

**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 November 13, 2014 at 1:00 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
Kit Thomas	-	Treasurer
Dean Hulsey	-	Asst. Secretary

Director Bonnie 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, Assistant Manager Joe Paxton, and 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 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.

Director B. Jarvis made a motion 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 and was seconded by Director K. Thomas.

Vote was unanimous to approve.

6. CONSIDER AND TAKE ACTION, IF NECESSARY, FOR THE CITY OF HORIZON ON PONDING OPTIONS ON SPRAY FIELD.

Horizon City Mayor Walter Miller explains that he has some ideas to connect the drainage issues for Horizon City. Engineer Bobby Gonzales explains several concepts on pro's and con's. Mr. Gonzales explains his best option for drainage improvements at 1550- feet of N. Darrington. They have researched existing utilities, and ponding locations. They want street design at North drainage easement at Homestead. Mr. Gonzales explains that in August he took a picture of a birth bath where the water deteriorates the paving. The water that is hovering never goes anywhere and the option per Mr. Gonzales is to pipe it for water to drain to a new 10" open channel drainage structure to be removed, and new inlet head walls structure. Mr. Gonzales then explained that the existing low point to remain existing flume to be replaced with off street inlet, and existing pond to be filled and graded to new 18" PVC subsurface drainage system. A junction box or manhole will be connected. Then new 24" PVC subsurface drainage system. Also an aerator to be removed and properly disposed. Engineer L. Troncoso said it would save capacity and that would be the answer. Ms. Troncoso added that adequate line if enlarge a method of water could have to be looked at. Mr. Gonzales continues presentation explaining that a 12" pipe line curves and probably collapse and would not make it a functional system, and the ponds would be 3" deep behind the homes. Mr. Gonzales added that there are also gas lines in the back of the homes and that he considers that dangerous. He added that mosquitos grow within 72 hours and the new pond would be used by the golf course and make it an amenity. Mr. Gonzales explains the key issue as follows:

- Drainage quantities and flow patterns.
- Subsurface soil conditions
- Existing Topographical conditions
- Coordinate with HRMUD
- Coordinate with Golf Course

If developed today water can be going west and can take maybe a year. Director B. Jarvis advised all that we may want to help the city if we need to but we need to take care of our ponds first. Director B. Jarvis also asked what would be the overflow if that would be Theasmith St. Director D. Hulsey also asked Mr. Gates if he has seen a pipe. Mr. Gates replied no. Mr. Miller advised Board Members that he understands the value of the golf course but is willing to work with HRMUD and explained that this can also be a good asset to both entities. Engineer L. Troncoso said not to cut off historic flows. Mr. Gonzales asked if Board is fine with fixing drainage on Darrington. Director D. Hulsey explained that the pond, that the City is wanting to place behind the houses he is not sure on that one just yet. Mr. Gonzales concluded that the next step would be a Survey and typography.

Director K. Thomas made a motion to approve the city of Horizon in concept of surveys and was seconded by Director D. Hulsey.

Vote was unanimous to approve.

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

No action was taken.

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

Mr. Gates explained that there are 15 good putting greens and two can open in the next couple of weeks. Mr. Gates explains good revenue came in over the weekend and made \$2,893.00. Mr. Gates also explained that the greens would open back up this weekend with new rates of \$25.00 weekdays and \$29.00 on weekends. The prices include a hamburger or hotdog and a soft drink or tea. The reservations for the weekend as per Mr. Gates are looking up as well. Mr. Gates advised Board Members that a copy of the proposed rates were handed to them. Director K. Thomas asked Mr. Gates if any precautions are getting taken care of with new greens. Mr. Gates responded he is not watering too much right now. Director B. Jarvis asked Mr. Gates if trail fees ca be per game and not per month. Mr. Gates responded that some players only pay \$8.00 for trail fee with cart fee.

No action was taken.

9. **CONSIDER AND TAKE ACTION ON AUDIT ENGAGEMENT LETTER FOR BELT HARRIS PECHACEK, LLLP.**

Motion was made by Director K. Thomas to approve audit engagement letter from Belt Harris Pechacek, LLLP and was seconded by Director B. Jarvis.

Vote was unanimous to approve.

10. **CONSIDER AND TAKE ACTION ON ETS UV TECHNOLOGY ANNUAL MAINTENANCE FOR WASTEWATER PLANT UV REACTORS.**

Motion was made by Director K. Thomas to clean fittings by ETS UV Technology in the total price of \$9,470.00 and was seconded by Director B. Jarvis.

Vote was unanimous to approve.

11. OPERATIONS AND ENGINEERING REPORT.

Assistant Manager Joe Paxton explains that all lift stations were operational. The sewage treatment plant had eleven loads of sludge and were hauled to Camino Real Landfill in October 2014. Mr. Paxton then explained that on one of the influent lift station pumps failed and was pulled. Electricians have already checked it out and is back and running. Pump stations all four pumps are online and in standby, and pump #4 is the primary pumping station. Pump #3 is pumping to GST #2 to supplement the water from the RO's. The RO plant, Train A has completed the vessel. The anti scalant pump for RO-C went out and was replaced.

Water production for the day:

Average daily use 4,534,100 = 1.30 residual

Maximum daily use 6,050,100 = 1.92 residual

Minimum daily use 3,242,900 = 0.27 residual

Waste water totals for the month October 2014:

Percent of permitted application rate to golf course is 96.7%

Percent of permitted to GLO is 78.3%

Percent of permitted influent to STP is 65.9%

Percent of permitted effluent to Mesa Spur drain is 21.7%.

Mr. Paxton concludes that HRMUD effluent annual average is:

Total effluent 1.9929

Golf Course 0.1938

GLO 0.7216

MSD 1.0624

RO 0.5099

Permit Maximum:

Total effluent 3.0000

Golf Course 0.5000

GLO 1.0000

MSD 3.0000

RO 0.5294

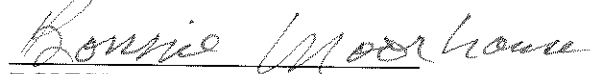
Engineer L. Troncoso explains Pizza Properties are still under review. The Horizon/Rifton walkway was approved and Popeye's Chicken. Explained that RO membrane still not finished by cubic water. For the lift station project Spray Field No. 1 Ms. Troncoso also asked Cubic Water to wait due to booster pump station. The RO pre-filter system improvements had two bidders R.M. Wright and Smithco. Final bidding will be Tuesday November 18, at 2:00 p.m. The RO concentrate project and RO concentrate pond improvements and change order No. 3 will be placed on next agenda for Regular Board Meeting. Engineer L. Troncoso explained that the pump was having problems and was not sucking enough air. On Friday November 7, 2014 pump was checked to see if something was stuck inside and nothing was inside. The pump was started again on Monday but was not working was only at 300 GPM. Ms. Troncoso explained that Mr. McGinnis got the pump to be at 800 GPM but needed pump to run at 1,000 GPM. The manufacture is checking to see what might be wrong with it. Ms. Troncoso thinks there is air on the line. Ms. Troncoso explains that the pump makes a loud noise. Ms. Troncoso is getting quotes for a 12" line.

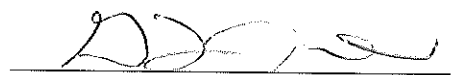
12. REPORTS AND DISCUSSION OF OTHER MATTERS THAT MAY COME BEFORE THE BOARD.

Director B. Jarvis advised all that he would email everyone regarding Director B. Davis medical recovery.

There being no further business before the Board, the meeting was upon motion made by Director K. Thomas duly made and seconded by Director B. Jarvis and carried, adjourned at 5:30 p.m.

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


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