

**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 19, 2013 at 4:00 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	Vice President
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 November 21, 2013, and Special Meeting held on December 5, 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 November 31, 2013.**

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

Vote was unanimous to approve.

6: **Hold Public Hearing Concerning a Petition by Pellicano 375 LP for Exclusion of Property from the District and Consider and Take Action on Petition. (Legal Counsel)**

Director Davis noted Mr. Alan Petrov not in meeting and will move item, to be discussed at later time, to give time for the Attorney to arrive.

7. **Hold Public Hearing Concerning a Petition by GECU, a Federal Credit Union, for the Exclusion of Property from the District and Consider and Take Action on the Petition. (Legal Counsel)**

Director Thomas moved to table Item for the Hearing Concerning a Petition by GECU a Federal Credit Union for the Exclusion of Property from District and Director Singleton seconded motion.

8. **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 14, total active meters this month 9349, this month total vacant 23 total active from last month 9770 this month.

Totals Gallons pumped 106,517,700 for the month of November, construction usage is steady, and Wheeler Well Field is at 39.30% total Capacity. Waste water is at -3 for this month, influent received in November 54,287,400. Effluent delivery to the golf course was 13,786,500. Total effluent was 42,871,400 gallons and the wastewater plant is at 53% capacity.

Janita met with 25 customers in November, Mr. McGinnis moved to read the Operations Report-All lift stations are running and operational, except for the El Paso Hills lift station which is running on one side.

We had four loads of sludge hauled to the landfill in November, and met all permit parameters for the month of November.

The Mesa Spur Drain flow meter stopped working, RO-B has been isolated and Cubic Waters has begun the rehab procedure. The version of Hyper Tac, that we currently have, is no longer supported by Data Flow Systems; in the Scada System, Idessa rerouted the data to the PLCs in the control cabinet, returning it to operation.

Mr. McGinnis moved to set the calendar for January, Director Davis noted will be out of town from the 5th to the 10th.

Mr. McGinnis reported \$5390.14 to be sent to the collection agency and ask the Board to approve collections

Motion to approve the Management Report and approve collections was made by Director Thomas and seconded by Director Singleton.

The ensuing vote was unanimous to approve

6. **Hold Public Hearing Concerning a Petition by Pellicano 375 LP for Exclusion of Property from the District and Consider and Take Action on the Petition.**

Mr. Alan Petrov noted legislation recently passed added a code for the exclusion of property. If the property is too far away for a mud to be able to provide water, it could be excluded. Even if a property is excluded, it is responsible to pay taxes and is obligated to pay on bonds. It would not be obligated to pay on future bonds.

Director Davis wanted to know who keeps track. Mr. Petrov explained Bill Blich runs numbers and the tax office keeps track of tax payments made. Mr. Petrov explained the law provides no option and no stature, in new legislation, to calculate amount owed, receive payment and free the party of responsibility. We would need to have meeting and

a public hearing. This meeting satisfies the public hearing requirement. Mr. Petrov noted one recommendation, the office will want to document that the petitioner who owns property has all taxes paid to date before releasing, and who is authorized to sign the petition. The boundary map will need to be updated after release of property form the District.

Director Jarvis made a motion, and seconded by Director Thomas, to authorize the creation of the documentation mentioned by Mr. Alan Petrov, the Attorney.

The ensuing vote was unanimous to approve

09. Consider and Take Action on Management Report Relating to Management and Operational Activities of Spray Field No 1. (Spray Field Management)

Mr. Jeff Gates read his report for the Spray Field #1 and Mr. Gates noted they were still working on irrigation system, and had an electrical problem at the pump station. The Electric Company came out and said the problem was on our side, but the problem fixed itself mysteriously overnight. Director Singleton wanted to know what the electrical problem was, and Mr. Gates reported low voltage.

Mr. Gates reported that play is continuing to grow; if the weather improves more rounds will be played. He is getting a lot of questions on rates, first responder rates, military rates, monthly walking rates, and a corporate rate from a firm. Mr. Maupin, who lives in Alto, would like to support the golf course but doesn't play here enough during the year to justify a monthly or yearly rate. Mr. Maupin would be willing to pay \$1200 for a card that would allow him 40 rounds for the year, 40 rounds at \$35.00 = \$1400. Director Moorhouse would like to know which golf course has the lower rates. Mr. Gates noted Painted Dunes; Ascarate is ran by the County and is lower than Fort Bliss. Director Thomas noted the rates could be further discussed at the Spray Field Meeting.

Pos System working as long as u-verse does not go down, which has been happening a lot lately, would like to go with Time Warner, and withdraw from service with ATT.

The Fire Marshall noted repairs will be needed in the parking lot lights. He has been trying to contact Nina's electrician, if not able to contact Nina's electrician, will ask Charlie to contact Kendrick Electric. Director Singleton would like to know the cost? Mr. Gates will obtain a quote, which will need to include location of the breakers, since none are labeled.

Mr. Jeff Gates would like to have the golf course close on Christmas Day and Director Singleton agreed and Director Thomas seconded.

Motion to accept the Management Report for the Spray Field #1 was made by Director Thomas and seconded by Director Singleton.

The ensuing vote was unanimous to approve

10. Consider and Take Action on Removal of partial Pole Line located at 15000 Horizon Blvd. For R.O concentrate pond improvements. (Management)

Mr. Charlie McGinnis came before the board to request authorization to pay the Electric Company, for the removal of a partial electric pole line and equipment, located at 15000 Horizon Blvd. Cost is \$7,522.12. Remittance is required before a work order is created and released to the construction crew. Director Davis wanted to know if the price was to remove and relocate post only. Mr. McGinnis noted it was to relocate and leave the last pole in place. Ms. Troncoso noted that electricity was needed for irrigation.

Motion was made by Director Moorhouse to pay the Electric Company for the removal of the partial pole line and seconded by Director Thomas.

The ensuing vote was unanimous to approve.

11. Consider and Take Action on Repair of Well 1-10 1B (Management)

Mr. McGinnis is requesting to have well 1B pump repaired. He solicited three quotes and received two responses. The quote from West Texas Water Well Service in the amount of \$41,268.00 was the lowest. Mr. Alan Petrov asked if the third request for a quote was documented, and Mr. McGinnis said yes.

Motion to accept the Repair of Well 1-10B by West Texas Water Well was made by Director Thomas and seconded by Director Jarvis.

The ensuing vote was unanimous to approve.

12. Consider and Take Action on Design Proposal for RO Pre Filter System Improvements. (Engineering Consultant)

Ms. Troncoso noted Pre-filtration of 1-10 Wells has been discussed for several months. The Wheeler wells have been serviced and continue to produce colloidal sand, causing frequent clogging of the filters and costly replacement. TRE & Associates recommends having Wells 7, and 8 placed on a new system located at the RO plant on the 20 inch line, and at well 3. She recommended using the filter media of Turbidex. Turbidex is a single media that has demonstrated high efficiency of particle removal with longer run times and less frequent backwashes.

Ms. Troncoso recommended transferring eight hundred thousand from manhole rehabilitation project to the pre-filtration project to maximize dollars from the proceeds from series 2013 Bond Issue. This would require a change of scope from TCEQ.

Director Thomas asked if we are running out of space at the RO Plant, and Ms. Troncoso noted there is enough space to build a whole new system.

Motion made by Director Jarvis to approve the Engineers proposal for the pre-filtration of water from the 1-10 Wells and Director Thomas seconded.

The ensuing vote was unanimous to approve.

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

Ms. Linda Troncoso noted zero applications for service commitment.

Construction Plan Review:

Mission Ridge unit 13 requested 1 year extension

Horizon City Unit 35 lots 1, Block 279 is awaiting plans

14511 Horizon Blvd, Dyer Family Dental, comments have been addressed and is awaiting approval signature

171 Elsworth is awaiting plan submittal.

Projects under construction

Lagoon Decommissioning & Spray Field NO.1 Lift Station and Force Main Improvements

A notice to proceed has been issued for the lift station and force main improvements and submittals are under review.

Two sludge processing vendors have been contacted for prices of sludge removal for the lagoon decommissioning.

WWTP Bar Screen Improvements

The notice to proceed was issued on Dec 2, 2013 and the contractor is in the process of forming the concrete structures on site.

RO Concentrate Disposal and Permit Amendment

We have received the final permit and comments from the TCEQ are expected by early January for the proposed brine concentrator.

RO Prefiltration

The skid mounted pilot system to analyze the water from the existing wells sites was used by a supplier. Wells 3, 7 and 8 appear to be experiencing colloidal sand based on the results. A pre-filtration system is recommended on the 20 inch and 24 inch well gathering lines to be installed in phases.

Booster Pump Station No.4

TRE is working with Surety Company in order to facilitate completion.

Spray Field no.1 Irrigation System Improvements

TRE is currently under design for the irrigation system improvements. The pump house enclosure is under design with a rock wall and an R-panel metal roof. This project is anticipated to advertise for bid in January.

Motion to approve the Engineers report relating to Construction and Engineering Activities of the District was made by Director Jarvis and seconded by Director Moorhouse.

The ensuing vote was unanimous to approve.

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

Mrs. Pena is not present and will need to discuss this item at Spray Field Meeting.

Motion was made by Director Thomas and seconded by Director Singleton to table and discuss the item at the Spray Field committee.

The ensuing vote was unanimous to approve.

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

Mr. Bill Fry from Severn Trent asked to address the concerns of Director Moorhouse about the failure to report disinfection levels to the TCEQ. There was an oversight in the transition and the oversight was not made by the office here in El Paso. Severn Trent assumes full responsibility and will be responsible for the cost and fees. Director Davis asked Mr. Fry if a procedure was created to avoid having reporting problems in the future. Mr. Bill Fry assured Director Davis a procedure was created and that it would not happen again.

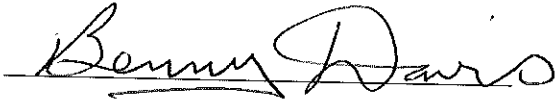
Mr. McGinnis would like to obtain permission from the board to have the design of the front doors changed, or replace front doors all together, since the design is not meant for heavy traffic. Director Thomas inquired if it would be cheaper to replace front door parts. Mr. McGinnis will obtain three quotes for replacing parts and converting doors to find out the lowest and better solution to the front door problem.

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.



Maureen Singleton, Vice President
Board of Directors
Horizon Regional M.U.D.

JW/CM