

**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 July 23, 2015 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
Bob 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. Account Manager Charlie McGinnis and Administrative Assistant Elvia Munoz, TRE & Associates, Inc. Linda Troncoso, and District 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 June 25, 2015 and Special Meeting held on July 16, 2015.

- 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 June 30, 2015.
- D: Consider and Take Action on RO Pre-Filter System Improvements Project Pay Estimate No.6.
- E: Consider and Take Action on RO Concentrator Project Pay Estimate No. 7.

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

Account Manager, Mr. McGinnis explains the net water connections. Total active, inactive and district meters for the month are: 10,074 Averaging connections per last (3) months= 9

Mr. McGinnis continues with well pumping report: Total gallons pumped for June 2015 were 168,847,350. Wheeler well field capacity is at 50.99% and Desert Well field is at 56.75% Waste water system reports total for the month of June 2015 is 7490 and year to date net change (6 month) is 213 averaging connections per last 3 months = 5

Influent received in June 2015 was 65,805,000

Effluent delivery total was 63,173,000 well water spray field is 14,356,000.

GLO 29,408,000 and SPUR 19,487,000

Total plant capacity: 3.0 MGD

Percentage of capacity: 69.0%

Mr. McGinnis reported that 5 customers were assisted with late fees. All inquiries were resolved. For the month of July 2015 Mr. McGinnis concluded that approval was needed to send \$473.18 to collections and \$23.68 for write offs.

Motion was made by Director B. Jarvis and seconded by Director K. Thomas to approve Management Report and to send \$473.18 to collections and \$23.68 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.

Engineer L. Troncoso advised TRE is awaiting plan submittal for 14961 Armonk. On Spray Field No.1 lift station and force main improvements, the lift station control repair is complete. On the wastewater treatment plant influent lift station repair material is on site and repairs will continue thru July 27th, 2015. RO concentrate disposal manufacturer representative on site performing startup. On the wastewater treatment plant influent lift station repair material is on site and repairs will continue thru July 27th, 2015. RO concentrate disposal manufacturer representative on site performing startup operations. On the RO pre-filtration as per last meeting they were to give 2 purchase orders. Attorney A. Petrov advised Board Members that the District is holding \$45,000.00 in retainage. Mr. Petrov explained that retainage can become a post bond. Regarding the ongoing disputes with Cubic Water and Bob Johnson & Associates, Director B. Jarvis said he is not happy. Mr. Petrov recommends no more business with Bob Johnson & Associates. Mr. Petrov also mentioned that Bob Johnson & Associates their surety will not give warranty either. Ms. Troncoso also recommends that Cubic Water not bid anymore for any future Horizon Projects. El Paso Hills lift station replacement the TCEQ has approved the design of the lift stations and the electrical design is underway.

Motion was made by Director K. Thomas and seconded by Director B. Jarvis to approve 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.

No action taken.

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

Attorney A. Petrov explained letter was sent to Moonlight regarding hours of operation. Director B. Jarvis explained Moonlight made good profit for the month and will probably be making an extra payment to the District.

10. **CONSIDER AND TAKE ACTION ON LIFT STATION PROJECT FOR SPRAY FIELD NO. 1 PAY ESTIMATE NO. 1**

Motion was made by Director K. Thomas and seconded by Director B. Jarvis to approve repair for electrical panels over flow on lift station project Spray Field No. 1.

Vote was unanimous to approve.

11. **CONSIDER AND TAKE ACTION ON CHANGE ORDER NO. 1 FOR RO PRE-FILTER IMPROVEMENTS. .**

Tabled.

12. **CONSIDER AND TAKE ACTION ON PURCHASE OF SEED FOR SPRAY FIELD NO 1.**

Motion was made by Director K. Thomas and seconded by Director B. Jarvis to approve Mr. Delgadillo to start buying seed.

Vote was unanimous to approve.

13. CONSIDER AND TAKE ACTION ON REIMBURSEMENT AGREEMENT FOR CLINT SCHAAR.

Mr. Schaar is submitting reimbursement request agreement. Ms. Armstrong claims there were two separate agreements from Jaime Alvarado and Richard Cardinal that were granted two years ago. Units 49, 50, 51, and 52 total lots 32. Mr. Petrov explained to Mr. Schaar that he had a template for Mr. Schaar to complete. As per Directors it was concluded that Mr. Schaar be placed on next agenda for special meeting, and for Mr. Schaar to bring contracts to the office by Wednesday July 30, 2015.

No action taken.

14. CONSIDER AND TAKE ACTION ON USE OF SURPLUS BOND FUNDS FOR DISTRICT PROJECTS.

Mr. Petrov explained the project 2006-2009 bond issues. Funds are needed for the 2013 project. Once filed with TCEQ and once approved, TCEQ would need to approve surplus funds.

Motion was made by Director K. Thomas and seconded by Director D. Hulsey to approve surplus funds.

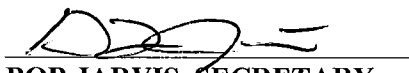
Vote was unanimous to approve.

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

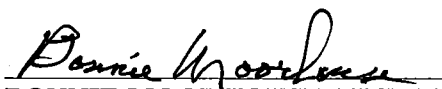
Director B. Jarvis explains he had attended development meeting and that the Horizon Mayor mentioned to him that he had emailed Director B. Davis an email regarding to the drainage project. Ms. Troncoso advised she was meeting with Horizon Mayor and she would ask him to send agreement to her and Board Members.

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 7:00 p.m.

READ, APPROVED, AND ADOPTED THIS 27th OF AUGUST 2015.



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



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

EM/CM