

**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 September 15, 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
Bonnie Moorhouse	-	Vice President
Bob Jarvis	-	Secretary
Kit Thomas	-	Treasurer
Dean Hulsey	-	Asst. Secretary

Director B. Davis called the meeting to order. A quorum was established. Also attending the meeting were the District's consultants: Severn Trent Services. Project Manager Charlie McGinnis, Administrative Assistant Elvia Munoz, TRE & Associates, Inc. Linda Troncoso and David Duran. The Pledge of Allegiance was said with audience participation.

**4. RECEIVE CITIZEN COMMUNICATIONS.**

Mr. Navidomskis offering some alternatives to Board Members for Drainage Project. Mr. Navidomskis is proposing to remove fountain at 13 to let water run to 16 for overflow. Mr. Navidomskis advised Board Members that the District is running out of water at gateway, advised that he is unable to irrigate due to no water as a result of sink hole. Mr. Navidomskis reported that Director B. Moorhouse had given wrong information at City Hall Meeting regarding Drainage C Meetings. Mr. Navidomskis claims that Director B. Moorhouse advised that all meetings were opened to the public. Director B. Davis advised that Committee Meetings are not open meetings. Mr. Navidomskis concluded that he had closed his farm due to no water.

**5. PUBLIC HEARING CONCERNING PROPOSED TAX RATE FOR 2016-2017.**

Director B. Davis open the meeting to the public. Mr. Navidomskis advised that tax rate was already too high. Director B. Davis explained District had to raise tax rate.

**6. CONSIDER AND TAKE ACTION ON TAX RATE FOR FISCAL YEAR 2016-2017.**

Motion was made by Director K. Thomas and seconded by Director D. Hulsey to approve of \$0502863/\$100 tax rate for fiscal year 2016-2017.

Vote was unanimous to approve.

**7. CONSIDER AND TAKE ACTION TO AMEND THE DISTRICT'S INFORMATION FORM.**

Motion was made by Director K. Thomas and seconded by Director D. Hulsey to approve Amend the District's information form.

Vote was unanimous to approve.

**8. AUTHORIZE FILING OF TEXAS UNCLAIMED PROPERTY REPORT, AS NECESSARY.**

Motion was made by Director D. Hulsey and seconded by Director K. Thomas to authorize filing of Texas unclaimed property report.

Vote was unanimous to approve.

**9. 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.

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

Mrs. Pina advised Board Members that golf course has been a little slow, and advised is having second thoughts in closing for remodeling. Advised that if she does decide to remodel she would be spending \$15,000.00 to \$20,000.00. Mrs. Pina is asking for Board approval for reduced rent for next month. Director B. Davis advised Mrs. Pina not to eliminate any employees to keep them. Director B. Jarvis advised that contract specifies that if she would like to remodel District would not be able to help would only be able to help for maintenance purposes. Director B. Jarvis also advised Mrs. Pina to let customers know what days would be closing for remodeling.

Motion was made by Director B. Jarvis and seconded by Director K. Thomas to suspend rent for the month of September Moonlight P&Q for improvements of the building.

Vote was unanimous to approve.

**11. CONSIDER AND TAKE ACTION ON PROPOSALS TO REPLACE AIR CONDITIONING UNITS AT SPRAY FIELD NO 1.**

Motion was made by Director D. Hulsey and seconded by Director B. Jarvis to approve Gray Heating and Air Conditioning to replace air conditioning units at Moonlight P&Q LLC.

Vote was unanimous to approve.

**12. CONSIDER AND TAKE ACTION ON PROPOSAL FOR SEPTIC TANK AT ELEVATED STORAGE TANK 4.**

Motion was made by Director B. Jarvis and seconded by Director K. Thomas to Table item #12.

Vote was unanimous to approve.

**13. CONSIDER AND TAKE ACTION ON RENEWAL OF GENERAL LAND OFFICE EASEMENT ME960016.**

Motion was made by Director B. Jarvis and seconded by Director D. Hulsey to approve renewal of General Land Office Easement ME960016.

Vote was unanimous to approve.

**14. CONSIDER AND TAKE ACTION ON RO PLANT BUILDING ROOF REPAIR.**

Motion was made by Director B. Jarvis and seconded by Director D. Hulsey to Table item #14.

Vote was unanimous to approve.

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

Mr. Delgadillo reported that shop at the golf course had \$60,000.00 worth of inventory, and had made \$2,086.00 of profit for the month. Mr. Delgadillo also reported that golf course is doing great on tournaments. Financials was close to budget. Mr. Delgadillo confirmed that over seeding would be done on Tuesday September 20, 2016 and Wednesday September 21, 2016. Mr. Delgadillo reported that this is the time of year where sales are slower. Mr. Delgadillo explained that everything is scheduled for the week that would be doing seeding and that first day closed would be Monday September 19, 2016. Director B. Davis asked if temperature was good. Mr. Delgadillo advised temperature was perfect. Director B. Jarvis explained that he had a complaint from a customer and advised Mr. Delgadillo to order and place signs to let customer know where starting point and ending point were.

**16. OPERATION AND ENGINEERING REPORT.**

Mr. McGinnis reports that all Lift Stations and Tanks are the same and no change. Waste Water Treatment Plant eight loads of sludge were hauled to the Camino Real Landfill in August 2016. Mr. McGinnis reports all permit parameters for the month of August with exception of one daily grab sample for Ammonia was at 13.5 MG/L which was above the limit of 10 MG/L, and advised is not a violation. Three of the six Kaeser blowers are operational. Two of the Influent Lift Station breakers had to be replaced.

On water wells pump #1 is in the shop for repairs. On pump station 4 all five pumps are operational. Mr. McGinnis advised that Tim Kirk chemical guy from Avista was here on Tuesday and helped on some tweaking on valves to get better recovery on the RO'S. Advised Tim would be coming back on September 26, 2016 to do more training at no cost to the District.

Operations:

Mr. McGinnis explained total water production by day:

Average daily use 5,796,200= 1.25 residual

Maximum daily use 8,510,100= 2.13 residual

Minimum daily use 2,748,400= 0.70 residual

Waste water totals for the month August 2016:

Percent of permitted to Spray Field is 98.5%

Percent of permitted to GLO is 18.4%

Percent of permitted influent to STP is 57.5%

Percent of permitted effluent to Mesa Spur drain is 35.0%.

Mr. McGinnis explains the HRMUD effluent annual average is:

Total effluent 1.8238

Golf Course 0.4448

GLO 0.5797

MSD 0.8067

RO 0.5470

Permit Maximum:

Total effluent 3.0000

Golf Course 0.5000

GLO 1.0000

MSD 3.0000

RO 0.5294

Engineering:

Ms. Troncoso explains no new applications for the last month. Ms. Troncoso advised hospital brought plans but they have not paid yet. Tsumani car wash has been contacted and have advised of water lines that are needed before they can proceed. Director B. Jarvis advised Ms. Troncoso to give the Town of Horizon applications for service so that the City can have copies for new customers that need water and sewer. Ms. Troncoso advised Board she would prepare package and give them to Town of Horizon. Ms. Troncoso explains Bond application to TCEQ TRE has final and just waiting on central appraisal. On Spray Field #1 Lift Station and Force Main Project, Ms. Troncoso advised that check has been cashed. For El Paso Hills Lift Station Replacement Project had pre-construction two weeks ago and project is moving along. On Horizon City Drainage Project at Spray Field No. 1 Ms. Troncoso advised still has not received plans. CRMMA Town of Horizon City Roadway Projects, Darrington extension TRE is working with TXDOT to make sure lines are not damaged. Ms. Troncoso advised that Mr. McGinnis will pothole for Eastlake Phase I at I-10 to Darrington on 20" DIP waterline. On Eastlake phase II valve and fire hydrant

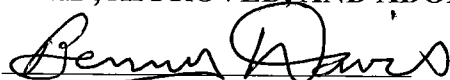
adjustments extensions are being performed by Hunt and TRE will be supervising. Ms. Troncoso advised that on Horizon Industrial Park Project Town of Horizon City will be bidding out. Ms. Troncoso advised Board that the City of Horizon had changed attorney. Mr. Petrov will get with new attorney and advised District needs to see agreement first. Project at Darrington Eastlake to Pelicano, Ms. Troncoso reports Venny Webb Lift Station rehabilitation, Ms. Troncoso advised she has met with Randy Wright to prepare it. Director B. Jarvis recommends to ground slip line and input a new lid.

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

Samantha Corral from City Council asked what procedures needed to be done for Horizon water towers. Director K. Thomas explained that one high school had once requested to input logo on one of our water towers, but they never did the logo. Director K. Thomas advised that Board only approves what picture goes on the water tower as logo. Ms. Troncoso advised that logos are very expensive. Ms. Corral advised that next council meeting would be on September 27, 2016 at 6:30 p.m. and that she would place on agenda package from TRE for water and sewer applications for Director B. Davis and Ms. Troncoso to explain. Mr. Navidomskis asked Board on limitations when purchasing the golf course. Director B. Jarvis explained that permit has been amended on September 2018 for all water. Mr. McGinnis advised would ask Mr. Petrov on open records. Ms. Troncoso advised Board she had met with Doug Schwartz and Mr. Schwartz was requesting copy of disposal agreement. Board gave approval to Ms. Troncoso to give Doug Schwartz copy of disposal agreement. Ms. Corral advised Board that she was impressed with the quick response from Mr. McGinnis last week when she called him with the issue of low pressure. Both Ms. Corral and Director B. Moorhouse thanked Mr. McGinnis for taking care of problem quickly.

There being no further business before the Board, the meeting was upon motion made by Director K. Thomas duly made and seconded by Director D. Hulsey all in favor and carried, adjourned at 5:10 p.m.

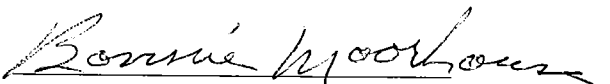
**READ, APPROVED, AND ADOPTED THIS 22nd DAY OF SEPTEMBER 2016.**



**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**