

**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 September 28, 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:

Florence K. Thomas	-	President
Bonnie Moorhouse	-	Vice President
Gordon Jarvis	-	Treasurer - Not Present
John Whitaker	-	Assistant Vice President
Dean Hulsey	-	Secretary

Director K. Thomas 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, Operations Project Manager Mark Steelman. TRE & Associates Inc. Linda Troncoso. 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 August 24, 2017, Special Meeting held on September 13, 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 August 31, 2017.
- D: Consider and Take Action on Pay Estimate No. 11 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 D. Hulsey and seconded by Director J. Whitaker 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. DISCUSSION ON HORIZON VIEW ESTATES SEWER PROJECT.

Ms. Troncoso advised application was sent to BECC.

7. CONSIDER AND TAKE ACTION ON MANAGEMENT REPORT RELATING TO MANAGEMENT AND OPERATIONAL ACTIVITIES OF THE DISTRICT.

Mr. McGinnis reported 30 water leaks in the street for the month of August 2017 and all were service lines.

McGinnis explains net water connections.

Total active, inactive, for the month of September 2017 are: 10,516. Mr. McGinnis continues with well pumping report: Total gallons pumped for August 2017 were 184,965,100. Wheeler well field capacity is at 46.67% and Desert Well field is at 52.88% Waste water system reports total for the month is 7889 and year to date net change (6 month) is 612 averaging connections per last 3 months = 3

Influent received in August 2017 was 62,297,000

Effluent delivery total was 59,805,100 well water spray field is 15,574,000.

GLO 715,000 and SPUR 43,516,100

Total plant capacity: 3.0 MGD

Percentage of capacity: 66.5%

Mr. McGinnis requested approval to send \$3,211.41 to collections and \$68.31 for write offs.

Motion was made by Director D. Hulsey and seconded by Director J. Whitaker to send \$3,211.41 to collections and \$38.31 for write offs.

Vote was unanimous to approve.

Mr. Steelman reported to Board Members that he had met with crew that had been working long hours on leaks and that Severn Trent had given all employees an appreciation lunch party at the Golf Course. Mr. Steelman also reported that IT from Severn Trent came to Horizon office to fix and issue with the cash drawers and advised that Horizon was now TX Mud Region. Mr. Steelman concluded that he was proud of the maintenance crew.

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

Ms. Troncoso reports that El Paso Hills Lift Station, the contractor has completed all installations at the initial and relay Lift Stations. The initial and relay Lift Station start-ups have been completed and are operational, and permanent power from EPEC is being finalized. On GST-2B submittals are under review and the contractor has excavated the tank base and is preparing the foundation subgrade, and preparing for installation of the feed piping. Veny Webb Lift Station repairs construction is scheduled to begin the week of October 23, 2017 following receipt of the new flygt pumps. On Horizon City Roadway Projects due to many main breaks at Weaver and Blair the Town of Horizon is proposing next Board Meeting. Horizon City Drainage Project at Spray Field No. 1 still awaiting coordination will have a joint meeting. Ms. Troncoso concluded on Spray Field Irrigation System bids were received on September 26, 2017 and the project was on agenda at current meeting.

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

Mr. Delgadillo reported \$9,468.00 in sales for the month and profit of \$2,258.00. Mr. Delgadillo advised August was a slow month. Advised greens are looking good, and concluded golf course will re-open on October 9, 2017.

Motion was made by Director D. Hulseley and seconded by Director B. Jarvis to close for an extra 4 days.

Vote was unanimous to approve.

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

Tulia reported they had two upcoming events.

11. **CONSIDER AND TAKE ACTION ON REPAIRS FOR RO CONCENTRATOR A AND B.**

Motion was made by Director D. Hulseley and seconded by Director J. Whitaker to approve Industrial Water Service to do repairs for RO Concentrators A&B in the amount of \$22,389.00

Vote was unanimous to approve.

12. CONSIDER AND TAKE ACTION ON SPRAY FIELD NO 1. IRRIGATION AND BOOSTER PUMP STATION IMPROVEMENTS.

Ms. Troncoso advised TRE received 3 bids for Spray Field No. 1 Irrigation and Booster Pump Station Improvements. Ms. Troncoso advised Accent Landscaping Contractors was lowest bidder.

Motion was made by Director D. Hulsey and seconded by Director J. Whitaker to approve Accent Landscaping Contractors for project on Spray Field No. 1 Irrigation and Booster Pump Station Improvements in the amount of \$2,588,281.45.

Vote was unanimous to approve.

13. CONSIDER AND TAKE ACTION ON WATER LINE REPLACEMENT ON BLAIR AND WEAVER IN INDUSTRIAL PARK.

Motion was made by Director B. Jarvis and seconded by Director B. Moorhouse to Table item #13.

Vote was unanimous to approve.

14. CONSIDER AND TAKE ACTION ON RELOCATION OF 12" LINE FOR LOS FIERRO CONSTRUCTION.

Motion was made by Director D. Hulsey and seconded by Director J. Whitaker to approve Los Fierro Construction Inc. to do relocation of 12" water line in the amount of \$7,500.00

Vote was unanimous to approve.

15. CONSIDER AND TAKE ACTION ON 2017/2018 RERATE EXPOSURE FOR TEXAS MUNICIPAL LEAGUE.

Motion was made by Director D. Hulsey and seconded by Director J. Whitaker to approve 2017-2018 rerate exposure for Texas Municipal League.

Vote was unanimous to approve.

16. CONSIDER AND TAKE ACTION ON REPAIR OF TRANSFER SWITCH FOR GENERATOR FOR WASTEWATER PLANT.

Motion was made by Director D. Hulsey and seconded by Director B. Moorhouse to approve Cummins Southern Plans, LLC to repair of transfer switch for generator for wastewater plant in the amount of \$7,250.00

Vote was unanimous to approve.

17. CONSIDER AND TAKE ACTION ON REPAINTNG AND REPAIRING WALLS FOR RO PLANT OFFICE.

Motion was made by Director D. Hulsey and seconded by Director J. Whitaker to approve McKenzie Development, LLC to do repainting and repairing walls for RO Plant Office in the amount of \$2,600.00

Vote was unanimous to approve.

18. CONSIDER AND TAKE ACTION ON REPLACEMENT FOR CHLORINATION BUILDING DOORS AT WWTP.

Motion was made by Director D. Hulsey and seconded by Director B. Moorhouse to approve Horizon City Construction, LLC on replacement for chlorination building doors at WWTP in the amount of \$4,154.00.

Vote was unanimous to approve.

19. CONSIDER AND TAKE ACTION ON 2017-2018 BUDGET FOR DISTRICT.

Motion was made by Director D. Hulsey and seconded by Director J. Whitaker to approve 2017-2018 budget for District.

Vote was unanimous to approve.

20. CONSIDER AND TAKE ACTION ON PURCHASE OF METER FOR WWTP GOLF COURSE SUPPLY.

Motion was made by Director D. Hulsey and seconded by Director J. Whitaker to approve Clowe & Cowan of El Paso, LLC on Purchase of Meter for WWTP Golf Course Supply in the amount of \$3,367.00

Vote was unanimous to approve.

21. CONSIDER AND TAKE ACTION ON INTERLOCAL AGREEMENT WITH LOWER VALLEY WATER DISTRICT FOR 1651 HORIZON BLVD.

Motion was made by Director D. Hulsey and seconded by Director J. Whitaker to Table Item #21

Vote was unanimous to approve.

22. CONSIDER AND TAKE ACTON ON A PETITION BY CUESTA DEL SOL, TO EXCLUDE 22.596 ACRES FROM THE DISTRICT AND HOLD A PUBLIC HEARING ON SAME.

Motion was made by Director D. Hulsey and seconded by Director J. Whitaker to exclude Cuesta Del Sol 22.596 acres from the District.

Vote was unanimous to approve.

23. CONSIDER AND TAKE ACTION ON PETITION BY LAS TIERRAS COMMUNITY CHURCH OF EL PASO TO EXCLUDE 4.9706 ACRES FROM THE DISTRICT AND HOLD A PUBLIC HEARING ON SAME.

Motion was made by Director D. Hulsey and seconded by Director J. Whitaker to exclude Las Tierras Community Church of El Paso 4.9706 acres from the District.

Vote was unanimous to approve.

24. CONSIDER AND TAKE ACTION ON A PETITION BY BOWLING LAND INVESTMENTS, LLC TO EXCLUDE 18 ACRES FROM THE DISTRICT AND HOLD PUBLIC HEARING ON SAME.

Motion was made by Director D. Hulseley and seconded by Director J. Whitaker to exclude petition by Bowling Land Investments, LLC 18 acres from the District.

Vote was unanimous to approve.

25. CONSIDER AND TAKE ACTION ON A PETITION BY THE ALBERT AND ESPERANZA GAMBOA TRUST TO EXCLUDE CERTAIN LAND FROM THE DISTRICT AND HOLD A PUBLIC HEARING ON SAME.

Motion was made by Director D. Hulseley and seconded by Director J. Whitaker to Table Item #25.

Vote was unanimous to approve.

26. CONSIDER AND TAKE ACTION ON A PETITION BY GFA LIMITED PARTNERSHIP TO EXCLUDE CERTAIN LAND FROM THE DISTRICT AND HOLD A PUBLIC HEARING ON SAME.

Motion was made by Director D. Hulseley and seconded by Director J. Whitaker to Table Item #26.

Vote was unanimous to approve.

27. CONSIDER AND TAKE ACTION TO AMEND THE DISTRICT'S INFORMATION FORM.

Motion was made by Director D. Hulsey and seconded by Director J. Whitaker to amend the District's information form.

Vote was unanimous to approve.

28. DISCUSSION ON SEPTIC TANKS AROUND DISTRICT.

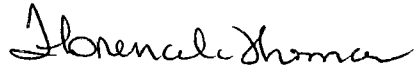
Mr. Petrov advised that regulations can be drafted in regards to septic tanks around the District. Mr. Petrov explained new rules can be done and can also be enforced. Mr. Petrov also informed that fees for septic tanks the service can be changed in Rate Order.

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

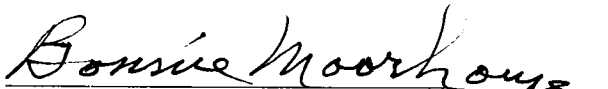
Director J. Whitaker reported he has been driving by areas with leaks and advised maintenance crews are working hard.

There being no further business before the Board, the meeting was upon motion made by Director D. Hulsey duly made and seconded by Director J. Whitaker all in favor and carried, adjourned at 7:35 P.M.

READ, APPROVED, AND ADOPTED THIS 26TH DAY OF OCTOBER 2017.



FLORENCE K. THOMAS, PRESIDENT
Board of Directors
Horizon Regional M.U.D.



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

EM/CM