

**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 December 10, 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 off the members of the board, to-wit:

Benny Davis	-	President
Bonnie Moorhouse	-	Vice President
Bob Jarvis	-	Secretary
Kit Thomas	-	Treasurer
Dean Hulsey	-	Asst. Secretary – Not Present

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

4. RECEIVE CITIZEN COMMUNICATIONS.

Mr. John Navidomskis begins by apologizing to Board Members. Mr. Navidomskis advised that the flooding on Homestead Street has been there for years, and would like to have the natural desert behind his backyard. Mr. Navidomskis explains that having a hole behind his yard will not benefit him at all and the value of his home will go down. In his opinion re-designing natural drains does not work. Mr. Navidomskis understands that the District has been cooperative, and that Ms. Rutherford is suffering from water flooding but does not want a pit behind his property. Mr. Navidomskis is requesting that if the District decides to approve drainage he would like to know in advance to sell his house. Mrs. Navidomskis has requested to see the drainage plans. Director B. Jarvis explains he does not have the plans yet and advised he is here to help the District and not the City of Horizon. Director B. Jarvis also advised that the City and Horizon MUD never knew in the past that there would be drainage problems in the future. The City needs this project due to the expansion of Horizon City, set and stone has not been set yet as per Director B. Jarvis. Mrs. Navidomskis asked if the pond can be mixed with treated effluent water. Director B. Jarvis answered no, and explained there would not just be a hole behind their house. Slopes would be constructed and maintained. Director B. Moorhouse asked who would maintain drainage. Director B. Jarvis advised District would maintain it. Mr. Delgadillo also explained that grass would be planted to

make it look nice. Director B. Jarvis advised that if the City does do their job correctly in piping that would not affect the Golf Course. Director B. Davis explained that what the City proposes only if it is in the benefit of the District then the Drainage Project will happen. If it does not benefit the District then nothing will be approved. Director B. Davis added that nothing will be done in the blind, but advised that the District needs to check if it is in the interest for the water District first. Director B. Jarvis apologizes to Mr. and Mrs. Navidomskis for not having full explanation of results at this time. Mr. Navidomskis concluded that the natural area has been there forever and would like for it to stay as is, and thanked the Board for listening to him.

Mr. Curt Noland asked about issues on pond. Director B. Davis advised Mr. Noland that the existing pond by the Town Homes was designed to hold only potable water only.

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 B. Jarvis and seconded by Director K. Thomas 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 MOONLIGHT P&Q, LLC.

No action taken.

7. CONSIDER AND TAKE ACTION ON OPENING FOUR NEW BANK ACCOUNTS FOR DEPOSITS FOR BILLING CYCLES.

Director K. Thomas advised that in order to get better budget numbers, it was suggested to get approval for four different new bank accounts.

Motion was made by Director B. Jarvis and seconded by Director K. Thomas to approve four new bank accounts for each billing cycle to have their own account.

Vote was unanimous to approve.

8. CONSIDER AND TAKE ACTION ON NEW STAFFING COMPANY FOR SPRAY FIELD NO. 1.

Mr. Delgadillo explained to Board Members that he has found a new Staffing Company and if approved the District would be saving about \$12,000.00 a year. Mr. Delgadillo advised he recommends to change from T&T Staff Management, LLC to new Staff Company.

Motion was made by Director K. Thomas and seconded by Director B. Jarvis to approve and authorize, Mr. Delgadillo to change Staff Company to new LL Roberts Group.

Vote was unanimous to approve.

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

Mr. Delgadillo explained he sold \$6,000.00 in sales year to date to purchase new merchandise in the pro-shop. Mr. Delgadillo also advised operations are close to budget numbers. It was concluded that Kristy Alberts would like to use the Golf Course Facility one to two times a week to introduce golf to the younger kids. An agreement will be submitted to Ms. Alberts.

10. OPERATIONS AND ENGINEERING REPORT.

Mr. Joe Paxton Operations Manager advised that Duanesburg Lift Station the riser pipe on pump 2 has a hole, and is obtaining prices for repairs. Section 32 Lift Station running on one side due to a problem in the control panel. IdesAa has been contacted to troubleshoot the problem. Tanks are all online. Wastewater treatment plant fourteen loads of sludge were hauled to the Camino Real Landfill in November 2015. One influent Lift Station pump motor went out and was repaired and reinstalled. The starter went out on influent Lift Station #2, and was placed back online. Still waiting on control panel parts for influent lift station pump #3 to place back online. One of the WAS pumps went out in November 2015, and has been repaired and reinstalled. Water wells the Cla-Valve on Wheeler Well 3 failed. Mr. McGinnis explained he would try and get parts from Houston to see if parts can be less expensive. On the RO Plant no brine was sent to the WWTP in the month of November 2015. RO Concentrator developed a leak, and the Concentrator has ordered parts for the repair. All brine is being concentrated using RO Concentrator B. All new flow meters on the RO Trains and bypass lines have been received and installed. All meters

working. Mr. Paxton advised two Maintenance Technicians and one Operator have been hired to fill open positions and expand the field strength of the Maintenance Department. New employees will start Monday after Christmas. Sewer inspection was done with TCEQ and no violations are being alleged as a result of the investigation.

Mr. Paxton explained total water production by day:
Average daily use 4,510,600= 1.33 residual
Maximum daily use 5,978,450=1.97 residual
Minimum daily use 3,087,500= 1.01 residual

Waste water totals for the month November 2015:
Percent of permitted to Spray Field is 83.2 %
Percent of permitted to GLO is 64.8%
Percent of permitted influent to STP is 66.2%
Percent of permitted effluent to Mesa Spur drain is 30.3%.
Mr. Paxton explains the HRMUD effluent annual average is:

Total effluent 2.1045
Golf Course 0.3275
GLO 0.6136
MSD 1.1506
RO 0.4759

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

Engineer L. Troncoso explained she received one application from Mr. Schaar, Horizon City Unit 52 Mandeville Ave. On RO Membrane Replacement Project and Spray Field #1 Lift Station and Force Main Project. Ms. Troncoso has met with Harold Davis regarding issues with projects and went over all the history. Ms. Troncoso advised she had also met with Harold Davis regarding Spray Field #1, Irrigation System Improvements. El Paso Hills Lift Station rapping up design and has coordinated with El Paso Electric Company due to bigger Lift Station and the transformers will cost \$20,000.00, this item will be placed on Next agenda for Regular Board Meeting. On GST-2B Ms. Troncoso is estimating 1.2 million dollars. Had budget of 1.3 million, and now looking at 1.5 million due to expense in hauling. Ms. Troncoso recommends El Paso Hills Lift Station to finish this project first.

Motion was made by Director K. Thomas and seconded by Director B. Jarvis to place Reverse Osmosis Pre-Filter Improvements Pay Estimate No. 10 on Consent Agenda.

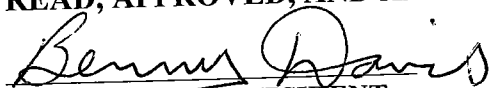
Vote was unanimous to approve.

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

Director B. Moorhouse asked Mr. McGinnis if he had heard from building insurance. Mr. McGinnis advised that an email had been sent to all Board Members regarding District Building and Spray Field building. Mr. McGinnis also advised that a check had also been received from the insurance for the fence in the amount of \$3,265.08. Mr. McGinnis advised on I-10 Well 2 will be getting prices and will input on January 2016 Regular Board Meeting.

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 4:35 p.m.

READ, APPROVED, AND ADOPTED THIS 17TH DAY OF DECEMBER 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