

**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, December 18, 2014 at 4:00 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	-	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. Project Manager Charlie McGinnis, Administrative Assistant Elvia Munoz, Area Manager Mark Steelman, TRE & Associates, Inc. Engineer Linda Troncoso, Xochitl Aranda and Attorney Alan Petrov the Pledge of Allegiance was said with audience participation.

4. RECEIVE CITIZEN COMMUNICATIONS

No citizen communications.

5. CONSENT AGENDA.

- A: Consider and Take Action to approve the Minutes of the Regular Meeting held on November 20, 2014, and Special Meeting held on December 11, 2014.
- 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 November 30, 2014.

Motion was made by Director K. Thomas and seconded by Director B. Jarvis to approve the payment of bills, minutes, financial statement for the month and invoices for operations and construction; and to approve the 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.

Project manager Mr. McGinnis explains the net water connections. Total active, inactive and district meters for the month are: 9,965. Averaging connections per last (3) months= 9
Mr. McGinnis continues with well pumping report: Total gallons pumped for November 2014 were 115,288,100. Wheeler well field capacity is at 33.71% and Desert Well field is at 41.34% Waste water system reports total for the month of November 2014 is 7436 and year to date net change (6 month) is 159 averaging connections per last 3 months = 6
Influent received in November 2014 was 64,216,000 and effluent delivery total was 5,577,000 well water Spray Field is 5,577,000
GLO 3,409,000 and SPUR 52,907,000
Total plant capacity: 3.0 MGD
Percentage of capacity: 71.4%
Mr. McGinnis reported to Board Members that J. Williams assisted 4 customers with high bills and online set up for the month of November 2014. All inquiries were resolved. Mr. McGinnis explains that for the month of November 2014 Horizon Regional had 2,240 Delinquent letters mailed and disconnected total of 110 services. Engineer L. Troncoso is asking the Board for permission to have workshop meeting. Meeting was approved for January 29, 2015 at 3:00 P.M. Mr. McGinnis concludes that the total amount for collections is \$1,696.65 for the month of December 2014, and total write offs was \$7.80.

Motion was made by Director B. Jarvis and was seconded by Director D. Hulseby to approve management report and send all 12 accounts to collections and to approve management report.

Vote was unanimous to approve.

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

Alejandrina Pina explained to customers that there was a bad sewer smell on Monday coming from downstairs. Mrs. Pina also explained that she thinks the smell is coming from the pro-shop and is affecting her business at the restaurant. Director D. Hulseby advised Board Members that he thought the smell is

coming from the downstairs restroom. Director D. Hulsey advised all that Surety Plumbing the plumbing company that fixed the sewer backup took out several objects from the women's restroom. Director D. Hulsey would like a report to find the problem and would like for Roto-Rooter to be the one to investigate problem. Director B. Jarvis agrees and would like for someone to narrow it down. Mr. J. Gates explained there are no clean outs. Engineer L. Troncoso advised Board Members that Xochitl Aranda from TRE will help investigate the problem as well. Director B. Moorhouse advised that she was at the restaurant on Saturday and did not smell anything. Mrs. Pina concluded that the smell is constant.

8. CONSIDER AND TAKE ACTION, IF NECESSARY, ON REPORT FROM TURF COMMITTEE.

No action taken.

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

Engineer L. Troncoso explained on Lagoon Decommissioning that the contractor completed sludge removal in the smaller eastern pond and is currently removing sludge from the western pond. Director D. Hulsey asked on status of Spray Field pump. Ms. Troncoso responded that installation would be tomorrow Friday December 19th or at the latest Monday December 22, 2014. Ms. Troncoso continues to explain that the RO concentrator NTP was issued on December 4, 2014 and the contractor is currently installing piping at the site. The RO pre-filtration are under review. Ms. Troncoso is recommending to table the following items: #11, #14, and #15. Ms. Troncoso advises that on the El Paso Hills Lift Station will be submitted to the TCEQ for review within the next two weeks.

Motion was made by Director B. Jarvis and seconded by Director D. Hulsey to approve Engineering Report and to table items #11, #14, and #15.

Vote was unanimous to approve.

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

There was no report. No action taken.

11. CONSIDER AND TAKE ACTION ON CHANGE ORDER NO. 1 FOR RO CONCENTRATOR PROJECT.

Tabled.

12. CONSIDER AND TAKE ACTION ON PAY ESTIMATE NO. 5 FOR SPRAY FIELD NO. 1 IRRIGATION SYSTEM IMPROVEMENTS.

Motion made by Director B. Jarvis and seconded by Director K. Thomas to approve pay estimate No. 5 for Spray Field No. 1 irrigation system improvements.

Vote was unanimous to approve.

13. CONSIDER AND TAKE ACTION ON DIGESTER REPAIRS.

Mr. McGinnis asked to table until Spray Field Agenda.

Motion was made by Director K. Thomas and seconded by Director B. Jarvis to place item #13 on Spray Field Agenda.

14. CONSIDER AND TAKE ACTION ON FINAL PAY ESTIMATE NO. 3 FOR RO MEMBRANE REPLACEMENT PROJECT.

Tabled.

15. CONSIDER AND TAKE ACTION ON RECOMMENDATION OF ACCEPTANCE FOR OPERATION AND MAINTENANCE OF RO MEMBRANE REPLACEMENT PROJECT.

Tabled.

16. PUBLIC HEARING REGARDING A REQUEST BY HERMOS ENTERPRISES, INC FOR THE EXCLUSION OF APPROXIMATELY 4.545 ACRES FROM THE DISTRICT ON PELICANO DRIVE; CONSIDER AND TAKE ACTION, IF NECESSARY, ON THE REQUEST.

Motion was made by Director K. Thomas and seconded by Director B. Jarvis to table items #16, and #17 reason being that attorney A. Petrov was not present.

At 4:40 p.m. Board Members went into confidential closed/executive session. At 5:00 p.m. Board Members were back from executive session, and Director K. Thomas asked not to table items #16, #17 considering that Attorney A. Petrov is now present in the meeting. Attorney A. Petrov advised Board Members that Hermos Enterprises, Inc. is requesting de-annexation approval.

Motion was made by Director B. Jarvis and seconded by Director K. Thomas to approve de-annexation for customer Hermos Enterprises, Inc.

Vote was unanimous to approve.

17. **CONSIDER AND TAKE ACTION, IF NECESSARY ON RESOLUTION OF AN AGREED ENFORCEMENT ACTION WITH THE TCEQ AND AUTHORIZE PAYMENT OF THE SUPPLEMENTAL ENVIRONMENTAL PROJECT OFFSET AMOUNT.**

Attorney A. Petrov explains that over 6 months to a year ago there has been issues with the RO facilities. Mr. Petrov explained that enforcement letters have been coming in, due to permits not coming in on time. Mr. Petrov advises the Board Members that it would be better to pay TCEQ the differed penalty than to pay Johnson Petrov LLP. Director K. Thomas asked how much would the penalty be. Mr. McGinnis responded that the penalty amount was \$5,250.00.

Motion was made by Director B. Jarvis and seconded by Director D. Hulsey to approve and pay differed penalty to TCEQ in the amount of \$5,250.00.

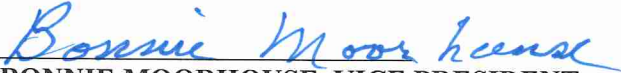
Vote was unanimous to approve.

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

Director B. Moorhouse asked Mr. McGinnis to find out why one of the parks that Ms. Pat Randell takes care of from City Hall shows zero consumption. Mr. McGinnis explained that he has already explained to Mr. Jay Blobner the reason for zero consumption. Mr. McGinnis explained that the reason for no usage was because that is a bypass meter.

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 5:20 P.M.


READ, APPROVED, AND ADOPTED THIS 22nd DAY OF JANUARY 2015.



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