

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

A special meeting of the Board of Directors of the Horizon Regional M.U.D. was held on February 18, 2016 at 3:00 p.m. 14100 Horizon Blvd, Horizon City, Texas, pursuant to notice given in accordance with the law.

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

Benny Davis	-	President	- Not Present
Bonnie Moorhouse	-	Vice President	
Bob Jarvis	-	Secretary	
Kit Thomas	-	Treasurer	
Dean Hulsey	-	Asst. 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, Administrative Assistant Elvia Munoz, Operations Manager Joe Paxton, TRE & Associates, Inc. Linda Troncoso. The Pledge of Allegiance was said with audience participation.

4. RECEIVE CITIZEN COMMUNICATIONS.

No citizen communications.

5. CONSIDER AND TAKE ACTION TO APPROVE THE PAYMENT OF BILLS AND INVOICES FOR OPERATIONS AND CONSTRUCTION FOR SPRAY FIELD; AND TO APPROVE THE TRANSFER OF FUNDS FOR SPRAY FIELD #1.

Motion was made by Director B. Jarvis and seconded by Director K. Thomas to approve the payment of bills and invoices for operations and construction for Spray Field, and to approve the transfer of funds for Spray Field No. 1

Vote was unanimous to approve.

6. CONSIDER AND TAKE ACTION, IF NECESSARY, RELATING TO THE LEASE WITH MOONLIGHT P&Q, LLC.

Mrs. Pina advised Board Members that renovation of swimming pool would start soon, and would like to submit two different quotes on next Board Meeting.

7. CONSIDER AND TAKE ACTION, IF NECESSARY, ON SPRAY FIELD OPERATIONS.

Mr. Delgadillo reported \$7,300 in merchandise sold for the month of January 2016 and made \$1,760.00 in profit. On financials, Mr. Delgadillo reported \$1,120.00 ahead of schedule to budget. Board Members were advised that bunker's #1, #4, and #18 were completed. Bunker #8 would be the next. On greens once Bermuda wakes up greens will look better. Director B. Moorhouse asked why so many dogs are running around the golf course. Mr. Delgadillo advised will keep a closer look to make sure no dogs are on the golf course.

8. OPERATIONS AND ENGINEERING REPORT.

Operations:

Operations Manager Mr. Paxton explains that Duanesburg Lift Station the riser pipe on pump 2 has a hole. Prices are being obtained for repairs. Ellsworth Lift Station is running on one side, the floor beneath pump #2 is wore in a doughnut shape preventing the pump from drawing. Director B. Jarvis asked if other side was worn out to. Ms. Troncoso advised Director B. Jarvis that coatings are done and center is precast base. On section 32 Lift Station is fully operational, one problem was connected with the control floats and is now fully operational. On Venny Webb Lift Station is running on one side, two pumps were pulled and sent to the shop for repair. Waste Water Treatment Plant eleven loads of sludge were hauled to the Camino Real Landfill in January 2016. Operations still waiting on control panel parts for influent lift station Pump #3 to place it back online. Water Wells the motor on I-10 well 6 went out. The motor has been pulled and is being repaired. The Cla-Valve on wheeler well 3 has failed. Prices have been obtained and are exploring options for repairs. On the RO Plant two self-actuated valves were replaced on RO-B. A CIP process was performed on RO-B on February 16 and 17. A self-actuating valve is malfunctioning on RO-C and needs replacement. Both fill pipes going into GST2 from the RO's have developed pinholes. Prices are getting obtained for repair, plus replacement of the vent on GST 2.

Mr. Paxton explained total water production by day:

Average daily use 4,145,100= 1.36 residual

Maximum daily use 6,503,100=1.81 residual

Minimum daily use 2,083,600= 1.01 residual

Waste water totals for the month January 2016:

Percent of permitted to Spray Field is 35.7%

Percent of permitted to GLO is 83.8%

Percent of permitted influent to STP is 57.3%

Percent of permitted effluent to Mesa Spur drain is 23.4%.

Mr. Paxton explains the HRMUD effluent annual average is:

Total effluent 2.0291

Golf Course 0.3277

GLO 0.6873

MSD 1.0012

RO 0.4826

Permit Maximum:

Total effluent 3.0000

Golf Course 0.5000

GLO 1.0000

MSD 3.0000

RO 0.5294

Engineering:

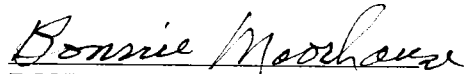
Ms. Troncoso advised two more applications were received from 15280 Horizon Blvd, and Rancho Desierto Bello Unit-8. Board Members were advised that Horizon High School would be expanding their building. Land was bought from Hunt Communities to add another cafeteria, and more class rooms. Ms. Troncoso advised that on RO Membrane Replacement Project and status of Spray Field #1 Lift Station, Mr. Paxton would have status on Regular Board Meeting. On RO Pre-Filter System Improvements Ms. Troncoso advised a letter had been sent and has not heard nothing yet. If no response a demand letter would be sent by next week. Ms. Troncoso advised Demand letter has been drafted but waiting on response first. On the El Paso Hills Lift Station Replacement Project waiting on revised paper work. GST-2B design is ready to go out for bid. On the Horizon City Drainage Project at Spray Field No. 1 waiting on drainage pond and waiting on draft proposal. Director B. Jarvis advised that Mr. John Navidomskis was invited to the meeting regarding proposal from Horizon City. Director D. Hulsey advised that city drainage project will enhance the golf course. Ms. Troncoso explained that she has been talking to Bill Blitch regarding future bond projects and funding needs. Ms. Troncoso advised that she had attended a meeting with Mr. McGinnis and Mr. Paxton regarding chemical suppliers, and might change chemical suppliers. Director K. Thomas and Director D. Hulsey advised that a chain fence would be installed behind the Apartments yard connected to the golf course.

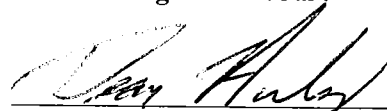
9. **REPORTS AND DISCUSSION OF OTHER MATTERS THAT MAY COME BEFORE THE BOARD.**

No reports or discussions were made for item #9.

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 4:41 p.m.

READ, APPROVED, AND ADOPTED THIS 25TH DAY OF FEBRUARY 2016.


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


DEAN HULSEY, ASSISTANT SECRETARY
Board of Directors
Horizon Regional M.U.D.

EM/CM