

**MINUTES OF A REGULAR MEETING
OF THE BOARD OF DIRECTORS
HORIZON REGIONAL M.U.D.**

A regular meeting of the Board of Directors of the Horizon Regional M.U.D. was held on Thursday March 28, 2019 at 6:00 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:

| | | |
|--------------------|---|--------------------------|
| Florence K. Thomas | - | President |
| Bonnie Moorhouse | - | Vice President |
| Gordon Jarvis | - | Treasurer - |
| John Whitaker | - | Assistant Vice President |
| Dean Hulsey | - | Secretary - |

Director Florence K. Thomas called the meeting to order. A quorum was established. Also attending the meeting were the District's consultants: Inframark LLC. Project Manager Charlie McGinnis, Customer Rep III Janita Williams. District Attorney Alan Petrov. TRE & Associates Inc. Linda Troncoso, David Duran, Grecia Aguilera. The Pledge of Allegiance was said with audience participation.

4. RECEIVE CITIZEN COMMUNICATIONS.

No Citizen communications

5. CONSENT AGENDA.

- A: Consider and Take Action to approve the Minutes of the Regular Meeting held on February 28, 2019, and Special meeting held on March 07, 2019, Special Meeting held on March 18, 2019.
- B: Consider and Take Action to Approve the Payment of Bills and Invoices for Operations and Construction; and to Approve the Transfer of Funds.
- C: Consider and Take Action to Approve the Financial Statement for the Month Ending February 28, 2019.
- D: 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 Bob Jarvis and seconded by Director Hulsey to approve all items on consent agenda.

Vote was unanimous to approve.

6. DISCUSSION ON HORIZON VIEW ESTATES SEWER PROJECT.

Director Thomas Briefly followed up with Linda Troncoso if we were assisting the Horizon View Estates with the procedure for obtaining Sewer at Horizon View Estates. Ms. Troncoso replied yes, we are still helping the Horizon View with procedures.

7. **CONSIDER AND TAKE ACTION ON MANAGEMENT REPORT RELATING TO MANAGEMENT AND OPERATIONAL ACTIVITIES OF THE DISTRICT.**

Mr. McGinnis received an email from Bain notifying Mr. McGinnis ordered received for the stainless steel solar Pole, since the solar pole stopped working on the walkway path by Torrey Pines, the delivery will take from 7-9 weeks, will discuss with the city to move the solar electric pole from the well, in the meantime. Ms. Troncoso will coordinate with the city.

Mr. McGinnis explains net water connections.

Total active, inactive, for the month of March 2019 are: 10556. Mr. McGinnis continues with well pumping report: Total gallons pumped for February 2019 were 134,808,300. Wheeler well field capacity is at 35.84% and Desert Well field is at 39.58% Waste water system reports total for the month is 8247 and year to date net change (6 month) is 970.

Influent received in February 2019 was 66,981,000

Effluent delivery total was 64,301,600.

Total plant capacity: 3.0 MGD

Percentage of capacity: 71.4%

Mr. McGinnis reported 4 Water leaks in the street, and 4-meter box leaks for the month of February.

Moved to Operational Report, all lift stations are fully operational, the bearings are being replaced in the motor of blower #6. Mr. McGinnis reported RO Pond received power, Director Whitaker complimented Mr. McGinnis on the RO looking good. Director Jarvis noted to monitor the levels of the pond, moved to set calendars. Collections reported \$2034.47 and Write off's \$44.36 Collected amount of \$281.97

Motion was made by Director B. Jarvis and seconded by Director D Hulsey to approve the Management Report and Operational of Activities for the District.

Vote was unanimous to approve.

8. **CONSIDER AND TAKE ACTION ON ENGINEERING REPORT RELATING TO CONSTRUCTION AND ENGINEERING ACTIVITIES OF THE DISTRICT.**

Engineering:

Ms. Troncoso gave a summary of Engineers Report, Ms. Troncoso reported 1 commitment applications was submitted, 17018 Darrington Road Church.

Horizon City Roadway Projects, TRE is continuing to coordinate with the Town of Horizon on future roadway widening and rehabilitation projects **Horizon City Roadway Project**-Coordination with the County, Inframark and TRE has been coordinating with CRRMA and their contractor. **Horizon City Drainage Project at Spray Field no.1** the revised interlocal agreement has been approved and reimbursement of irrigation improvements has been received from the Town of Horizon. Ms. Troncoso noted had a conversation with Director Moorhouse to flush fire hydrant to fill the pond at Homestead with Board Permission. **Waste Water Manhole Rehabilitation**, TRE is coordinating with TXDOT for the utility ROW permit for the manhole rehabilitation work, upon approval from TXDOT, TRE will advertise the project for bid. **Section 32 Lift Station Rehabilitation**, the change of scope from the 7th bond issue to utilize funds for the rehabilitation of Section 32 lift station will be submitted to TCEQ next week the plans and specs will bid in April and awarded in May.

Motion was made by Director B. Jarvis and seconded by Director D Hulsey to approve the Engineering Report.

Vote was unanimous to approve.

9. **CONSIDER AND TAKE ACTION ON MANAGEMENT REPORT RELATING TO MANAGEMENT AND OPERATIOAL ACTIVITIES OF SPRAY FIELD NO 1.**

Mr. Delgadillo reported total sales 6145 and is closed to target in his budget, Financial gross profit is 7000 ahead of budget. the greens are looking good, and the T Boxes getting busier, have received positive comments from Golfers. January is looking good and getting better, having over 100 rounds although weather has not been very good.2000 ahead of budget 3400 from last year. Bad News had an employee pass away, Michael Salcido on Tuesday Morning. For Easter will be having an Easter egg hunt.

No action taken

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

Mrs. Villa reported sales increase of 2500 more than last year, hired a new employee during the week. Director Thomas questioned about the Vehicles, Mrs. Villa noted has a bigger repair problem, on the cart the girls are having to be checking the oil, and slow down as per Mechanic. Director Whitaker questioned on the second Cart? Mrs. Villa responded that is the cart that is being repaired, thought it would be a simpler repair the rings and is the manufactured motor. Director Whitaker left a lot of money on the table, not having good working carts, is not good for the Golfers. Mr. Delgadillo noted changed oil twice a year, and noted will be very busy on Saturday and Sunday will need to bring a food and beverage cart, maybe should get a new gas cart? Director Hulsey questioned if received a quote for a new cart? Mrs. Villa responded we did receive a quote, but we do not have the money at this time. Director Thomas suggested to have more than one server and one waiter at the Restaurant will increase sales.

No Necessary Action taken

11. CONSIDER AND TAKE ACTION ON ENGINEERING SERVICES PROPOSAL FOR ELEVATED STORAGE TANKS AND WATER SYSTEM MODEL CALIBRATION. (Engineering Consultant)

Ms. Troncoso noted item was discussed at Special Meeting. Director Thomas asked if models were Found for the Aerators? Ms. Troncoso noted not at this time but is still researching. Director Thomas noted estimate not to exceed. Ms. Troncoso 5.2 for construction

Motion was made by Director B Jarvis and seconded by Director Hulsey to approve the services proposal for Elevated Storage Tanks and water system model calibration.

Vote was unanimous to approve.

12. CONSIDER AND TAKE ACTION ON ENGINEERING SERVICES PROPOSAL FOR 4.2MGD REVERSE OSMOSIS WATER TREATMENT PLANT EXPANSION. (ENGINEERING CONSULTANT)

Ms. Troncoso noted the proposal #19025, is for new building RO expansion amended to have more capacity, Ms. Troncoso noted would be overseeing construction, prepare documents to initiate the process for bid and advertisement. TRE will conduct the pre-bid meetings and administer the bid in accordance to TCEQ.

Motion was made by Director D Hulseley and seconded by Director B Jarvis to approve the proposal for 4.2 MGD Reverse Osmosis Water Treatment Plant Expansion.

Vote was unanimous to approve.

13. CONSIDER AND TAKE ACTION ON ENGINEERING SERVICES PROPOSAL FOR REVERSE OSMOSIS CONCENTRATE DISPOSAL MANAGEMENT SYSTEM. (Engineering Consultant)

Ms. Troncoso will initiate acquisition of land, ponds, evaluate technology, and will meet with Engineer committee, will bill on hourly basis.

Motion was made by Director D Hulseley and seconded by Director B Jarvis to accept the proposal for reverse Osmosis concentrate disposal

Vote was unanimous to approve.

14. CONSIDER AND TAKE ACTION ON CHANGE OF RULES AND REGULATIONS FOR THE DISTRICT RELATED TO ACCEPTABLE MATERIALS FOR UTILITY SYSTEM IMPROVEMENTS. (ENGINEERING CONSULTANT)

Director Thomas requested for item to be tabled.

Motion was made by Director B Jarvis and seconded by Director Hulsey to table the change of Rules and Regulations for the District related to acceptable materials for utility system improvements.

Vote was unanimous to approve.

15. CONSIDER AND TAKE ACTION ON REPAIRS OF CONTROL VALVES FOR RO BOOSTER STATION. (ENGINEERING)

Mr. McGinnis presented the board with an estimate from Prestige Worldwide Technologies LLC Received only two estimates and Prestige Worldwide Technologies LLC is the cheapest, of the two Estimates received; Mr. McGinnis is recommending Prestige Worldwide Technologies LLC.

Motion was made by Director B Jarvis and seconded by Director D Hulsey to accept the bid from Prestige Worldwide Technologies LLC.

Vote was unanimous to approve.

16. CONSIDER AND TAKE ACTION ON ENGAGEMENT OF ARBITRAGE COMPLIANCE SPECIALIST FOR CONTROL # 18.00, \$1,975,000.00 UNLIMITED TAX BONDS, SERIES 2014. (LEGAL COUNSEL)

MR Alan Petrov advised the Board is a compliance audit that is needed to be done every 5 years, Audit needed IRS requirement.

Motion was made by Director B Jarvis and seconded by Director Hulseby to take action on Engagement of Arbitrage Compliance Specialist for control #18.00, 1,975,000.00 unlimited Tax Bonds, Series of 2014.

Vote was unanimous to approve.

17. CONSIDER AND TAKE ACTION ON ENGAGEMENT OF ARBITRAGE COMPLIANCE SPECIALISTS FOR CONTROL #17.00 FOR \$7,935,000.00 (Legal Counsel)

MR Alan Petrov advised the Board is a compliance audit that is needed to be done every 5 years, Audit needed IRS requirement.

Motion was made by Director B Jarvis and seconded by Director Hulseby to take action on Engagement of Arbitrage Compliance Specialists #17.00 for \$7,935,000.00.

Vote was unanimous to approve.

18. CONSIDER AND TAKE ACTION ON WELL 1-35 REHABILITATION

Mr. McGinnis received Quotes from Clowe & Cowan of EL Paso LLC and WHB Pump Sales, For Well I-35 and (Well I-38, Item #19) both Wells are included on same Quote. Motors went out on both wells, and the cost from WHB Pump Sales, is the lowest cost. Labor to pull and install Motors at 3 wells totaling \$23,151.20. Director Thomas questioned if the cost included three Wells. Mr. McGinnis noted yes labor for all Three Wells. Well 2-32 is included with I-35 and I-38 Wells.

Motion was made by Director B Jarvis and seconded by Director Hulsey to approve the Quote from WHB Pump Sales, LLC for all three Wells in the amount of \$23,151.20.

Vote was unanimous to approve.

19. CONSIDER AND TAKE ACTION ON WELL I-38 REHABILITATION

Item #19 Discussed and approved on Item #18

20. EXECUTIVE SESSION


Mr. Alan Petrov notified the Board Members requested Del Mar to produce a document, litigation gives Mr. Harold the right to request documents from the Board. Ms. Troncoso will be meeting with Harold from Del Mar to review plans of construction.

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

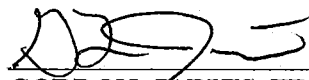
Director Whitaker made a tour on the ponds, Tank #4 needs sign on gate, Mr. McGinnis just received sign. Mr. Alan Petrov, Mr. McGinnis received a request from Lower Valley to give service to a customer that is in our District, but we are not able to service, since out of water boundaries. Director Jarvis need to include in our policy, to allow this type of customers to receive temporary service, until our water lines are in their boundaries and could take customer back. Mr. Alan Petrov asked the Board if they had heard about Maureen Singleton, Director Jarvis noted Mrs. Singleton in real bad health.

There being no further business before the Board, the meeting was upon motion made by Director Thomas and seconded by Director D. Hulsey all in favor and carried, adjourned at 7:16 P.M.

READ, APPROVED, AND ADOPTED THIS 25TH DAY OF APRIL 2019.



FLORENCE THOMAS, PRESIDENT
Board of Directors
Horizon Regional M.U.D.



GORDON, JARVIS, TREASURER
Board of Directors
Horizon Regional M.U.D.

JW/CM

**ATTACHMENTS AND HANDOUTS
FOR THE BOARD OF DIRECTORS MEETING HELD March 28, 2019**

| AGENDA ITEM | ATTACHMENTS AND HANDOUTS | ACTION TAKEN |
|----------------|--|------------------------|
| 4: | RECEIVE CITIZEN COMMUNICATIONS. | N/A |
| 5: | CONSIDER AND TAKE ACTION TO CONSENT AGENDA. | APPROVED 5-0 |
| 5A: | CONSIDER AND TAKE ACTION TO APPROVE THE MINUTES OF THE REGULAR BOARD OF DIRECTORS MEETING HELD ON FEBRUARY 28, 2019, AND SPECIAL MEETING HELD ON MARCH 07, 2019 | APPROVED 5-0 |
| 5B: | CONSIDER AND TAKE ACTION TO APPROVE THE PAYMENT OF BILLS AND INVOICES FOR OPERATIONS AND CONSTRUCTION AND TO APPROVE THE TRANSFER FUNDS. | APPROVED 5-0 |
| 5C: | CONSIDER AND TAKE ACTION TO APPROVE THE FINANCIAL STATEMENTS FOR THE MONTH ENDING FEBRUARY 28, 2019 | APPROVED 5-0 |
| 5D: | 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 GUNDS FOR SPRAY FIELD #1 | APPROVED 5-0 |
| 6: | DISCUSSION ON HORIZON VIEW ESTATES SEWER PROJECT | N/A |
| 7: | CONSIDER AND TAKE ACTION ON MANAGEMENT REPORT RELATING TO MANAGEMENT AND OPERATIONAL ACTIVITIES OF THE DISTRICT (MANAGEMENT) | APPROVED 5-0 |
| 8: | CONSIDERATION AND TAKE ACTION ON THE ENGINEERING REPORT RELATING TO CONSTRUCTION AND ENGINEERING ACTIVITIES OF THE DISTRICT. (ENGINEERING CONSULTANT) | APPROVED 5-0 |
| 9: | CONSIDER AND TAKE ACTION ON THE MANAGEMENT REPORT RELATING TO MANAGEMENT AND OPERATIONAL ACTIVITIES OF SPRAY FIELD NO. 1. (SPRAY FIELD MANAGEMENT) | NOT ACTION TAKEN |
| 10: | CONSIDER AND TAKE ACTION ON, IF NECESSARY, RELATING TO THE LEASE WITH MOONLIGHT P&Q, | NO ACTION TAKEN |

| | | |
|-----|---|-----------------|
| | | |
| 11: | CONSIDER AND TAKE ACTION ENGINEERING SERVICES PROPOSAL FOR ELEVATED STORAGE TANKS AND WATER SYSTEM MODEL CALIBRATION ENGINEERING CONSULTANT). | APPROVED 5-0 |
| 12: | CONSIDER AND TAKE ACTION ON ENGINEERING SERVICES PROPOSAL FOR 4.2 MGD REVERSE OSMOSIS WATER TREATMENT PLANT EXPANSION (ENGINEERING CONSULTANT) | APPROVED 5-0 |
| 13: | CONSIDER AND TAKE ACTION ON ENGINEERING SERVICES PROPOSAL FOR REVERSE OSMOSIS CONCENTRATE DISPOSAL MANAGEMENT SYSTEM. (ENGINEERING CONSULTANT) | APPROVED 5-0 |
| 14: | CONSIDER AND TAKE ACTION ON CHANGE TO RULES AND REGULATIONS OF THE DISTRICT RELATED TO ACCEPTABLE MATERIAL FOR UTILITY SYSTEM. (ENGINEERING CONSULTANT) | TABLED |
| 15: | CONSIDER AND TAKE ACTION ON REPAIRS OF CONTROL VALVES FOR RO BOOSTER STATION | APPROVED 5-0 |
| 16: | CONSIDER AND TAKE ACTION ON ENGAGEMENT OF ARBITRAGE COMPLIANCE SPECIALIST FOR CONTROL #18.00, \$1,975,000.00 UNLIMITED TAX BONDS SERIES 2014. (LEGAL COUNSEL). | APPROVED 5-0 |
| 17: | CONSIDER AND TAKE ACTION ON ENGAGEMENT OF ARBITRAGE COMPLIANCE SPECIALIST FOR CONTROL #17.00 FOR \$7,935,000.00. UNLIMITED TAX REFUNDING BONDS, SERIES 2014. (LEGAL COUNSEL). | APPROVED 5-0 |
| 18: | CONSIDER AND TAKE ACTION ON WELL I-35 REHABILITATION. (MANAGEMENT) | APPROVED 5-0 |
| 19: | CONSIDER AND TAKE ACTION ON WELL I-38 REHABILITATION. (MANAGEMENT) | APPROVED 5-0 |
| 20: | EXECUTIVE SESSION. | N/A |
| 21. | REPORTS AND DISCUSSION OF OTHER MATTERS THAT MAY COME BEFORE THE BOARD | N/A |