

**MINUTES OF A SPECIAL MEETING
OF THE BOARD OF DIRECTORS
HORIZON REGIONAL M.U.D.**

A special meeting of the Board of Directors of the Horizon Regional M.U.D. was held on Wednesday, January 17, 2018 at 3:00 p.m. 14100 Horizon Blvd, Horizon City, Texas, pursuant to notice given in accordance with the law.

The roll was called off the members of the board, to-wit:

Florence K. Thomas	-	President
Bonnie Moorhouse	-	Vice President
Gordon Jarvis	-	Treasurer
Dean Hulsey	-	Secretary
John Whitaker	-	Asst. Vice President

Director Florence K. Thomas called the meeting to order. A quorum was established. Also attending the meeting were the District's consultants: Inframark LLC. Project Manager Charlie McGinnis, Administrative Assistant Elvia Munoz, and Regional Manager Kristi Hester. TRE & Associates, Inc. Linda Troncoso, David Duran, and Grecia Aguilera. The Pledge of Allegiance was said with audience participation.

4. RECEIVE CITIZEN COMMUNICATIONS.

No citizen communications.

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

Ms. Pina advised has no update regarding Great American. Advised Board Members that Alejandro from Great American was going through legal issues. Reported that Moonlight was still operating and had new events coming up.

6. CONSIDER AND TAKE ACTION, IF NECESSARY, ON SPRAYFIELD OPERATIONS.

Mr. Delgadillo advised weather has been great. Advised no line breaks, and pond is almost completed. Reported that hole 4 and 5 is scheduled to be completed Friday January 19, 2018. Mr. Delgadillo also reported that the lake is starting to drain, once drained hole 1 and 9 will be able to connect sprinklers system. Ms. Troncoso advised still plenty of electrical work to be done. Mr. Delgadillo reported that already has new pick-up truck for Spray Field Maintenance. Advised that air conditioners in the kitchen of the restaurant the evaporated coolers have been leaking. Mr. Delgadillo is requesting to upgrade to refrigerated air. Advised Board Members he would get a quote for next Board Meeting.

7. DISCUSSION ON INTERLOCAL AGREEMENT WITH LOWER VALLEY WATER DISTRICT.

Motion was made by Director B. Jarvis and seconded by Director D. Hulsey to approve Inter-Local Agreement with Lower Valley Water District.

Vote was unanimous to approve.

8. CONSIDER AND TAKE ACTION ON CONTRACT WITH LARA HVAC .

Motion was made by Director B. Jarvis and seconded by Director D. Hulsey to approve Contract with Lara HVAC.

Vote was unanimous to approve.

9. OPERATIONS AND ENGINEERING REPORT.

Operations:

Mr. McGinnis explains El Paso Hills Lift Station new lift station is operating on one side, waiting on El Paso Electric. Veny Webb Lift Station running on one side. Rehab nearly complete waiting on El Paso Electric. WWTP 5 loads of sludge were hauled to the Camino Real Landfill in December 2017. Digester and clarifier skimmers were replaced and are back in service. Water Wells need to get rehab. Mr.

McGinnis advised butterfly valve has been replaced. Weather Station has been scheduled for May 2018. RO-C Membranes are no longer working. Membranes have been cleaned 3 times but are not coming back. Ms. Troncoso advised will be researching for bids. Ms. Troncoso advised RO-A&B Membranes were replaced but not the vessels. Advised that leaks will continue until vessels can be replaced. This project would cost at least \$700,000.00. This project TCEQ will require 45-60 days in change in scope. Approval would be February 1st, or late March from TCEQ, timing would be critical. Director D. Hulseby requested Mr. McGinnis to ask Mr. Rosas for three week watering for the Golf Course.

Mr. McGinnis explained total water production by day:

Average daily use 4,783,800= 1.62 residual

Maximum daily use 6,626,000= 1.99 residual

Minimum daily use 2,593,400= 1.28 residual

Waste water totals for the month December 2017:

Percent of permitted to Spray Field is 11.6%

Percent of permitted to GLO is 67.2%

Percent of permitted influent to STP is 60.3%

Percent of permitted effluent to Mesa Spur drain is 35.9%.

Mr. McGinnis explains the HRMUD effluent annual average is:

Total effluent 1.8566

Golf Course 0.4320

GLO 0.4367

MSD 0.9880

RO 0.9193

Permit Maximum:

Total effluent 3.0000

Golf Course 0.5000

GLO 1.0000

MSD 3.0000

RO 0.5294

Engineering:

Ms. Troncoso advised 2 applications for service were received in December 2017 and both have been approved. El Paso Hills Replacement Project Mr. Duran advised that EPEC and Kendrick Electric will be meeting this week. On Waste Water Permit Renewal TRE recommends renewal, since it expires September 1st, 2018. The 210 Application has been added to Agenda for next Board Meeting. Horizon City Drainage and Spray Field No. 1 Land Application System one lagoon has filled up. Pay Estimate No. 1 and Pay Estimate No. 2 will be placed on Consent Agenda. GST-2B Project Ms. Troncoso advised are ahead of schedule. Pay Estimate No. 3 will be placed on Consent Agenda. Veny Webb Lift Station fiberglass lining repair and rehabilitation is 70% complete and will be placed on Consent Agenda. Scope for replacement of membranes for RO Train-C Director B. Jarvis recommends to change the vessels.

10. DISCUSSION ON INFRAMARK PROPOSAL.

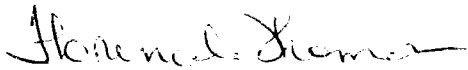
Ms. Hester gave Board Members presentation on Inframark Proposal. Ms. Hester advised did not have formal contract just yet, however would have it ready in February to deliver to Director K. Thomas and Director B. Jarvis to review.

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

No reports or discussion were made for Item #11.

There being no further business before the Board, the meeting was upon motion made by Director B. Jarvis duly made and seconded by Director D. Hulsey all in favor and carried, adjourned at 5:12 P.M.

READ, APPROVED, AND ADOPTED THIS 29TH DAY OF MARCH 2018.



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



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