

**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 February 19, 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, 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.

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 was taken.

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

Mr. Delgadillo explains golf conditions are much better. The playability is better, and greens are starting to roll 3 times a week. Mr. Delgadillo also explained that on Saturday there were 73 averaging rounds and 102 on Sunday. Mr. Delgadillo advised that in the summer he will take new pictures to post on the website. On tournaments he has a total of 18 tournaments. The goal will be 47 tournaments for the year. Mr. Delgadillo is asking for approval to buy a set of reels for the greens mower to purchase them from Jacobsen for the amount of \$5,008.00. Director D. Hulseley added that the extra set of reels would be part of maintenance. Mr. Delgadillo advised that there is a lot of debris coming out from the sprinkler system and are clogging the sprinklers. Director B. Jarvis explained they are aware of this problem but District is not ready to fix just yet. Director B. Jarvis asked if bond money can be used to fix this issue. Engineer L. Troncoso advised would ask Attorney A. Petrov. Mr. Delgadillo suggested that once project starts 9 holes can be done at a time. Director B. Davis advised Luis to get a copy of the drawing map to see where the valves are. Ms. Troncoso advised she would get some printed copies and email them tomorrow.

Motion was made by Director B. Jarvis and seconded by Director D. Hulseley to approve purchase of set of reels and monthly maintenance from Jacobsen for the amount of \$5,008.00.

Vote was unanimous to approve.

8. CONSIDER AND TAKE ACTION ON SEVERANCE PACKAGE FOR JEFF GATES.

Motion was made by Director K. Thomas and seconded by Director B. Jarvis to approve two week's pay for Mr. Jeff Gates as severance package.

Vote was unanimous to approve.

9. OPERATIONS AND ENGINEERING REPORT.

Lead Operator Mr. Luna explains all lift stations and tanks are operational. On the sewage treatment plant nine loads of sludge were hauled to the Camino Real Landfill in January 2015. All permit and parameters were met for the month of January 2015. Parker Ag. Finished the sludge removal in the Lagoons on February 17, 2015. The pre-final walk through was conducted the same day. The final walk through is scheduled for next week. Engineer L. Troncoso advised Board members that TCEQ has been invited. On Desert Well 9A-36 Mr. Luna confirmed that the well has failed. Assistant Manager Mr. Paxton explained that Project Manager Mr. McGinnis will have prices and will place on next agenda for approval. Wheeler well 6 passed the bact online with the system. Director B. Davis advised Mr. Paxton to see if it worth fixing the well. On the pump station #2 all four pumps are online and in standby. Pump station #3 is pumping to GST #2 to supplement the water from the RO's pump station #4 is now being used as the primary pumping station. On the RO Plant an eight inch PVC tee failed in the CIP plumbing while preparing to clean RO-B on February 17, 2015. Mr. Paxton explained PVC is a minor repair, and would get fixed by Monday or Tuesday of next week. The TCEQ comprehensive compliance investigation on January 29, 2015 and February 3, 2015 no violations were found. A Tier II compliance inspection by the Texas Department of State Health Services on February 5, 2015 and no violations were found.

Mr. Luna explained total water production by day:

Average daily use 3,866,100= 1.41 residual
Maximum daily use 5,371,500=2.01 residual
Minimum daily use 2,684,100= 1.00 residual

Waste water totals for the month January 2015:

Percent of permitted to Spray Field is 37.3 %
Percent of permitted to GLO is 48.2%
Percent of permitted influent to STP is 75.2%
Percent of permitted effluent to Mesa Spur drain is 49.9%.

Mr. Luna explains the HRMUD effluent annual average is:

Total effluent 2.0595
Golf Course 0.1606
GLO 0.6557
MSD 1.2357
RO 0.4447

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

Mr. Luna concluded that work orders have been generated from the fire hydrant survey and the master list is being updated. The EPCESD #1 will be copied with the updated and list of hydrants when it is complete.

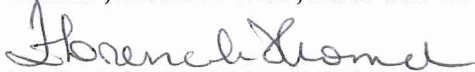
Engineer L. Troncoso explains that Horizon City Unit 90 and 91 have been approved. The Walmart fuel station also approved. Cross Point Plaza is awaiting on revised plans and carwash at Eastlake is under review. On Mimco-Darrington Eastlake acceptance pending with easements. Director B. Davis asked Ms. Troncoso on walkways. Ms. Troncoso explained that Severn Trent will be doing the taps. On the RO membrane replacement project Attorney A. Petrov has sent certified letter to Cubic Water. For the Lift Station Project for Spray Field No. 1. Ms. Troncoso explained that Mr. Petrov also is sending another letter to Cubic Water since TXDOT was to be notified 48 hours in advance. Ms. Troncoso thinks Cubic Water is not interested in moving the line. On the RO Concentrator underground piping has been completed. Ms. Troncoso advised that this project was designed by the pump provider, requirements are in change order #2 and demands are much higher. Ms. Troncoso explains that the membrane supplier had 400 amp per plans, and now shows 1200 amp and that's what is needed. On the RO pre-filter system improvement project will be completed by June 2015. For the Lagoon Decommissioning removal of all debris will be done as per Xochitl. On Spray Field #1 irrigation system improvements, Ms. Troncoso is asking for \$11,000.00. Director B. Jarvis explained to Ms. Troncoso to only ask for liquidated damages. Ms. Troncoso advised will prepare an Invoice to have the hours associated, and diesel cost. Ms. Troncoso will ask Mr. Petrov to redo letter. On the WWTP final permit has been issued. Status on El Paso Lift Station TCEQ comments will be arriving soon. On the status of coordination with Town of Horizon City for Darrington drainage improvements. Ms. Troncoso has heard nothing. Mr. Paxton explained he has met with Town of Horizon to see the pond layout. Director K. Thomas concluded to get a cost for the sprinkler system for Spray Field #1.

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

Mr. Paxton asked Ms. Troncoso for plans in Homestead. Ms. Troncoso explained she will not give out plans, it all depends on situation. Ms. Troncoso suggested that when a request is for new development they have to come in and fill out an application. Mr. Paxton advised that he has been asked for Eastlake as builds and any improvements from I-10 to Eastlake. Mr. McGinnis concluded and advised Board Members that Mirna from Johnson Petrov LLP had asked to submit re-election applications before February 27, 2015

There being no further business before the Board, the meeting was upon motion made by Director B. Davis duly made and seconded by Director K. Thomas and carried, adjourned at 4:30 p.m.

READ, APPROVED, AND ADOPTED THIS 26th DAY OF MARCH 2015.



FLORENCE K. THOMAS, TREASURER

Board of Directors

Horizon Regional M.U.D.



BONNIE MOORHOUSE, Vice President

Board of Directors

Horizon Regional M.U.D.

EM/CM