSA. Mr. Petrov advised for Board Members to read the letter.

Motion was made by Director B. Jarvis and seconded by Director K. Thomas to reject request for extension of monies.

Vote was unanimous to approve.

13. CONSIDER AND TAKE ACTION ON SPRAY FIELD LIFT STATION PROJECT.

On the Spray Field Lift Station Project, Ms. Troncoso advised she had 3 different prices. First one was RM Wright Construction Co., second was Martinez Bros Contractors, LLC, and last one was Bain Construction. Director B. Jarvis asked if TRE be billing for the services as well. Ms. Troncoso replied yes

it would require two different crews.

Motion was made by Director K. Thomas and seconded by Director B. Jarvis to table item #13 for special meeting. Attorney A. Petrov will be via-telephone.

Vote was unanimous to approve.

14. EXECUTIVE SESSION.

At 6:59 p.m. Board Members, Attorney A. Petrov and Engineer L. Troncoso went into executive session. At 7:24 p.m. Board Members, Attorney A. Petrov and Engineer L. Troncoso returned from executive session.

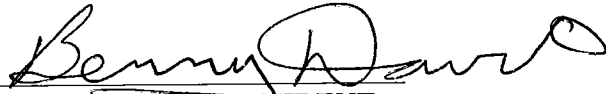
No action Taken.

15. REPORTS AND DISCUSSION OF OTHER MATTERS THAT MAY COME BEFORE THE BOARD.

Attorney A. Petrov advised Board Members that the District can refinance 2007 Bond and could save \$300,000.00 or more depending on interest rates. Director B. Moorhouse advised that the voting registration list that was given was incorrect.

There being no further business before the Board, the meeting was upon motion made by Director K. Thomas duly made and seconded by Director B. Jarvis all in favor and carried, adjourned at 7:35 p.m.

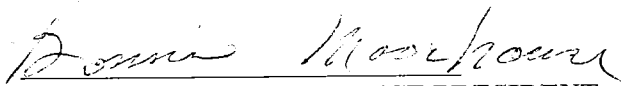
READ, APPROVED, AND ADOPTED THIS 28th OF MAY 2015.



BENNY DAVIS, PRESIDENT

Board of Directors

Horizon Regional M.U.D.



BONNIE MOORHOUSE, VICE PRESIDENT

Board of Directors

Horizon Regional M.U.D.

EM/CM

**ATTACHMENTS AND HANDOUTS
FOR THE BOARD OF DIRECTORS MEETING HELD APRIL 23, 2015**

AGENDA ITEM	ATTACHMENTS AND HANDOUTS	ACTION TAKEN
4:	RECEIVE CITIZEN COMMUNICATIONS.	N/A
5:	CONSIDER AND TAKE ACTION TO CONSENT AGENDA.	APPROVED 4-0
5A:	CONSIDER AND TAKE ACTION TO APPROVE THE MINUTES OF THE REGULAR MEETING HELD ON MARCH 26, 2015 AND A SPECIAL MEETING HELD ON MARCH 19, 2015.	APPROVED 4-0
5B:	CONSIDER AND TAKE ACTION TO APPROVE THE PAYMENT OF BILLS AND INVOICES FOR OPERATIONS AND CONSTRUCTION: AND TO APPROVE THE TRANSFER OF FUNDS.	APPROVED 4-0
5C:	CONSIDER AND TAKE ACTION TO APPROVE THE FINANCIAL STATEMENT FOR THE MONTH ENDING MARCH 31, 2015.	APPROVED 4-0
5D:	CONSIDER AND TAKE ACTION ON LAGOON DECOMMISSIONING PROJECT PAY ESTIMATE NO. 7.	DELETED
5E:	CONSIDER AND TAKE ACTION ON RO PRE-FILTER SYSTEM IMPROVEMENTS PROJECT PAY ESTIMATE NO. 3.	APPROVED 4-0
5F:	CONSIDER AND TAKE ACTION ON ACCEPTANCE OF DARRINGTON EATLAKE COMMERCIAL IMPROVEMENTS FOR OPERATION AND MAINTENANCE.	APPROVED 4-0
5G:	CONSIDER AND TAKE ACTION ON RO CONCENTRATOR PROJECT PAY ESTIMATE NO. 4.	APPROVED 4-0
5H:	CONSIDER AND TAKE ACTION ON RO PRE-FILTER SYSTEM IMPROVEMENTS PAY ESTIMATE NO, 3.	DELETED
5I:	CONSIDER AND TAKE ACTION ON ACCEPTANCE OF RANCHO DESIERTO BELLO 6 FOR OPERATIONS AND MAINTENANCE.	APPROVED 4-0
6:	REVIEW AND APPROVE QUARTERLY INVESTMENT REPORT ANNUAL REVIEW OF THE DISTRICT'S INVESTMENT POLICY, IF NECESSARY.	APPROVED 4-0
7:	CONSIDER AND TAKE ACTION ON MANAGEMENT REPORT RELATING TO MANAGEMENT AND OPERATIONAL ACTIVITIES OF THE DISTRICT.	APPROVED 4-0
8:	CONSIDER AND TAKE ACTION ON THE ENGINEERING REPORT RELATING TO CONSTRUCTION AND ENGINEERING ACTIVITIES OF THE DISTRICT.	4-0
9:	CONSIDER AND TAKE ACTION ON MANAGEMENT REPORT RELATING TO MANAGEMENT AND OPERATIONAL ACTIVITIES OF SPRAY FIELD NO 1.	N/A
10:	CONSIDER AND TAKE ACTION ON RO MEMBRANE REPLACEMENT PROJECT.	N/A
11:	CONSIDER AND TAKE ACTION ON INCENTIVE FOR RO CONCENTRATOR PROJECT.	N/A
12:	CONSIDER AND TAKE ACTION ON CHANGE ORDER FOR SPRAY FIELD IRRIGATION IMPROVEMENTS.	APPROVED 4-0
13:	CONSIDER AND TAKE ACTION ON SPRAY FIELD LIFT STATION PROJECT.	APPROVED 4-0
14:	EXECUTIVE SESSION	N/A
15:	REPORTS AND DISCUSSION OF OTHER MATTERS THAT MAY COME BEFORE THE BOARD.	N/A

