

**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 June 25, 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 - Not Present
Bonnie Moorhouse	-	Vice President
Bob Jarvis	-	Secretary
Florence K. Thomas	-	Treasurer
Dean Hulsey	-	Assistant Secretary

Director B. Moorhouse 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, TRE & Associates, Inc. Linda Troncoso, and District Attorney Alan Petrov. The Pledge of Allegiance was said with audience participation.

4. RECEIVE CITIZEN COMMUNICATIONS.

Mr. Shaar advised Board that his issue in collecting his money from the District has not happened, and would like an explanation of the hold up. Attorney Alan Petrov explains that the original lots were 25 total. Any additional lots need to be approved by the Board. Both Mr. Petrov and Mr. McGinnis claim that only one agenda has been approved. Ms. Armstrong advised that the new lots were approved with Mr. Alvarado. Mr. McGinnis advised he will take another look and if nothing is found they will be attached for next Regular Meeting for approval. Mr. Petrov suggested he can create a template for developers here at Horizon Regional MUD.

5. CONSENT AGENDA.

- A: Consider and Take Action to approve the Minutes of the Regular Meeting held on May 28, and Special Meeting held on May 21, and Special Meeting held June 12, 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 May 30, 2015.
- D: Consider and Take Action on RO Pre-Filter System Improvements Project Pay Estimate No.5.
- E: Consider and Take Action on RO Concentrator Project Pay Estimate No. 6.

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

Vote was unanimous to approve.

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

Account Manager Mr. McGinnis explained that several meters are being replaced on a weekly basis. Mr. McGinnis explains the net water connections. Total active, inactive and district meters for the month are: 10,063 Averaging connections per last (3) months= 11
Mr. McGinnis continues with well pumping report: Total gallons pumped for May 2015 were 162,042,400. Wheeler well field capacity is at 47.77% and Desert Well field is at 53.94% Waste water system reports total for the month of May 2015 is 7500 and year to date net change (6 month) is 223 averaging connections per last 3 months = 6
Influent received in Mau 2015 was 65,235,000
Effluent delivery total was 62,625,500 well water spray field is 14,356,000.

GLO 24,723,000 and SPUR 23,546,500

Total plant capacity: 3.0 MGD

Percentage of capacity: 67.3%

Mr. McGinnis reported that 5 customers were assisted with late fees. All inquiries were resolved. For the month of June 2015 Mr. McGinnis advised that a total of 1,525 delinquent letters were mailed and 126 disconnections were done. Mr. McGinnis concluded that approval was needed to send \$3,413.24 to collections and 9.37 for write offs.

Motion was made by Director K. Thomas and seconded by Director B. Jarvis to approve Management Report and to send \$3,413.24 to collections and \$9.37 for write offs.

Vote was unanimous to approve.

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

Engineer L. Troncoso advised only received one application from 14961 Arkmonk. On the RO Prefiltration, Ms. Troncoso received email regarding claim payment from Miami Filter. Mr. Petrov advised that if Miami Filter files a lawsuit to Bob Johnson, the District can be dragged as well. Ms. Troncoso explained that she and Randy met at the job site and a total of 4 hours were spent. It was documented that the measurement levels were incorrect. Ms. Troncoso explained that it was never leveled and gaskets did not fit properly and piping had to be re pipped. Ms. Troncoso advised that all the pieces have not been delivered. Mr. Petrov suggested to pay contractor another 20%. Director B. Jarvis agrees with Mr. Petrov regarding 20% payment. Director D. Hulseley advised that the District can ask for a modified PO #. Ms. Troncoso advised that 40% has been paid and can pay an additional 20%. Board Members and Mr. McGinnis agreed on paying an additional 20%. Mr. Petrov explained that Mr. Manny Villalobos from Cubic Water was not able to get a bond. Mr. Petrov suggested that the District keep retainage which is about \$41,000.00. Ms. Troncoso advised that the amount seemed low. Mr. Petrov asked Ms. Troncoso if she can get correct numbers to see exactly if amount was low or not. On the Spray Field No. 1 Lift Station and Force Main Improvements lift station control repairs are underway to be completed June 30th. Force Main relocation will begin July 6, 2015. On the RO concentrate disposal, Concentrator piping has been completed and electrical work is underway, to be completed by July 6. Final connections, adjustments, and ancillary work to be completed by July 17, 2015. For the startup testing and training will be week of July 20th. Ms. Troncoso concluded that on GST-2B plans are under internal review to submittal to TCEQ, and electrical design under way.

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

Vote was unanimous to approve.

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

Mr. Delgadillo explains 1600 rounds so far for the month. Water situation looks better and a lot clearer. Sprinklers are also better and greens looking great. Director K. Thomas asked how often chemicals need to be injected. Mr. Paxton advised he would look at his notes to check when he injected last. Mr. Paxton also explained that an injection can be set to be automatic to prevent algae. Mr. Delgadillo advised that he had two complaints. On #5 sprinklers to close to customers yard. The other complaint was on #11 customer advised his RV was getting hit and too many balls going into his yard. Mr. Delgadillo is asking for Moonlight restaurant to be open Friday, Saturday, Sunday, and Monday by 7:30 a.m.

9. CONSIDER AND TAKE ACTION ON, IF NECESSARY RELATING TO THE LEASE WITH MOONLIGHT P&O, LLC.

No action taken.

10. CONSIDER AND TAKE ACTION ON I-10 WELL 5 REHABILITATION.

Mr. McGinnis explained on I-10 well 5 rehabilitation repair he had 3 quotes. West Texas Water Well Service being the lowest.

Motion was made by Director B. Jarvis and seconded by Director D. Hulseby to approve West Texas Water Well Service to repair well #3 in the amount of \$48,669.00.

Vote was unanimous to approve.

11. CONSIDER AND TAKE ACTION ON ACCEPTANCE OF HORIZON VIEW ESTATES UNIT 25 PHASE II WATER AND WASTEWATER IMPROVEMENTS FOR OPERATION AND MAINTENANCE.

Motion was made by Director K. Thomas and seconded by Director B. Jarvis to approve acceptance of Horizon View Estates Unit 25 phase II water and wastewater improvements for operation and maintenance.

Vote was unanimous to approve.

12. CONSIDER AND TAKE ACTION ON RENEWAL OF LETTER OF CREDIT FROM WESTSTAR BANK FOR WELLS FARGO.

Motion was made by Director K. Thomas and seconded by Director D. Hulsey to approve renewal of letter of credit from WestStar Bank for Wells Fargo.

Vote was unanimous to approve.

13. CONSIDER AND TAKE ACTION ON CHANGE OF COMMERCIAL SEWER RATES ON RATE ORDER.

Motion was made by Director K. Thomas and seconded by Director B. Jarvis to approve change of commercial sewer rates on rate order.

Vote was unanimous to approve.

14. RECONSIDER OF ENGAGEMENT OF BELT HARRIS PECHACEK LLLP AS AUDITORS FOR THE DISTRICT.

Director B. Jarvis explains that a new audit person needs to be assigned.

Motion was made by Director B. Jarvis and seconded by Director D. Hulsey to approve reconsideration of engagement of Belt Harris Pechacek LLLP as auditors for the District.


Vote was unanimous to approve.

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


There was no reports or discussion on this item #15.

There being no further business before the Board, the meeting was upon motion made by Director B. Jarvis duly made and seconded by Director K. Thomas all in favor and carried, adjourned at 7:25 p.m.

READ, APPROVED, AND ADOPTED THIS 23rd OF JULY 2015.



BOB JARVIS, SECRETARY
Board of Directors
Horizon Regional M.U.D.



BONNIE MOORHOUSE, VICE PRESIDENT
Board of Directors
Horizon Regional M.U.D.

EM/CM