

**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 July 16, 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.

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.

Mr. Delgadillo advised Board Members that Moonlight Restaurant was not opening at 7:30 a.m. Mr. Delgadillo claims the Restaurant is opening until 9:30 a.m. and has already advised Restaurant's Manager. Director D. Hulsey explained that on Saturday and Sunday they opened at 8 a.m. Mr. McGinnis advised Board Members that Attorney A. Petrov was sending a letter to Moonlight P&Q, LLC on Friday July 17, 2015 in regards to time of operation for the Restaurant. Mr. Delgadillo concluded that on July 3rd the Restaurant opened until 10 a.m.

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

Mr. Delgadillo explains profit for the month of June is \$1,582.00. Rounds were 2,025 and also notified that pro shop sales are doing great. Mr. Delgadillo advised that greens are his priority and fairways are still getting fixed. Mr. Delgadillo is asking to close for two and half weeks. Mr. Delgadillo would like to close the Golf Course the day after Labor Day to do some seeding, and would recommend 700 pounds per acre. Mr. Delgadillo explained that the Lake was looking clear although water is getting cloudy again. Mr. Delgadillo claims that the chemicals Mr. Paxton ordered was working great. Director D. Hulsey and Director K. Thomas advised Mr. McGinnis to make sure chemicals never run out to have enough in stock. Directors advised they did not want sprinklers to clog with algae again.

8. OPERATIONS AND ENGINEERING REPORT.

Mr. McGinnis explained to Board Members that El Paso Hills Lift Station needs repairing, and meter testing results were 120% on wells. Mr. Luna explained that on the sewage treatment plant loads of sludge were hauled to the Camino Real Land Fill in June 2015. All permit parameters for the month of June 2015 were met. The control panel slab for the Effluent Lift Station to the Spray Field was rebuilt in June, and the bypass pump has been installed in preparation of the Influent Lift Station rebuild. On water Wells, Wheeler Well 5 has been pulled for rehabilitation. Wheeler well 8 motor went out on July 1st while testing the well meters. The meters on all operational wells were checked for meter accuracy on July 1 and 2, 2015. Pump station #1 went out and will be repaired under warranty. Both SCADA sewers locked up on July 4th, 2015. The entire water system was operated manually until the servers were returned from Data Flow Systems on July 9, 2015.

Mr. Luna explained total water production by day:

Average daily use 6,205,800= 1.36 residual

Maximum daily use 8,175,000=1.79 residual

Minimum daily use 4,506,500= 0.97 residual

Waste water totals for the month June 2015:

Percent of permitted to Spray Field is 95.2 %

Percent of permitted to GLO is 98.0%

Percent of permitted influent to STP is 69.0%

Percent of permitted effluent to Mesa Spur drain is 21.7%

Mr. Luna explains the HRMUD effluent annual average is:

Total effluent 2.0804

Golf Course 0.2585

GLO 0.7073

MSD 1.1176

RO 0.6019

Permit Maximum:

Total effluent 3.0000

Golf Course 0.5000

GLO 1.0000

MSD 3.0000

RO 0.5294

Engineer L. Troncoso advised had one application for service commitment at 14961 Arkmonk. On the Lift Station Project for Spray Field #1 repairs are done by Bain Construction. On the Force Main Project for Spray Field #1, the electrical repairs Mr. Manny Villalobos from Cubic Water will relocate on Monday July 20, 2015. On the status for RO Concentrator, Project is scheduled to start up process on Monday July 20, 2015. Suppliers and electrical agents will be there. RO Pre-Filter System Improvements Ms. Troncoso explains that 20% payment should be given. Revised purchase order has not been received. Ms. Troncoso claims a list was given of pending material and it was assured that on August 14, 2015 all would be received. Ms. Troncoso explained a meeting was held in her office the morning of July 16, 2015 with the following:

TRE & Associates, LLC (HRMUD Representatives):

Ms. Linda C. Troncoso, P.E

Mr. John M. Jansing, P.E

Mrs. Xochitl Aranda, P.E.

Mr. Adrian H. Rosas, P.E.

Severn Trent Services (HRMUD General Manager):

Mr. Charlie McGinnis

R.M. Wright Construction (Contractor):

Mr. Randy Wright

Mr. Wayne Faulkner

Bob Johnson and Associates (Supplier):

Ms. Belinda Denman

Mr. Brian Snow

Mr. Giovanni Felizzola

Miami Filter, Inc. (Manufacture):

Mr. Jeremy Mulvey

Ms. Troncoso and Mr. Jansing did report that at the end of the meeting everyone was happy. It was confirmed at the meeting that 30% will be paid. On Spray Field #1 irrigation system the pump station is working well. The El Paso Hills Lift Station Replacement Project has been submitted to TCEQ. Ms. Troncoso concluded she had received plans from Michelle Padilla in regards to the Horizon City Drainage Project at Spray Field No. 1. Advised Board Members that once plans were reviewed she suggested all Board Members, Mr. McGinnis and herself could meet at drainage site Project.

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

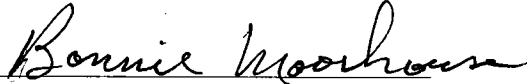
Board Members had no reports or discussion for this item.

There being no further business before the Board, the meeting was upon motion made by Director K. Thomas duly made and seconded by Director D. Hulseley all in favor and carried, adjourned at 4:05 p.m.

READ, APPROVED, AND ADOPTED THIS 23rd DAY OF JULY 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