

**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 Friday January 31, 2014 at 11:40 a.m. at 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
Maureen Singleton	-	Vice President
Bob Jarvis	-	Secretary
Florence Thomas	-	Treasurer
Bonnie Moorhouse	-	Asst. Secretary Not Present

Director Davis called the meeting to order. A quorum was established. Also attending the meeting were the District's consultants: Severn Trent, Services. (General Manager Charlie McGinnis and Administrative Assistant Elvia Munoz), TRE & Associates, Inc. (Linda Troncoso). The Pledge of Allegiance was said with audience participation.

4. RECEIVE CITIZEN COMMUNICATIONS

No Citizen Communications.

5. CONSIDER AND TAKE ACTION TO AUTHORIZE THE USE OF SURPLUS BOND FUNDS.

Director K. Thomas made a motion to authorize the use of Surplus Bond Funds and was seconded by Director B. Jarvis. All in favor.

6. CONSIDER AND TAKE ACTION ON CHANGE ORDER FOR THE ADDITIONAL REQUIRED HARDWARE NECESSARY TO UPGRADE EXISTING SERVER.

General Manager C. McGinnis advised Board Members to upgrade the existing HSS001 Hyper Server with the latest version of the Hyper Server Module (HS002) fully redundant HSS002-2 and HT3 Scada software. Mr. McGinnis also explains that the price includes installation of enclosure assembly. HSS-2 includes:

- (1) Enclosure Assembly w/door window (NEMA 12 Steel, 24"W x 30"H x 8"D)
 - (2) Modular Backplane
 - (2) Network Switch Module
 - (1) Power Supply Module
 - (2) 7.0 aH Backup Battery (UPS)
- Discounted from \$5,257.00.....\$3,986.00

Motion made by Director B. Jarvis to consider and take action on change order for the additional required hardware necessary to upgrade existing Server and seconded by Director K. Thomas. All in favor.

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

Director B. Davis wants to see a sketch of the pool area and agrees with the written area on lease agreement on paragraph 3a. Director B. Davis would like to add on paragraph 3b that all general public is welcome and that the pool will open for the minimum of 10 hours. Paragraph 3c Director B. Davis and Director B. Jarvis will ask Alejandrina Pina to set her own fees. Paragraph 3d Director B. Davis is asking if pump and filter from swimming pool ever need replacement will Mrs. Pina be responsible to replace or will the District. He added that he would also like for Mrs. Pina to take full responsibility of the mowing and landscaping area. The following will be added to paragraph 3d as per Director B. Davis the District will furnish water for pool, and re-painting of the pool once returned, painting and pool need to be in good condition. As per Director B. Davis he will ask attorney Alan Petrov to re-word paragraph. The last two paragraphs 3e and 3f as per Director B. Davis agrees everything looks good.

Motion made by Director M. Singleton to table this item #7 and seconded by Director K. Thomas. All in favor.

8. CONSIDER AND TAKE ACTION, ON CHAMBER OF COMMERCE PRESENTATION.

As per Director B. Jarvis Chamber of Commerce will be a good source of advertisement for the golf course.

Motion made by Director M. Singleton to consider and take action on Chamber of Commerce Presentation

and seconded by Director B. Jarvis. All in favor.

9. REPORTS AND ACTION ON DISTRICT'S ANNUAL AUDIT REPORT.

Motion made by Director K. Thomas to table item #9 and seconded by B. Jarvis. All in favor.

10. REPORTS AND DISCUSSIONS OF OTHER MATTERS THAT MAY COME BEFORE THE BOARD.

Director B. Davis informed all that Director M. Singleton had given resignation letter and that her last day would be March 1, 2014.

There being no further business before the Board, the meeting was upon motion made by Director K. Thomas duly made and seconded by Director M. Singleton all in favor and carried, adjourned at 12:45 p.m.

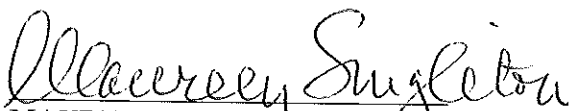
READ, APPROVED, AND ADOPTED THIS 20th DAY OF FEBRUARY 2014.



BENNY DAVIS, PRESIDENT

Board of Directors

Horizon Regional M.U.D.



MAUREEN SINGLETON, VICE PRESIDENT

Board of directors

Horizon Regional M.U.D.

EM/CM