

**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, November 21, 2013 at 6:00 p.m. at 14100 Horizon Blvd, Horizon City, Texas, pursuant to notice given in accordance with the law.

The attendance roll was signed by the members of the board, to-wit:

Benny Davis	President
Maureen Singleton	Absent
Bob Jarvis	Secretary
Kit Thomas	Treasurer
Bonnie Moorhouse	Asst. Secretary

A quorum was established. Also in attendance were the District's consultants: Severn Trent's Service, Inc. (Mrs. Janita Williams & Mr. Charlie McGinnis); TRE & Associates, Inc. (Mr. Adrian Rosas). President Davis called the meeting to order. The Pledge of Allegiance was said with audience participation.

Agenda

Item

4: RECEIVE CITIZEN COMMUNICATIONS:

No Citizen Communication

5: **CONSENT AGENDA:**

- A: **Consider and Take Action to Approve the Minutes of the Regular Meeting held on October 24, 2013, and Special Meeting held on November 7, 2013.**
- B: **Consider and take Action to Approve the Payments 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 October 31, 2013.**

Motion was made by Director Thomas and seconded by Director Moorhouse to approve the consent agenda.

Vote was unanimous to approve.

6: Consider and Take Action on Management Report Relating to Management and Operational Activities of the District. (Management)

Mr. McGinnis noted there was a net change of 13, total active meters this month 9363, this month total vacant 27 total active from last month 9721 this month 9761 diff -14. Total gallons pumped 131,667,800 total gallons billed 80,485,200.

Wheeler Well Field capacity is at 35.79%, Desert Well Field is at 43.94%.

Wastewater net change is 14, year to date is 41.

Director Moorhouse wanted to know if we have an estimate of wasted water on the N Kenazo leak and did we charged the contractor, which caused a major water leak. Mr. McGinnis noted need one more invoice to bill. Director Moorhouse also noted the concrete manhole in Ashford is broken. Mr. McGinnis moved to read the Operation Report- all lift stations are working, Ground Storage Tanks are all doing well.

We had nine loads of sludge hauled to the landfill in October, and met all parameters for the month of October, slight problem with the influent lift station pumps.

Wheeler Well 2B is down; the pre filters at the RO Plant are running six to eight days between change outs.

We have started winterizing the wells and pump stations in preparation of winter, Mr. McGinnis moved to set the calendar for December.

Motion to approve the Managers report was made by Director Jarvis and seconded by Director Thomas.

Vote was unanimous to approve

7. Consider and take action on Management Report Relating to Management and Operational Activities of Spray Field No 1. (Spray Field Management)

Mr. Jeff Gates noted moving along with the irrigation system, having a big problem with gophers they are digging all over the course and chewing on the wiring. Mr. Gates noted would use the poison peanuts but Mr. Gates does not like to kill animals, so he is using chlorine tabs. I soak them first then put them in holes and it emits a gas that will kill them.

We had some graffiti on Friday Night painted the back lot and painted the building along the side of the pool and in the maintenance area, in an effort to curb the activity, I am going to put one of my irrigators on a night shift. I would like your approval to pay him \$1.00 an hour raise and would like to be able to hire a daytime replacement. If not it will

make me shorthanded, especially on the weekends. Director Moorhouse wanted to know the nightly operational hours? Mr. Jeff noted from 8:00 pm to 4: am. Director Davis then noted if a vote would need to be taken and Director Thomas suggested discussing at the Spray Field meeting on the 4th.

Mr. Gates noted we had a good turn out for our Men's Association Tournament on the tenth, they had 43 two man's teams, everyone had a great time and received many compliments on the golf course conditions.

So far we have signed up 21 Members, which is pretty good, we need to establish a monthly and yearly walking rate and perhaps a junior yearly walking rate, Lone Star has a \$380.00 Rates for juniors and Painted Dunes and Ascarate Charge \$80.00 to \$90.00 for monthly walking rate.

Motion to take action on Management operational Spray Field No. 1 report was made by Director Thomas and Seconded by Director Jarvis.

The ensuing vote was unanimous to approve.

8. **Consider and Take Action on the establishment of rules and regulations, including fees if necessary, relating to the use of the facilities located at the Spray Field No. 1. (Legal Counsel)**

Mr. Alan Petrov (Legal Counsel) noted entities have rules and regulations, Director Thomas moved to table item, to be discussed at the Spray Field Committee on December 4th.

Director Thomas made a motion to Table Rules and Regulations, relating to the facilities located at the Spray Field No.1 to be discussed at the meeting on Dec 4th, Director Moorhouse seconded motion.

The ensuing vote was unanimous to approve

9. **Consider and Take Action if necessary, relating to the lease with Moonlight P&Q, LLC.**

Mrs. Alejandra Pena gave an update on the Security Alarm System, should be ready by Monday.

Will start training by Tuesday and Wednesday during Thanksgiving, and will be ready to open by Friday, need a certificate of Occupancy that should receive by the end of this week. Director Jarvis wanted to know what other permits are needed, prior to opening, Mrs. Pena noted all other permits are ready and Director Davis asked if would need another Health Inspection? Mrs. Pena noted all the permits are ready, No need for another Health Inspection, the only pending document is the Occupancy Certificate.

Director Davis noted no action required on this item

10. **Consider and Take Action on Hyper Server upgrade from Data Flow Systems (Management)**

Mr. Charlie McGinnis noted an upgrade to the Scada System will be needed, The Scada System is 8 years old, the system failed last week, and the cost is \$10,377.00 from Data Flow System.

Director Jarvis made a motion to allow Mr. McGinnis to upgrade the Scada System for the amount of \$10,377.00 and seconded by Director Thomas from Data Flow System.

The ensuing vote was unanimous to approve

11. **Consider and Take Action on Purchase of replacement Fairbanks Morse pump for Tank #3 Booster Station. (Management)**

Mr. Charlie McGinnis noted not able to repair the Morse pump for Tank #3 booster Station, Will need to replace the Morse pump, received a Quote from Industrial Motors Quoted price is \$ 6,700.00

Director Thomas made the motion to approve the purchase of replacement Fairbanks Morse pump for Tank#3 Booster Station and seconded by Director Jarvis

The ensuing vote was unanimous to approve.

12. Consider and Take Action on the Engineering Report Relating to Construction and Engineering Activities of the District. (Engineering Consultant)

Mr. Adrian Rosas noted zero applications, Construction Plan Review Mission Ridge Unit 13 requested a 1 year extension, Horizon City Unit 35 lot 1 Block 279 is awaiting plans, 14511 Horizon Blvd- Dyer Family Dental is awaiting revised plans, 171 Ellsworth is awaiting plan Submittal, moved to Construction Observation.

Moved to projects under construction:

Lagoon Decommissioning & Spray Field No. 1 Lift Station and Force Main Improvements-The Spray Field lift station was awarded by the Board an early meeting. The pre-construction conference is scheduled the first week in December.

TRE has met with two sludge processing vendors at the lagoon site, waiting lagoon sludge profiling.

WWTP Bar Screen Improvements-Awarded in October, the pre-construction meeting has been conducted; notice to proceed is anticipated on December 2, 2013.

RO Concentrate Disposal and Permit Amendment- Have received the final permit; TRE has submitted the modeling for the proposed Concentrator to the TCEQ for review and approval.

RO Prefiltration-based on results from the skid mounted pilot system to analyze the water from three of the existing well sites, wells 3,7, and 8 appear to be experiencing colloidal sand, currently TRE and the filtration supplies are evaluating the most cost effective option for filtration.

Booster Pump Station No. 4- TRE is working with the surety company in order to facilitate project completion.

Spray Field No.1 Irrigation System Improvements-TRE is currently under design for the irrigation system improvements.

Motion made to accept the Engineers Report was made by Director Jarvis and seconded by Director Thomas.

The ensuing vote was unanimous to approve.

13. Consider and Take Action on RO Concentrate jumper line at Tank 2 Solicitations. (Engineering Consultant)

Mr. Adrian Rosas noted Bids were opened on November 21, 2013 at 12:00 p.m. for the construction of the Horizon Regional Municipal Utility District Reverse Osmosis Concentrate Piping Reroute Improvements. Three bids were received, the lowest bidder is Bain Construction, in the base bid amount of \$32,930.75.

TRE Recommends the bid is awarded to Bain Construction in the amount of \$32,930.75.

Motion made by Director Jarvis to award the project to the lowest bidder Bain, in the amount \$32,930.75 for the RO Concentrate jumper line at Tank 2 Solicitations and Director Thomas seconded.

The ensuing vote was unanimous to approve.

14. Consider and Take Action on a facilities reimbursement agreement for Horizon City Unit 90 and 91. (Legal Counsel)

Mr. Alan Petrov- noted Facilities Development agreements are typical; this agreement is entered between developer and water companies or Municipal Utilities, to request the Developer to develop beyond their own properties and develop properties not owned.

As the properties are sold it allows the Developer to collect a reimbursement on the properties developed but not owned, the formula is number of lots divided by cost and calculate fee.

Mr. Alan Petrov has created an agreement concerning the Horizon City Unit 90 & 91 between Horizon Regional Municipal Utility District and Secret Valley, J.V. the (Developer).

Motion to approve the facilities reimbursement agreement was made by Director Jarvis and Seconded by Director Thomas

The ensuing vote was unanimous to approve.

15. Consider and Take Action on a petition for exclusion of property from the District filed on behalf of Pellicano 375 LP. (Legal Counsel)

Mr. Alan Petrov noted received a petition for Exclusion of Property, address is Pellicano 375 LP, This petition is requesting that the Board of Directors exclude a 16.953 acre tract out of Section 17, Block 79, Township 3, Texas Pacific Railway Company Surveys.

Mr. Petrov explained water code amended provision, went into effect Sept 1, previously able to exclude any property before. Property owners would be able to petition before 2007-2006 years of statue. Once received a petition would need to get a hearing, two petitions received, verified all requirements, pro data taxes, if all requirements are met will have to exclude.

Motion was made by Director Thomas to have another hearing scheduled for Dec 19, 2013 and seconded by Director Jarvis.

The ensuing vote was unanimous to approve.

16. Reports and Discussion of Other Matters That May Come Before the Board.

Director Moorhouse informed us Whataburger grand opening is Dec 6, 2013 and if you go inside, you can fill out a drawing entry for Hamburgers for a whole year, Mr. Charlie McGinnis would like to rent a coke machine for the office, Director Davis noted need to vote and Mr. Alan Petrov noted to place as agenda Item.

Mr. Jeff Gates noted Golf Course will be opened in Thanksgiving and needs Sand Holders.

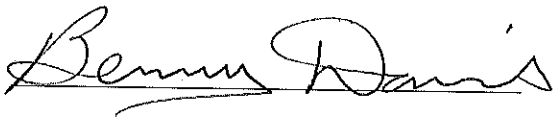
Director Davis noted an easement agreement 8.37 or 8.27 acres of Desert full of Mesquite, our driving range goes thru the middle, Director Davis asked to consider the purchasing of property if funds available, will discuss further.

Motion to adjourn was made by Director Thomas and seconded by Director Jarvis

The ensuing vote was unanimous to approve.

There being no further business before the Board, the meeting was, upon motion duly made, seconded and carried, adjourned at 7:30 p.m.

READ, APPROVED, AND ADOPTED THIS 19 DAY OF DECEMBER, 2013.



Benny Davis, President
Board of Directors
Horizon Regional M.U.D.



Bob Jarvis, Secretary
Board of Directors
Horizon Regional M.U.D.