

**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 May 21, 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 -	Not Present
Bonnie Moorhouse	-	Vice President	
Bob Jarvis	-	Secretary	
Kit Thomas	-	Treasurer	
Dean Hulsey	-	Asst. Secretary	

Director B. Moorhouse 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, TRE & Associates, Inc. Linda Troncoso, Xochitl Aranda, and John Jansing. The Pledge of Allegiance was said with audience participation.

4. RECEIVE CITIZEN COMMUNICATIONS.

Alan Murphy asked Board Members if they had received a subpoena from GE. Board Members replied they had received one. Mr. Murphy advised to disregard subpoena. Mr. Murphy explained to Board Members more details on toilet to tap pilot system. Board Members advised Mr. Murphy that they would consider and get back to him.

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 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 MOONLIGHT P&Q, LLC.

Alejandrina Pina advised Board Members that the proposal on renovating the swimming pool will have to be put on hold. Mrs. Pina explained she only painted the pool, and the skimmers were repaired by Roto Rooter. Mrs. Pina advised that pipes were not covered from the small pool and sand was going to the big pool. Director B. Jarvis mentioned that last year the Board was told that the lines were broken. Mrs. Pina replied no the lines were never broken. Mrs. Pina concluded that a water leak was fixed down stairs by Mr. Delgadillo's office.

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

Mr. Delgadillo introduced the new Superintendent for the golf course Douglas Emch. Mr. Delgadillo then presented his report explaining \$14,000.00 in profit with sales, and the rounds for the month were 1,642 month to date. Mr. Delgadillo advised that he is starting to do some marketing at Hotels for people who come from out of town that can visit the golf course. Mr. Delgadillo mentioned that there is still a lot of algae in the sprinklers and is clogging most of the sprinklers. Engineer Ms. Troncoso suggested to flush some of the heads to eliminate some of the built up. Mr. Delgadillo explained he has been treating the pond but algae still occurring. Ms. Troncoso advised she would get with Superintendent to adress problem. Mr. Delgadillo concluded that he will be getting specials to get more people to come and golf.

8. CONSIDER AND TAKE ACTION TO RATIFY EMERGENCY REPAIRS AT WASTEWATER PLANT.

Motion was made by Director K. Thomas and seconded by Director B. Jarvis to approve R. M. Wright Construction for Emergency repairs at wastewater plant.

9. CONSIDER AND TAKE ACTION ON CHANGE ORDER FOR RO CONCENTRATOR PROJECT.

Engineer L. Troncoso explains that EPEC advised that the transformer are only being used at 30% and could not sell the District a new transformer. Ms. Troncoso explained that the electrical switch is inside the building, and the switch inside building needs to be upgraded. R.M. Wright is asking for an additional 30 days.

Motion was made by Director B. Jarvis and seconded by Director K. Thomas to approve R.M. Wright Construction in the amount of \$55,775.63 for the concentrator building to the existing transformer and rerouting and installing a disconnect switch for the existing booster pump station and existing well starter per EPEC requirements.

Vote was unanimous to approve.

10. OPERATIONS AND ENGINEERING REPORT.

Mr. Joe Paxton Operations Manager explained that on the sewage treatment plant the belt was replaced on the belt press and sludge removal has resumed. The bar screen was repaired and lifting chains installed. A sanitary sewer overflow at the wastewater plant on May 3, 2015 due to pump failure after lost power incident, and all required reports were submitted to the TCEQ. On water wells wheeler well 4, 7, and desert well 9A-36 have received clear bacts and have been placed back on line. Wheeler well 3 is down and already obtaining prices for repairs. The motor for wheeler well 8 went out on May 12, the motor was pulled and sent to the shop for repairs. On pump station 2, 3, and 4 all are the same. The leaking brine manifold on RO-A was replaced in May and had a crack and repaired leak.

Mr. Paxton explained total water production by day:

Average daily use 5,017,000= 1.30 residual

Maximum daily use 6,512,100=1.91 residual

Minimum daily use 3,279,800= 0.78 residual

Waste water totals for the month April 2015:

Percent of permitted to Spray Field is 51.1 %

Percent of permitted to GLO is 111.9%

Percent of permitted influent to STP is 73.5%

Percent of permitted effluent to Mesa Spur drain is 27.7%.

Mr. Paxton explains the HRMUD effluent annual average is:

Total effluent 21044
Golf Course 0.1812
GLO 0.6648
MSD 1.2510
RO 0.4925

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

Director Hulsey advised Mr. Paxton to include Luis Delgadillo and Douglas Emch on the weekly standby roster.

Engineer L. Troncoso advised Board Members no new applications this month. Advised Board Members on acceptance of Rancho Desierto Bello unit-five, subdivision belongs to Mr. Ballard and would like to place on agenda. On the RO Membrane replacement project Ms. Troncoso advised that Mr. Petrov sent letter to Mr. Villalobos requesting Cubic Water to buy a bond. On the lift station project for Spray Field #1. Ms. Troncoso advised that she would like to hold off on Martinez Bros. for one week. Cubic water is now wanting to fix line. Director B. Jarvis advised Ms. Troncoso to hold off on both for a week. Ms. Aranda explained that the shipping of the concentrator would be July 21st, 2015. Ms. Troncoso asked to place RO Concentrate pond improvements for pay estimate No. 8 for next agenda. Ms. Aranda explains in regards to a letter from Randy Wright form delays and deliveries and things not fabricating correctly. Ms. Troncoso advised that 40% is owed on the order 50% was upon shipment and 10% of stand up. Not everything has been shipped. Ms. Troncoso advised that Bob Johnson has had conferences with her due to delays. Board Members were advised that R. M. Wright cannot finish the job due to not everything being delivered. At this time contractor is behind 45-60 days. Ms. Troncoso is asking for permission to send letter to Bob Johnson and Associates. Director B. Jarvis approved to have letter sent out and to have Attorney A. Petrov send letter. On the El Paso Hills Lift Station still waiting on electrical design. Bid will be ready in the next couple of months. The GST-2B finalizing design and modifications are being submitted by TCEQ.

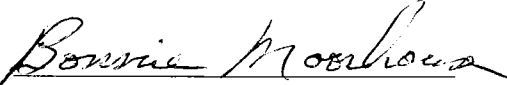
REPORTS AND DISCUSSION OF OTHER MATTERS THAT MAY COME BEFORE THE BOARD.

There being no further business before the Board, the meeting was upon motion made by Director B. Jarvis
~~duly made and seconded by Director K. Thomas all in favor and carried, adjourned at 5:10 p.m.~~

READ, APPROVED, AND ADOPTED THIS 25th DAY OF JUNE 2015.



BOB JARVIS, SECRETARY
Board of Directors
Horizon Regional M.U.D.



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

EM/CM