

**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 June 12, 2015 at 10:00 a.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

Director 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, Customer Service III Janita Williams, TRE & Associates, Inc. Linda Troncoso, Xochitl Aranda, The Pledge of Allegiance was said with audience participation.

4. RECEIVE CITIZEN COMMUNICATIONS.

There was 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 B. Jarvis 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.**

Director D. Hulsey and Director K. Thomas, met with Mrs. Alejandrina Pina, to discuss the new operational hours for the restaurant, opening at 7:30 a.m. for Breakfast on Saturday, Sunday and Monday. A meeting will be conducted every Tuesday to discuss operations of the Restaurant.

Director B. Jarvis questioned if the refreshment cart was repaired, Mr. Delgadillo Luis noted the Refreshment Car had been repaired, Director D. Hulsey would like for Mr. Delgadillo to note the rounds to find out peak days at the golf course, Director Davis advised to place a sign in the Pro Shop of the

Restaurants for their operational hours. No action necessary.

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

Mr. Delgadillo read the progress report for the golf course for the Month of May and noted May was a good Month. reported still having problems with the algae, discussion for a solution of the sprinklers will be investigated, and Mr. Delgadillo gave the profits made.

Mr. Delgadillo is recommending Jorge Estrada a raise of \$3.00 and a promotion.

Motion was made by Director B. Jarvis to approve the raise of \$3.00 and the promotion for Mr. Estrada and Director D. Hulsey seconded the motion,

Vote was unanimous to approve

Director B. Davis noted received a letter from Mr. David Ballard, for the sale of 8 Acres, and noted as per the attorney Mr. Alan Petrov for the M.U.D a project has to be tied to the purchase. Engineer, Ms. Linda Troncoso –asked if additional Irrigation would count. Director B. Davis noted if a permit amendment would be needed and Ms. Troncoso responded minor amendment and the process of the amendment is 9 to 12 months. Director B. Moorhouse noted how about a well, and Ms. Troncoso advised better expanding the Reverse Osmosis. Director Moorhouse asked if needed to obtain documentation for the increase of water going to the golf course, Ms. Troncoso advised definitely would help the position, Director D. Hulsey requested a design wall to wall, Director B. Jarvis requested a design for amount of water to be able to provide to the golf course. Ms. Troncoso noted would look into the design and advised she was not very knowledgeable in grass, noted the 2 inch line discussed on Wednesday to add to the well line, look at filters and would like for the board to provide direction for the minor amendment. No action taken.

8. **CONSIDER AND TAKE ACTION ON APPROVAL AND DISTRIBUTION OF DRINKING WATER QUALITY REPORT (CCR).**

Motion was made by Director K. Thomas and seconded by Director B. Moorhouse to approve the distribution of Drinking Water Quality Report (CCR).

9. CONSIDER AND TAKE ACTION ON FILING OF TEXAS UNCLAIMED PROPERTY REPORT, AS NECESSARY.

Account Manager Charlie McGinnis advised the Board Members on the filing of Texas unclaimed property report is a legality Procedure.

Motion to approve the filing of Texas unclaimed property report was made by Director B. Jarvis and seconded by Director K. Thomas.

Vote was unanimous to approve.

10. OPERATIONS AND ENGINEERING REPORT.

Mr. Joe Paxton Operations Manager explained that on the sewage treatment plant the Kaiser blower that was sent to the shop has damaged impellers and we are waiting for estimates on repairs. . On water wells wheeler well 3, is installed again and will be placed online when a clear bact is obtained. Well 2-32 is offline until the new gate valves are installed in Horizon Blvd. The motor and bottom bearing went out on Wheeler Well 5. It was pulled to rebuilt, we are obtaining process for repair of the well down-hole. Pump Station 2- The saddles on the pressure are being replaced, Pump Station -3 both pumps are operational and are pumping to GST#2 to supplement the water from the RO's. Pump Station 4- is used as primary pumping station. Lift station Manor 9 had to submit a report to the State. RO Plant all four trains are operational, a CIP was performed on RO-C on May 28th and 29 2015. Construction continues on the RO concentrator and the Turbidex pretreatment system. Several flow meters have stopped working and will be replaced when the new ones are delivered. General after the installation of the gate valve at the RO Plant and Horizon Blvd, we have experienced an overly large number of water leaks in the area where the water was shut off for the valve installation.

Mr. Paxton explained total water production by day:

Average daily use 5,227,200= 1.30 residual

Maximum daily use 6,864,600=1.80 residual

Minimum daily use 2, 442, 50= 0.97 residual

Waste water totals for the month May 2015:

Percent of permitted to Spray Field is 92.6%

Percent of permitted to GLO is 79.8%
Percent of permitted influent to STP is 67.3%
Percent of permitted effluent to Mesa Spur drain is 25.3%.

Mr. Paxton explains the HRMUD effluent annual average is:

Total effluent 2.0964

Golf Course 0.2194

GLO 0.6686

MSD 1.2010

RO 0.5556

Permit Maximum:

Total effluent 3.0000

Golf Course 0.5000

GLO 1.0000

MSD 3.0000

RO 0.5294

Engineer L. Troncoso explained a large bond will be needed in the next two years for the expansion of the Sewer plant and the Reverse Osmosis.

Engineer L. Troncoso advised Board Members that Horizon Town Center Unit 1 had made an application for service. Construction Plan review Horizon City Unit 91 Approved, and Carwash on Eastlake and Horizon Bike/ Walkway irrigation awaiting revised plans. Utility service Commitments Horizon View Estates unit 25. Block 1, lots 1-33 35-44 phase 1 has been accepted, and Horizon View Estates phase 2 will be placed on Agenda to accept at Regular meeting. RO membrane replacement program meeting with Attorney Mr. Alan Petrov. Lift Station project for Spray Field #1 the project was given to Bain and will start on Monday June 15, 2015. RO concentrator project pay estimate #6 will be placed on Consent Agenda, RO Filter system improvements pay estimate #5 will have a change order and will be placed on Consent Agenda.

Spray Field No.1 irrigation Systems Improvements Attorney Alan Petrov is coordinating with contractor. El Paso Hills Lift Station is awaiting TCEQ approval, GST-2B design is in the process of finalizing, Horizon City drainage project at Spray Field No.1 already discussed.

Account Manager reported when the tie in at tank no.2 upgrade and relocated some valves, several water leaks occurred due to this tie in, at Desert Breeze Subdivision, notices were sent to shut down from 12:00 to 5:00 a.m. and the water was not turned on until 1-2 hours later due to re pressured lines. Severn Trent is requesting a reimbursement for the extra labor caused by tie in. Director B Jarvis questioned who built and Mr. McGinnis advised Silverton, Director Jarvis noted would like to know the amount seeking for reimbursement and Director K. Thomas noted will call a budget meeting where this request will be discussed.

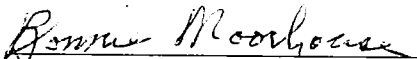
Mr. McGinnis noted at the Waste Water Plant the Keiser blower, that was sent to the shop has damaged impellers, and broke part of intake structure, Blowers where destroyed.

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


Director K. Thomas would like to re-structure commercial rates, Director B. Moorhouse mentioned City of El Paso passed a law to sell underground water, Director K. Thomas would like for Engineer L. Troncoso to research and obtain more information.

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 12:15 p.m.

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



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



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

JW/CM