

**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 Thursday , February 16, 2017 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:

Benny Davis	-	President - Not Present
Bonnie Moorhouse	-	Vice President
Gordon 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. TRE & Associates, Inc. Linda Troncoso, David Duran, John Jansing, Adrian Rosas. The Pledge of Allegiance was said with audience participation.

4. RECEIVE CITIZEN COMMUNICATIONS.

No citizen communications.

5. CONSIDER AND TAKE ACTION TO REPLACE AIR CONDITIONING UNIT AT RO PLANT.

Motion was made by Director B. Jarvis and seconded by Director D. Hulsey to approve Gray Heating and Air Conditioning to replace air conditioning unit at RO Plant in the amount of \$5,926.87

Vote was unanimous to approve.

6. CONSIDER AND TAKE ACTION ON REHABILITATION OF I-10 WELL 6.

Motion was made by Director K. Thomas and seconded by Director B. Jarvis to approve Water Well Service on rehabilitation of I-10 Well 6.

Vote was unanimous to approve.

7. CONSIDER AND TAKE ACTION ON REPAINTING FENCE AND BOLLARDS AT 14100 HORIZON BLVD.

Director B. Jarvis requested for Mr. McGinnis to get more bids on repainting fence and bollards at 14100 Horizon Blvd. Item # 7 Tabled.

8. CONSIDER AND TAKE ACTION ON GEOTECHNICAL PROPOSALS.

Motion was made by Director B. Jarvis and seconded by Director D. Hulsey to approve WWTP Lagoon Decommissioning and backfill operations, with total fee for professional services of \$6,550.00

Vote was unanimous to approve.

9. CONSIDER AND TAKE ACTION ON WINDSHIELD REPLACEMENT ON BOARD MEMBERS VEHICLE.

Motion was made by Director B. Jarvis and seconded by Director D. Hulsey to approve up to deductible to replace windshield for Board Members vehicle.

Vote was unanimous to approve.

10. CONSIDER AND TAKE ACTION ON PRICE TO RELOCATE WATER MAIN ON EASTLAKE BLVD.

Motion was made by Director B. Jarvis and seconded by Director K. Thomas to approve Rio Grande Valley to relocate water main at Eastlake Blvd.

Vote was unanimous to approve.

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

Director D. Hulseley advised Ms. Tulia Zepeda to inform Ms. Pina on city project that will start in June 2017.

12. CONSIDER AND TAKE ACTION, IF NECESSARY, ON SPRAY FIELD OPERATIONS.

Mr. Delgadillo reported that sales were better than expected this month. Mr. Delgadillo explained that had 5 weeks in January for payroll. Mr. Delgadillo advised he had spent \$800.00 on new radio's and new light fixtures were set in the shop. Mr. Delgadillo concluded that Golf tournaments are already getting set up.

13. OPERATIONS AND ENGINEERING REPORT.

Motion was made by Director K. Thomas and seconded by Director B. Jarvis to approve the order call election for the Horizon Regional MUD.

Vote was unanimous to approve.

Mr. McGinnis reports all lift stations are fully operational with the exception of El Paso Hills Lift Station running on one side. 13 Loads of sludge were hauled to the Camino Real Landfill in January 2017. Met all permit parameters for the month of January with the exception of one sample exceeding the Ammonia level for daily and weekly average. Mr. McGinnis advised blowers were ordered. Ms. Troncoso advised 3

blowers will arrive by March 30, 2017 and installation will be on April 1st, 2017. All wells are operational. Mr. McGinnis advised on pump station 1 that new booster pump was ordered and would arrive between 3-4 weeks.

Operations:

Mr. McGinnis explained total water production by day:

Average daily use 4,653,200= 1.40 residual

Maximum daily use 6,199,800= 1.97 residual

Minimum daily use 2,137,700= 0.83 residual

Waste water totals for the month January 2017:

Percent of permitted to Spray Field is 19.3%

Percent of permitted to GLO is 0.0%

Percent of permitted influent to STP is 65.0%

Percent of permitted effluent to Mesa Spur drain is 61.8%.

Mr. McGinnis explains the HRMUD effluent annual average is:

Total effluent 1.7753

Golf Course 0.4162

GLO 0.5054

MSD 0.8488

RO 0.6952

Permit Maximum:

Total effluent 3.0000

Golf Course 0.5000

GLO 1.0000

MSD 3.0000

RO 0.5294

Engineering:

Ms. Troncoso advised she met with EWM and what they do they go through water chemistry and different components in different sequences. Ms. Troncoso advised they invest and finance all the District would pay is for the water. EWM generates their own power and chemicals. Director B. Jarvis asked on term contact. Mr. John Jansing advised was about 25 years and 99% recovery. On bond application to TCEQ has already been approved. On El Paso Hills Lift Station Replacement Project have already coded and coordinating with El Paso Electric all on schedule. Status of Horizon City Drainage Project at Spray Field No. 1 specs will be sent of where to install dirt. Spray Field No. 1 land application system TRE is coordinating with Mr. Jeff Good and TRE provided 1999 survey and drawing layout. The status of Wastewater Treatment Plans Blower Replacement. Ms. Troncoso explains that now that blowers are in process of arrival there are some electrical control issues. TRE is recommending Kendrik Electric to take care of redesign and repair. Ms. Troncoso advised would get cost from Kendrik Electric and will report on next regular Board Meeting. The status of GST2-B Project bid will be in March 2017. On Darrington

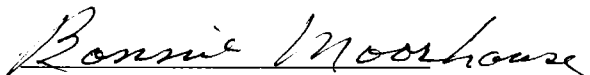
extension to LTV it is moving along. On Eastlake PH I extending 12 inch line down Eastlake. Eastlake Phase II TRE is inspecting their work, contractor is Martinez Bros. Mr. Duran reported on Darrington-Eastlake to Pelicano still reviewing to relocate. Mr. John Jansing reported that he had attended AWBD with Director B. Jarvis. Mr. Jansing reported that TCEQ explained new lead and copper rules and TCEQ is now requiring studies to be done. Mr. Adrian Rosas explained he has done several evaluations. Advised that once water starts to get corrosive then PH needs to be raised on inhibitor. Mr. Rosas advised that the District was tested and District is not in danger zone. Advised that testing is due back again this year. Chemical suppliers do the testing, and only chemicals will be bought from the District. Mr. Jansing explained that DPR (direct potable reuse) projects were also presented at AWBD. Mr. Jansing would like a Board Member to attend a trip to discuss and pursue DPR. Board requested for Mr. Jansing to initiate process.


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

No discussion made for Item #14.

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. Hulseley all in favor and carried, adjourned at 5:02 p.m.

READ, APPROVED, AND ADOPTED THIS 23rd DAY OF FEBRUARY 2017.


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