

**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, February 23, 2017 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
Gordon 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. Project Manager Charlie McGinnis, Administrative Assistant Elvia Munoz, TRE & Associates Inc. Linda Troncoso. The Pledge of Allegiance was said with audience participation.

4. RECEIVE CITIZEN COMMUNICATIONS.

Sandra Garcia Community Health Educator from Project Vida Health Center advised Board Members she was representing El Paso Hills on sewer issue. Director B. Jarvis advised that District's Engineer has looked for funds due to District not being able to afford. Ms. Troncoso advised she met with representative from Horizon View Estates, Secretary of State and USDA to try and see if outside funds are available. Director B. Jarvis advised other avenues of funds are also getting researched. Director B. Jarvis also advised that the District does not qualify for this kind of development. Grants and low income loans can also be researched. Ms. Troncoso advised that if initial money ever comes out each resident will pay probably about \$500.00 in taxes.

Dan Bambach of Southwestern wireless gave presentation for water tower installation. Advised Board Members that all towers in the District were not railed. Advised they have experienced with several water utilities. Advised that in exchange the District can get radios. Mr. Petrov advised that Southwestern wireless leases portion of their property to sell residential internet service. Director D. Hulsey

recommended advised they could benefit for the District. Director B. Jarvis suggested for Ms. Troncoso, Charlie to get with Gilbert Avalos from IDESaA for this project. Director D. Hulsey, Director K. Thomas, Carlos McGinnis, and Linda Troncoso will be on this committee.

5. CONSENT AGENDA.

- A: Consider and Take Action to approve the Minutes of the Regular Meeting held on January 25, 2017 and Special Meeting held on February 16, 2017, Special Meeting held on January 31, 2017 and Workshop January 5, 2017
- 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 January 2017.
- D: Consider and Take Action on Pay Estimate No. 4 for El Paso Hills Lift Station Replacement Project.
- E: 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, 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.

Mr. McGinnis advised unaccounted water for the month was 34,465,900 all was due to flushing for discolored water. Director B. Jarvis requested to time unaccounted water and would like a number on chart for unaccounted water. Mr. McGinnis reported 10 water leaks in the street for the month of January 2017. There were three customers with high bills and late fees all were assisted and all inquiries were resolved. On property tax a total of 83% has been collected.

McGinnis explains net water connections.

Total active, inactive, for the month of February 2017 are: 10,361 Averaging connections per last (3) months= 3 Mr. McGinnis continues with well pumping report: Total gallons pumped for January 2017 were 144,250,700. Wheeler well field capacity is at 39.72% and Desert Well field is at 46.69% Waste water system reports total for the month of January 2017 is 7766 and year to date net change (6 month) is 489 averaging connections per last 3 months = 3

Influent received in January 2017 was 60,914,000

Effluent delivery total was 58,477,600 well water spray field is 2,898,000.

GLO 0 and SPUR 55,579,600

Total plant capacity: 3.0 MGD

Percentage of capacity: 65.0%

Mr. McGinnis requested approval to send \$5,229.58 to collections and \$45.09 for write offs.

Motion was made by Director B. Jarvis and seconded by Director D. Hulsey to send \$5,229.58 to collections and \$45.09 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.

Ms. Troncoso reports on El Paso Hills Lift Station that the contractor is under construction for the wet wells at both the initial and the relay Lift Stations. On GST-2B the advertisement of the project is scheduled for March 2017 based upon the availability of additional bond funds. Ms. Troncoso explains that Mr. Madrid from Rio Grande Valley has completed project on Eastlake. On Spray Field Irrigation Ms. Troncoso advised Jeff Good is moving forward. WWTP Blower Replacement, TRE has met with Kendrick Electric advised would be about \$24,000.00 in parts and J-Boxes \$18,000.00. Ms. Troncoso explains numbers are not confirmed yet but will be at least \$42,000.00 real numbers will be confirmed on next Board Meeting. Kendrick Electric will do the wiring and blowers will be installed on April 1st 2017. On Horizon View issue sewer Ms. Troncoso explains she has met with USDA total lots in HVE are 175 and 1 church. The cost for sewer in HVE would probably be about 6 million. Ms. Troncoso explains District only qualifies for loans not grants. Ms. Troncoso advised that on application needs to be submitted by March 8th 2017 and fee for application is \$4,500.00. Director B. Jarvis recommended for District to approve TRE to submit application.

Motion was made by Director B. Jarvis and seconded by Director K. Thomas to accept 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 only two weeks away from finishing bunker project.

Motion was made by Director B. Jarvis and seconded by Director K. Thomas Spray Field Report.

Vote was unanimous to approve.

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

Mrs. Pina asking for Board Approval to change name of restaurant and concept. Mrs. Pina advised would be hiring Executive Chef from El Paso Country Club. Mrs. Pina explains she now wants restaurant to be a Steakhouse. Mrs. Pina would like to close the upstairs section for 1 week and is also wanting approval to add a sign next to the original sign. Mrs. Pina advised breakfast will not affect the closure of the week. Director B. Jarvis asked if prices would still be affordable once restaurant becomes a Steakhouse. Mrs. Pina advised prices would still be affordable. The name for the new cook is Marco Olivares and he is a graduate from culinary school at New York. Mrs. Pina concluded that Wine Festival would be on April 1st 2017.

Motion was made by Director B. Jarvis and seconded by Director K. Thomas to approve Ms. Pina to add new sign.

Vote was unanimous to approve.

10. CONSIDER AND TAKE ACTION ON EMERGENCY ELECTRICAL CONTRACTOR FOR BLOWER CONTROLS AT WASTEWATER TREATMENT PLANT.

Tabled Item #10.

11. UNLIMITED TAX BONDS, SERIES 2017;

- a. Received and accept Bids to purchase \$9,575,000 Unlimited Tax Bonds, Series 2017 (the “bonds”);**
- b. Approve final form of Official Statement;**
- c. Approve Attorney General’s Bond Transcript Fee;**
- d. Adopt Order Authorizing Issuance of Unlimited Tax Bonds, Series 2017; A Transfer and Paying Agent Agreement; And Other Matters Related Thereto.**

Bill Blich reported bond bids through via telephone. Director K. Thomas advised she was happy with the rate.

Motion was made by Director K. Thomas and seconded by Director B. Jarvis to approve unlimited tax bonds;

- a. Receive and Accept Bids to purchase \$9,575,000 Unlimited Tax Bonds, Series 2017 (the “Bonds”);
- b. Approve final form of Official Statement;
- c. Approve Attorney General’s Bond Transcript Fee;
- d. Adopt Order Authorizing Issuance of Unlimited Tax Bonds, Series 2017; A Transfer and Paying Agent Agreement; And Other Matters Related Thereto.

Vote was unanimous to approve.

**12. RATIFY ORDER CALLING DIRECTORS ELECTION SCHEDULED FOR SATURDAY, MAY 6, 2017
RATIFICAR LA ORDEN DE LLAMADO A ELECCIONES
PARA DIRECTORES PROGRAMADA PARA EL SABADO, 6 DE MAYO DE 2017.**

Motion was made by Director K. Thomas and seconded by Director D. Hulsey to approve and ratify order calling Directors Election scheduled for Saturday May 6, 2017.

Vote was unanimous to approve.

**13. DETERMINE CANVASSING DATE FOR MAY 6, 2017 DIRECTORS ELECTION
DETERMINAR LA FECHA PARA RECLUTAR VOTOS PARA LA ELECCION DE
DIRECTORES DEL 6 DE MAYO DE 2017.**

Motion was made by Director K. Thomas and seconded by Director D. Hulsey to approve canvassing date for May 17, 2017.

Vote was unanimous to approve.

**14. REVIEW AND APPROVE JOINT ELECTION AGREEMENT WITH EL PASO
COUNTY RELATING TO AN ELECTION TO BE HELD ON MAY 6, 2017
REVISAR Y APROBAR EL CONTRATO DE ELECCIONES CONJUNTAS CON EL
CONDADO DE EL PASO RESPECTO A UNA VOTACION QUE SE LLEVARA A
CABO EL 6 DE MAYO DE 2017, CONFORME SEA NECESARIO.**

Motion was made by Director K. Thomas and seconded by Director D. Hulsey to approve joint election agreement with El Paso County relating to an election to be held on May 6, 2017.

Vote was unanimous to approve.

**15. CONSIDER AND TAKE ACTION ON REPAINTING FENCE AND BOLLARDS AT
14100 HORIZON BLVD.**

Motion was made by Director B. Jarvis and seconded by Director D. Hulsey to approve A&S Estimating, Inc. to repaint fence and bollards at 14100 Horizon Blvd in the amount of \$3,050.00

Vote was unanimous to approve.

16. CONSIDER AND TAKE ACTION ON RESOLUTION AUTHORIZING THE ISSUANCE, EXECUTION AND SALE OF REVENUE NOTE WITH THE MPS REVOKABLE TRUST.

Motion was made by Director B. Jarvis and seconded by Director D. Hulseby to approve renewal on a Resolution authorizing the Issuance execution and sale of a renewal note with the MPS Revocable Trust.

Vote was unanimous to approve.

17. REVIEW OF INVESTMENT POLICY, AMEND AS NECESSARY.

Motion was made by Director B. Jarvis and seconded by Director D. Hulseby to approve annual review of Investment policy.

Vote was unanimous to approve.

18. CONSIDER AND TAKE ACTION ON AMENDING RATE ORDER FOR THE DISTRICT.

Motion was made by Director K. Thomas and seconded by Director D. Hulseby to approve and amend rate order connection fee for nonpayment of bill is \$25.00 for the first occurrence, then increased to \$100.00 if occurrence for non-payment is within a six (6) month period.

Vote was unanimous to approve.

19. DISCUSSION ON OPTIONS FOR DETENTION CENTERS ON HORIZON FOR CATCHING EXTRA DEBRIS.

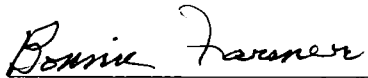
Director K. Thomas recommends for detention centers at Horizon to be responsible for installing their own line. New line is to help with extra debris. Mr. Petrov advised to input line at detention property and if line at District's property, STS could charge detention an extra charge. Mr. Petrov advised will check on rules and will research to see if detention can install line in their own property.

20. REPORTS AND DISCUSSION OF OTHER MATTERS THAT MAY BE BEFORE THE BOARD.

Mr. Petrov advised he has been talking to Saratoga Homes. Mr. Petrov explained that the District does not need to accept annexation. Ms. Troncoso advised that if district accepts annexation, Saratoga Homes would need to pay for a new Lift Station.

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 8:08 P.M

READ, APPROVED, AND ADOPTED THIS 23rd DAY OF MARCH 2017.



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



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

EM/CM