

**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 11, 2014 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 – Not Present
Bonnie Moorhouse	-	Vice President
Bob Jarvis	-	Secretary – Not Present
Kit Thomas	-	Treasurer
Dean Hulsey	-	Asst. Secretary

Director 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, Assistant Manager Joe Paxton, Lead Operator Miguel Luna, and TRE & Associates, Inc. Linda Troncoso, Xochitl Aranda. 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 K. Thomas 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 D. Hulsey.

Vote was unanimous to approve.

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

Alejandrina Pina explained that business at the restaurant was picking up. Director D. Hulsey asked if selling the tickets worked out. Mrs. Pina responded with great attitude that the selling of tickets had turned out to be great. Director D. Hulsey also advised Mrs. Pina to please let her employees be aware when golf tournaments were going on to avoid the golfers from waiting in line for drinks for a long period of time.

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

Mr. Gates explained to Board Members that Friday and Saturday had been busy at the golf course. Mr. Gates advised that 55 valve cases and covers needed to be replaced. Mr. Gates explained that the covers and cases were \$10.00 a piece and could be replaced 10 per week. Mr. Gates advised that once the year passes he would like to have different specials. Also explained that this coming weekend he had booked on Saturday – 8:30 to noon and Sunday – 8:30 to noon as well. Mr. Gates moved to explain that he had kept watering low to keep the Lake level low, he was only watering 2-3 days. Mr. Gates asked Board Members for permission to be out for next Board Meeting he wanted to attend his Grandmother's 90th Birthday. Director K. Thomas approved for him to be out as long as he gives Mr. McGinnis his report to present for the meeting.

Motion was made by Director K. Thomas to approve spray field operations report and seconded by Director D. Hulsey.

Vote was unanimous to approve.

8. OPERATIONS AND ENGINEERING REPORT.

Mr. Luna Lead Operator explained that all lift stations were operational with the exception of the Kenazo lift station. Mr. Luna proceeded that the starter on one side went out and was replaced, and returning the lift station to full operational status. The sewage treatment plant seven loads of sludge were hauled to the Camino Real Land fill in November. Dewatering and removal of sludge from the lagoons is underway. Mr. Luna proceeded that two Kaiser blower motors were repaired and placed back into operation, one of

the influent lift station pumps failed and is currently in the shop for repairs. For the water wells 9A-36 has failed. Prices are being obtained for repair. On pump station 2 all four pumps are online and in standby. Pump Station 4 is now being used as the primary pumping station. The RO-Plant pre-construction meeting for Turbodex piping is scheduled for December 18, 2014 at 10:00 A.M. Director B. Moorhouse asked if the El Paso Lift Station has always being bad. Engineer L. Troncoso replied yes and explained that is the reason why a new El Paso Lift Station is getting built.

Mr. Luna explained total water production by day:

Average daily use 4,032,400= 1.29 residual

Maximum daily use 5,007,300= 1.81 residual

Minimum daily use 2,201,400= 1.01 residual

Waste water totals for the month November 2014:

Percent of permitted to Spray Field is 37.2 %

Percent of permitted to GLO is 11.4%

Percent of permitted influent to STP is 71.4%

Percent of permitted effluent to Mesa Spur drain is 58.8%.

Mr. Luna concludes that HRMUD effluent annual average is:

Total effluent 2.0167

Golf Course 0.1713

GLO 0.6995

MSD 1.1308

RO 0.4996

Permit Maximum:

Total effluent 3.0000

Golf Course 0.5000

GLO 1.0000

MSD 3.0000

RO 0.5294

Engineer L. Troncoso explains that Piedemonte Village Units 1&2 she is awaiting plan submittal, Pizza Properties are under review. Director K. Thomas advised Ms. Troncoso to send letters to all constructions that don't submit their plans. Director K. Thomas suggested to give them only 60 days and after the 60 a reminder letter can be sent out. Ms. Troncoso said she will definitely start doing that. Next Ms. Troncoso explains the RO Membrane Replacement and Pay Estimate Project will be installed on next agenda. On the RO Concentrator contractor is moving forward. Ms. Troncoso explained that the piping and tying will be to the existing lines. Approval will be needed to insert a new pipe line to isolate and not affect the High School. Ms. Troncoso advised will get pricing from contractor. Ms. Troncoso explained that on the RO Concentrator Pond Improvements they will be working for the rest of the week. On Lagoon Decommissioning sludge has been removed and they will be working thru the December 24th is moving along and are on schedule, and the pay estimate will be end of this month. On the Spray Field #1 Pay Estimate No. 5 Director K. Thomas did not approve to be on next agenda. Director K. Thomas does not want to cable 3 inch steel pipe. Director K. Thomas prefers to chain and paint them in yellow and to


include reflectors. On the WWTP Permit renewal as per Mr. McGinnis it will be after Christmas. Mr. McGinnis explained TCEQ takes long. Ms. Troncoso explained that she had talked to Mr. Walter Miller and notified him that the District needed money. Ms. Troncoso advised him the District would need a long term contract to benefit everyone and an annual payment would be good.

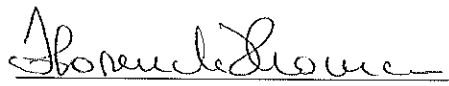
9. **REPORTS AND DISCUSSION OF OTHER MATTERS THAT MAY COME BEFORE THE BOARD.**

There were no reports or discussion of other matters.

There being no further business before the Board, the meeting was upon motion made by Director K. Thomas duly made and seconded by Director Dean Hulsey and carried, adjourned at 4:00 p.m.

READ, APPROVED, AND ADOPTED THIS 18th DAY OF DECEMBER 2014.


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


Florence K. Thomas, Treasurer
Board of Directors
Horizon Regional M.U.D.

EM/CM