

**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 5, 2015 at 3:00 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
Bonnie Moorhouse	-	Vice President
Bob Jarvis	-	Secretary
Kit Thomas	-	Treasurer
Dean Hulsey	-	Asst. Secretary

Director B. Davis 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, Joe Paxton, TRE & Associates, Inc. Linda Troncoso, David Duran. 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.

Motion was made by Director K. Thomas and seconded by Director D. Hulsey 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 No. 1

Vote was unanimous to approve.

6. CONSIDER AND TAKE ACTION, IF NECESSARY, RELATING TO THE LEASE WITH MOONLGH T P&Q, LLC.

Mrs. Pina asked if more lighting can be installed, due to change of time the parking lot gets dark early and current lighting is not very good. Mrs. Pina advised that Mr. Pina would like to add some LED lights. Mrs. Pina advised will submit prices and keep Board Members posted.

7. CONSIDER AND TAKE ACTION ON CHANGE ORDER NO. 2 FOR RO PRE-FILTER SYSTEM IMPROVEMENTS.

Mrs. Troncoso advised on change order NO. 2 for RO Pre Filter System Improvements that a cover letter was sent to Bob Johnson & associates with a check of \$137,425.11.

Motion was made by Director B. Jarvis to approve change order No. 2 for R.M. Wright in the amount of \$105,335.48 and was seconded by Director D. Hulsey.

Vote was unanimous to approve.

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

Mr. Delgadillo presented financial statement to Board Members to budget better for upcoming years. Advised that he is waiting on a \$4,000.00 check from March of Dimes tournament. Mr. Delgadillo explained that the best month for rounds was October 2015, and revenue was a slightly lower. Greens are looking good but would like for them to look better. Explained he is still continuing to fertilize. Director D. Hulsey mentioned greens looked great. Mr. Delgadillo Advised he is getting ready for next year's tournaments. Director K. Thomas asked if tarps were bought. Mr. Delgadillo advised no tarps have been bought.

9. OPERATIONS AND ENGINEERING REPORT.

Mr. Paxton advised Biglon Lift Station running on one side, pump and motor #2 has been sent to the shop for repairs. On the wastewater treatment plant seven loads of sludge were hauled to the Camino Real Landfill in October. The Spray Field Lift Station is running on one side while one pump is in the shop for repairs. Water wells, Wheeler well 3 received a clear bact and will be placed back online. Two new well meters have been received and one has been installed. On the RO Plant an automated valve on RO-B has failed. We are obtaining prices for replacement. The RO Concentrator malfunctioned on November 1, 2015. All brine is going to the evaporation ponds. Mr. Paxton and Ms. Troncoso explained that STW looked at the problem the next day. Ms. Troncoso advised there was a glitch, and electrical problems were being looked at by Kendrick Electric. Mr. Gilbert Avalos from IDESAa advised it could have been a loose wire. Director B. Jarvis and Director B. Davis asked if this was affecting the membranes. Mr. Paxton advised membranes were not being damaged. Director D. Hulsey asked who verifies the logic, and who reviews if logic is correct. Ms. Troncoso explained that the manufacturer verifies it. Director D. Hulsey asked who has access to the logic. Ms. Troncoso also advised that Mr. Avalos was hired for all programming of Scada System.

Mr. Paxton explains total water production by the day:

Average daily use 4,757,700= 1.42 residual
Maximum daily use 7,969,150=2.20 residual
Minimum daily use 2,439,400= 0.97 residual

Waste water totals for the month October 2015:

Percent of permitted to Spray Field is 67.7 %
Percent of permitted to GLO is 0.1%
Percent of permitted influent to STP is 66.8%
Percent of permitted effluent to Mesa Spur drain is 55.0%.

Mr. Paxton explains the HRMUD effluent annual average is:

Total effluent 2.1110
Golf Course 0.3086
GLO 0.5697
MSD 1.2209
RO 0.5043

Permit Maximum:
Total effluent 3.0000
Golf Course 0.5000
GLO 1.0000
MSD 3.0000
RO 0.5294

Engineering Report:

Ms. Troncoso explained 2 service commitment applications have been approved Church's Chicken and 13900 Horizon. Ms. Troncoso advised Mr. Petrov still working on RO Membrane Replacement Project issue. On the Spray Field No. 1 Irrigation System Improvements water level is working. For the El Paso Hills Lift Station it is ready to advertise. Ms. Troncoso advised that 3-4 ads can be done. On the status for Horizon City Drainage there is nothing to discuss at this time. Ms. Troncoso explained that a request was given to her by BECC for County-wide Master Plan update. Ms. Troncoso advised BECC that the District was so big and historically would estimate \$250,000.00 for sewer lines. BECC also requested number of people with septic tanks. Concluded that she is pending receipt from BECC.

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

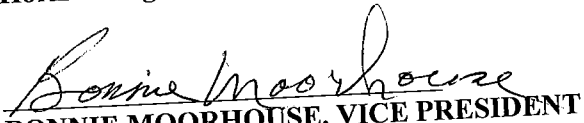
Bonnie asked Mr. McGinnis what were the results with the adjuster. Mr. McGinnis advised a report would be emailed to all Board Members and a check is being mailed out to the Horizon Regional office. Director K. Thomas asked what day will the client appreciation dinner will be. Mr. McGinnis and Ms. Troncoso advised it would be on December 17, 2015 at Moonlight P&Q LLC Restaurant. Mr. McGinnis concluded that some manholes are starting to fail and wanted to let them be aware and advised the Ashford is still fine.

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 all in favor and carried, adjourned at 4:40 p.m.

READ, APPROVED, AND ADOPTED THIS 19th DAY OF NOVEMBER 2015.



BENNY DAVIS, PRESIDENT
Board of Directors
Horizon Regional M.U.D.



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

EM/CM