

**ORDER DESIGNATING THE DEFINED AREA, APPROVING PLANS FOR THE
DEFINED AREA, AND CALLING CONFIRMATION, BOND AND MAINTENANCE
TAX ELECTION (NW ¼ OF SECTION 20 (SUMMER SKY NORTH))**

STATE OF TEXAS

1. COUNTY OF EL PASO

HORIZON REGIONAL MUNICIPAL UTILITY DISTRICT

§
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§

We, the undersigned officers of the Board of Directors (the "Board") of the **HORIZON REGIONAL MUNICIPAL UTILITY DISTRICT** (the "District"), hereby certify as follows:

The Board convened in regular session, open to the public, on Thursday, January 20, 2022 at 6:00 p.m., at 14100 Horizon Boulevard, Horizon City, Texas and the roll was called of the members of the Board, to-wit:

Gordon "Bob" Jarvis	President
Dean Hulsey	Vice President
Mike Barton	Secretary
Florence "Kit" Thomas	Treasurer
Vacant	Assistant Secretary

All members of the Board were present except Dean Hulsey, thus constituting a quorum. Whereupon other business, the following was transacted at such meeting: A written

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was duly introduced for the consideration of the Board. It was then duly moved and seconded that such Order be adopted; and after full discussion, such motion, carrying with it the adoption of such Order prevailed, carried, and became effective by the following vote:

AYES: -3- **NOES:** -0- **ABSTAIN:** -0-

A true, full and correct copy of the aforesaid Order adopted at the Meeting described in the above and foregoing paragraph is attached to and follows this Certificate; such Order has been duly recorded in the Board's minutes of such Meeting; the above and foregoing paragraph is a true, full, and correct excerpt from the Board's minutes of such Meeting pertaining to the adoption of such Order; the persons named in the above and foregoing paragraph are the duly chosen, qualified, and acting officers and members of the Board as indicated therein; each of the officers and members of the Board are duly and sufficiently notified officially and personally, in advance, of the time, place, and purpose of such Meeting, and that such Order would be introduced and considered for adoption at such meeting, and each of the officers and members consented, in advance, to the holding of such meeting for such purpose; and such Meeting was open to the public and public notice of the time, place, and purpose of such Meeting was given, all as required by Chapter 551 of the Texas Government Code, and Section 49.063 of the Texas Water Code, as amended.

SIGNED this 20th day of January, 2022.

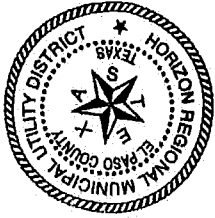
/s/Mike Barton

Secretary, Board of Directors

/s/Gordon "Bob" Jarvis

President, Board of Directors

(DISTRICT SEAL)



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STATE OF TEXAS §
COUNTY OF EL PASO §
HORIZON REGIONAL MUNICIPAL UTILITY DISTRICT §

WHEREAS, the **HORIZON REGIONAL MUNICIPAL UTILITY DISTRICT** (the "District") is a conservation and reclamation district created and operating pursuant to Chapters 49 and 54 of the Texas Water Code, as amended; and

WHEREAS, the District is composed of more than 1,500 acres and may, therefore, define areas or designate certain property of the District to pay for improvements, facilities or services that primarily benefit that area or property pursuant to Section 54.801 of the Texas Water Code; and

WHEREAS, pursuant to that certain Order Designating a Defined Area For a portion of Section No. 20, Adopting Designation Plan, Improvements Plan and Taxation Plan Relating to Designation of Defined Area for a portion of Section No. 20 (the "Designation Order"), adopted by the Board on December 16, 2021, the Board designated an area within the District comprised of approximately 160.00 acres as a defined area within the boundaries of the District, to be known as the Summer Sky North, a portion of Section 20 Defined Area, as more particularly described on Exhibit "A" attached hereto; and

WHEREAS, the Board, on December 16, 2021, in the Designation Defined Area Plan, whereby the Board adopted the Plan for Improvements and a plan of taxation to apply to the Defined Area to pay for and maintain improvements, facilities, or services that will primarily benefit the Defined Area and not generally and directly benefit the District as a whole, which ad valorem taxes shall be in addition to other taxes imposed by the District on the same area (collectively, the "Plan for Taxation"); and

WHEREAS, the Plan for Improvements contains an estimate of the costs of the improvements to serve the Defined Area as follows:

CONSTRUCTION COSTS	COSTS	DEFINED AREA SHARE (70%)
Water Distribution System	\$ 1,766,714	\$ 1,236,700
Wastewater Collection System	\$ 1,074,107	\$ 751,875
Earthwork	\$ 578,324	\$ 289,162
Erosion Control	\$ 43,116	\$ 21,558
Engineering (10%)	\$ 346,226	\$ 230,000
Contingency (15%)	\$ 428,441	\$ 344,894
TOTAL CONSTRUCTION COSTS	\$ 3,570,335	\$ 2,874,189

NON CONSTRUCTION COSTS	COSTS
Bond Counsel (2%)	\$ 84,000
Fiscal Agent (1.5%)	\$ 63,000
Capitalized Interest (2yrs @ 4.5%)	\$ 391,500
Developer Interest (2yrs @ 4.5%)	\$ 391,500
Creation Costs	\$ 135,000
Bond Issuance Costs	\$ 120,111
Attorney General (0.10%)	\$ 4,200
Bond Discount (3%)	\$ 126,000
TCEQ Bond Issuance Fee (0.25%)	\$ 10,500
TOTAL NON-CONSTRUCTION COSTS	\$ 1,325,811
TOTAL COSTS	\$ 4,200,000

WHEREAS, the Board hereby finds and determines that the above estimated project costs are reasonable and proper and are hereby adopted and approved as being the Board's estimate of the total amount of money needed for the items listed to complete the planned improvements, all of which are properly to be included in the maximum amount of bonds proposed for approval at this time pursuant to this Order; and

WHEREAS, the Board now wants to define and serve the proposed separate tax area, and to call an election in the Defined Area; and

WHEREAS, all requirements have been met prerequisite to the ordering of the election, and the Board is of the opinion that an election should be held for the purpose of submitting to the duly qualified electors of the Defined Area, the proposition hereinafter set forth for the definition of the defined area, issuance of bonds, and the levy of a maintenance tax; and

WHEREAS, it is now proper for the Board to call and provide for the holding of said election to determine whether it should be authorized and empowered to define, issue bonds and levy a maintenance tax for the Defined Area of the District.

NOW, THEREFORE, BE IT ORDERED BY THE BOARD OF DIRECTORS OF HORIZON REGIONAL MUNICIPAL UTILITY DISTRICT THAT:

Section 1: The matters and facts set out in the preamble of this Order are hereby found and declared to be true and correct.

Section 2: The Board adopts the Engineering Plan for Creation of a portion of Parcel No. 20 Benefits Area, a copy of which is attached hereto as Exhibit "A", including the estimates therein, and the data and items submitted therewith.

Section 3: The Board designates the property identified as Summer Sky North Defined Area for a portion of Parcel No. 20 in the Engineering Report for Creation of Defined Benefits Area, incorporated herein as the Defined Area and approves the proposed defined area plan contained in such report.

Section 4: The Board hereby adopts the Plan of Taxation to apply to the Defined Area which shall be taxes on the ad valorem basis on all taxable property within the Defined Area to pay for and maintain improvements, facilities, or service peculiar to the Defined Area and not generally and directly benefiting the District as a whole, which ad valorem taxes shall be in addition to other taxes imposed by the District on the same area.

Section 5: There shall be no change in the tax plan which will impair the ability of the District to promptly meet all outstanding obligations of the District. The Board shall continue to levy, assess, and collect taxes on the ad valorem basis against all taxable property in the Defined Area for payment of the interest and principal of the District's bonds outstanding at the time of this Order, and any future bonds which may be issue by the District that may require such taxes.

Section 6: The Election shall be held for the Defined Area in the District on Saturday, May 7, 2022 between the hours of 7 a.m. and 7 p.m. at 1200 Zapata Street, El Paso County, Texas 79928 within the Summer Sky North Defined Area of the District; and,

The following propositions shall be submitted to the resident electors of the District:

PROPOSITION A

SHALL THE DEFINED AREA (SUMMER SKY NORTH) BE DESIGNATED?

PROPOSITION B (WATERWORKS, SANITARY SEWER, AND DRAINAGE AND STORM SEWER FACILITIES BONDS)

SHALL THE BOARD OF DIRECTORS OF HORIZON REGIONAL MUNICIPAL UTILITY DISTRICT ("DISTRICT") BE AUTHORIZED TO ISSUE BONDS OF SAID DISTRICT IN ONE OR MORE ISSUES OR SERIES IN THE MAXIMUM AMOUNT OF FOUR MILLION, TWO HUNDRED THOUSAND AND 00/100 DOLLARS (\$4,200,000) MATURING SERIALY OR OTHERWISE IN SUCH INSTALLMENTS AS ARE FIXED BY SAID BOARD OVER A PERIOD OR PERIODS NOT EXCEEDING FORTY (40) YEARS FROM THEIR DATE OR DATES, BEARING INTEREST AT ANY RATE OR RATES AND TO SELL SAID BONDS AT ANY PRICE OR PRICES, PROVIDED THAT THE NET EFFECTIVE INTEREST RATE ON ANY ISSUE OR SERIES OF SAID BONDS SHALL NOT EXCEED THE MAXIMUM LEGAL LIMIT IN EFFECT AT THE TIME OF ISSUANCE OF EACH ISSUE OR SERIES OF BONDS, ALL AS MAY BE DETERMINED BY THE BOARD OF DIRECTORS OF SAID DISTRICT, FOR THE PURPOSE OR PURPOSES OF PURCHASING, CONSTRUCTING, ACQUIRING, OWNING, MAINTAINING, OPERATING, REPAIRING, IMPROVING, EXTENDING, OR PAYING

FOR, INSIDE AND OUTSIDE THE DISTRICT'S BOUNDARIES, ANY AND ALL DISTRICT WORKS, IMPROVEMENTS, FACILITIES, PLANTS, EQUIPMENT, AND APPLIANCES NEEDED TO PROVIDE A WATERWORKS SYSTEM, SANITARY SEWER SYSTEM, AND DRAINAGE AND STORM SEWER SYSTEM, INCLUDING, BUT NOT LIMITED TO, ALL COSTS ASSOCIATED WITH FLOOD PLAIN AND WETLANDS REGULATION (INCLUDING MITIGATION) AND ENDANGERED SPECIES AND STORMW ATER PERMITS (INCLUDING MITIGATION) AND ALL ADDITIONS TO SUCH SYSTEMS AND ALL WORKS, IMPROVEMENTS, FACILITIES, PLANTS, EQUIPMENT, APPLIANCES, INTERESTS IN PROPERTY, AND CONTRACT RIGHTS NECESSARY OR CONVENIENT THEREFOR AND ADMINISTRATIVE FACILITIES NEEDED IN CONNECTION THEREWITH, TO SERVE SAID SUMMER SKY NORTH DEFINED AREA, AND TO PROVIDE FOR THE PAYMENT OF PRINCIPAL OF AND INTEREST ON SUCH BONDS BY THE LEVY AND COLLECTION OF A SUFFICIENT TAX UPON ALL TAXABLE PROPERTY WITHIN THE SUMMER SKY NORTH DEFINED AREA, ALL AS AUTHORIZED BY THE CONSTITUTION AND LAWS OF THE STATE OF TEXAS?

PROPOSITION C
(WATERWORKS, SANITARY SEWER, AND DRAINAGE AND
STORM SEWER FACILITIES REFUNDING BONDS)

SHALL THE BOARD OF DIRECTORS OF HORIZON REGIONAL MUNICIPAL DISTRICT (THE "DEFINED AREA") BE AUTHORIZED TO ISSUE THE BONDS OF SAID DISTRICT IN ONE OR MORE ISSUES OR SERIES IN THE MAXIMUM AGGREGATE ORIGINAL PRINCIPAL AMOUNT OF FOUR MILLION, TWO HUNDRED THOUSAND AND 00/100 DOLLARS (\$4,200,000) MATURING SERIALLY OR OTHERWISE IN SUCH INSTALLMENTS AS ARE FIXED BY SAID BOARD OVER A PERIOD OR PERIODS NOT EXCEEDING FORTY (40) YEARS FROM THEIR DATE OR DATES, BEARING INTEREST AT ANY RATE OR RATES AND TO SELL SAID BONDS AT ANY PRICE OR PRICES, PROVIDED THAT THE NET EFFECTIVE INTEREST RATE ON ANY ISSUE OR SERIES OF SAID BONDS SHALL NOT EXCEED THE MAXIMUM LEGAL LIMIT IN EFFECT AT THE TIME OF ISSUANCE OF EACH ISSUE OR SERIES OF SAID BONDS, ALL AS MAY BE DETERMINED BY THE BOARD OF DIRECTORS OF SAID DISTRICT, FOR THE PURPOSE OF REFUNDING BY ANY MEANS NOW OR HEREAFTER AUTHORIZED BY LAW, ALL OR ANY PORTION OF THE BONDS SOLD FOR THE PURPOSE OR PURPOSES OF PURCHASING, CONSTRUCTING, ACQUIRING, OWNING, MAINTAINING, OPERATING, REPAIRING, IMPROVING,

EXTENDING, OR PA YING FOR, INSIDE AND OUTSIDE THE DISTRICTS BOUNDARIES, ANY AND ALL DISTRICT WORKS, IMPROVEMENTS, FACILITIES, PLANTS, EQUIPMENT, AND APPLIANCES NEEDED TO PROVIDE A WATERWORKS SYSTEM, SANITARY SEWER SYSTEM, AND DRAINAGE AND STORM SEWER SYSTEM, INCLUDING, BUT NOT LIMITED TO, ALL COSTS ASSOCIATED WITH FLOOD PLAIN AND WETLANDS REGULATION (INCLUDING MITIGATION) AND ENDANGERED SPECIES AND STORMWATER PERMITS (INCLUDING MITIGATION) AND ALL ADDITIONS TO SUCH SYSTEMS AND ALL WORKS, IMPROVEMENTS, FACILITIES, PLANTS, EQUIPMENT, APPLIANCES, INTERESTS IN PROPERTY, AND CONTRACT RIGHTS NECESSARY OR CONVENIENT THEREFOR AND ADMINISTRATIVE FACILITIES NEEDED IN CONNECTION THEREWITH, TO SERVE SAID SUMMER SKY NORTH DEFINED AREA, HERETOFORE OR HEREAFTER ISSUED BY THE DISTRICT, AND TO PROVIDE FOR THE PAYMENT OF PRINCIPAL OF AND INTEREST ON SUCH REFUNDING BONDS BY THE LEVY AND COLLECTION OF A SUFFICIENT TAX UPON ALL TAXABLE PROPERTY WITHIN SUMMER SKY NORTH DEFINED AREA, ALL AS AUTHORIZED BY THE CONSTITUTION AND LAWS OF THE STATE OF TEXAS, SUCH AUTHORIZATION BEING IN ADDITION TO ANY OTHER REFUNDING AUTHORIZATION ALLOWED BY THE CONSTITUTION AND LAWS OF THE STATE OF TEXAS?

PROPOSITION D

SHALL THE BOARD OF DIRECTORS OF HORIZON REGIONAL MUNICIPAL UTILITY DISTRICT BE AUTHORIZED TO ASSESS, LEVY AND COLLECT AD VALOREM TAXES ON ALL TAXABLE PROPERTY WITHIN SAID SUMMER SKY NORTH DEFINED AREA FOR MAINTENANCE PURPOSES, INCLUDING FUNDS FOR PLANNING, CONSTRUCTION, ACQUIRING, MAINTAINING, REPAIRING AND OPERATING ALL NECESSARY LAND, PLANTS, WORKS, FACILITIES, IMPROVEMENTS, APPLIANCES AND EQUIPMENT OF SUCH SUMMER SKY NORTH DEFINED AREA AND FOR PAYING COSTS OF PROPER SERVICES, ENGINEERING AND LEGAL FEES, AND ORGANIZATION AND ADMINISTRATIVE EXPENSES, IN ACCORDANCE WITH THE CONSTITUTION AND LAWS OF THE STATE OF TEXAS, PARTICULARLY (BUT NOT BY THE WAY OF LIMITATION) SECTION 49.107 OF THE TEXAS WATER CODE, PROVIDED THAT IN NO YEAR SHALL SAID MAINTENANCE TAX EXCEED \$0.50000 PER \$100 VALUATION OF TAXABLE PROPERTY WITHIN SAID SUMMER SKY NORTH DEFINED AREA?

OFFICIAL BALLOT

PROPOSITION A

- () FOR)
() AGAINST) SHALL THE (SUMMER SKY
NORTH) DEFINED AREA BE
DESIGNATED?

PROPOSITION B

- () FOR) THE ISSUANCE OF FOUR MILLION,
() AGAINST) TWO HUNDRED THOUSAND AND
00/100 DOLLARS (\$4,200,000) BONDS
FOR WATER, SANITARY SEWER,
AND DRAINAGE AND STORM
SEWER SYSTEMS TO SERVE SAID
DEFINED AREA, AND THE LEVY OF
TAXES, WITHOUT LIMIT AS TO
RATE OR AMOUNT, SUFFICIENT TO
PAY THE PRINCIPAL OF AND
INTEREST ON THE BONDS

PROPOSITION C

- () FOR) THE ISSUANCE OF FOUR MILLION,
() AGAINST) TWO HUNDRED THOUSAND AND
00/100 DOLLARS (\$4,200,000) BONDS
FOR REFUNDING WATER,
SANITARY SEWER, AND DRAINAGE
AND STORM SEWER SYSTEMS
BONDS OF THE DISTRICT TO SERVE
SAID DEFINED AREA AND THE
LEVY OF TAXES, WITHOUT LIMIT
AS TO RATE OR AMOUNT,
SUFFICIENT TO PAY THE PRINCIPAL
OF AND INTEREST ON THE BONDS

PROPOSITION D

- () FOR) THE IMPLEMENTATION OF AN
() AGAINST) OPERATIONS AND MAINTENANCE
TAX NOT TO EXCEED \$0.50000/\$100
VALUATION OF TAXABLE PROPERTY
WITHIN THE DEFINED AREA

Paper Ballot Instructions:

Mark the ballot by placing an "X" in the space beside "For" or "Against" for your choice for each proposition.

Section 7: **HEIDI MARIE LEBARON** is hereby appointed as the Presiding Judge.

The presiding judge may appoint, as he/she deems necessary, clerks to assist in the conduct of the election, not to exceed the maximum number of two (2). If the regularly appointed presiding judge is unable to serve at the election, the alternate presiding judge shall serve as the presiding judge for the election. If the election is conducted by the regularly appointed presiding judge, he/she may appoint the alternate presiding judge as one of the clerks to serve at the election.

The early voting ballot board shall consist of the Presiding Judge and at least two (2) other members, appointed by the Presiding Judge, who are eligible to serve in accordance with the Texas Election Code.

Early voting in the election by personal appearance shall occur on each day from April 25, 2022, through May 3, 2022, which is not a Saturday, a Sunday, or an official state holiday. Because the District has fewer than 1,000 registered voters, the early voting clerk shall keep the early voting polling place open between the hours of 8:00 a.m. and 12:00 p.m. on each day for early voting which is not a Saturday, a Sunday, or an official state holiday. The clerk for early voting shall be **HEIDI MARIE LEBARON** and the place at which early voting by personal appearance shall be conducted is, **1200 Zapata Street, El Paso County, Texas 79928**, which is within the boundaries of the District. The early voting clerk's mailing address to which ballot applications and ballots to be voted by mail may be sent is c/o Johnson Petrov LLP, 2929 Allen Parkway, Suite 3150, Houston, Texas 77019 or by email: mroberts@johnsonpetrov.com.

Section 8: The rate of pay for judges and clerks of the election shall be \$10.00 dollars per hour, as authorized by the Texas Election Code.

Section 9: The election shall be held and conducted and returns shall be made to the Board of Directors in accordance with the Texas Election Code as modified by Chapter 49, Texas Water Code, as amended.

Section 10: All qualified resident electors of the District within the Defined Area shall be entitled to vote at the elections.

Section 11: The notice of election is to be provided in accordance with the requirements of the Texas Election Code, including the posting requirements applicable to a debt obligation election order codified at Section 4.003(f) of the Election Code.

Section 12: In the event the elections result favorably for the propositions submitted, (i) the defined area shall be designated; (ii) the Board shall thereafter be authorized to issue \$4,200,000 in bonds of the District, payable from taxes within the Defined Area, on the terms

and conditions described in the proposition voted in the election; (iii) the Board shall thereafter be authorized to issue \$4,200,000 in refunding bonds of the District, payable from taxes within the Defined Area, on the terms and conditions described in the proposition voted in the election; and (iv) the Board shall be authorized to levy and collect \$0.50000 maintenance tax per \$100 assessed valuation within the Defined Area on the terms and conditions described in the proposition voted in the election. In the event the election results against any of the propositions submitted, the Board shall be authorized to act only on the terms and conditions of the propositions approved at the elections.

Section 13: The Board hereby designates its Attorney, Johnson Petrov LLP (the "Attorney"), 2929 Allen Parkway, Suite 3150, Houston, Texas 77019, as authorized representative for purposes of the election, and any and all documents required to be filed with or notices required to be given by the Secretary of the Board under the provisions of the Texas Election Code shall be deemed filed and notices shall be deemed given if filed with or given to the Board's Attorney.

Section 14: In accordance with the propositions of Sect. 3.009(b), Texas Election Code, the following information is provided:

- A. The proposition language that will appear on the ballot is set forth in Section 6 of this Order.
- B. The purposes for which the bonds are to be authorized are set forth in Section 6 of this Order.
- C. The principal amounts of the bonds to be authorized are set forth in Section 6 of this Order.
- D. As set forth in Section 6 of this Order, if the bonds are approved by the voters, taxes sufficient to pay the annual principal of and interest of the bonds may be levied without limitation as to rate or amount.
- E. The maximum interest rate of the debt obligations or any series of debt obligations under Proposition B is 4.5% percent, and such rates are based upon the bond market conditions at the date of adoption of this order and as calculated in accordance with applicable law. Such estimate takes into account a number of factors including issuance schedule, maturity schedule and the estimated projected tax rate. The estimated maximum interest rate is provided for informational purposes only in accordance with Section 3.009(b)(5) of the Texas Election Code and could be affected by material changes in the assumptions used, including future economic and legal changes that are beyond the control of the District. The estimated maximum interest rate provided herein is not a limitation on the interest rate at which the bonds, or any series thereof, may be submitted to the Texas Commission on Environmental Quality for purposes of approval of issuance of the bonds or the interest rate at which the bonds, or any series thereof, may be sold. Such estimate does not create a contract with the voters and shall not in any way limit the District from setting a higher tax rate if necessary;

- F. If approved by the voters, the bonds may be issued in one or more series to mature serially over a period not to exceed forty (40) years.
- G. The aggregate amount of the outstanding principal of the District's debt obligations as of the beginning of the District's fiscal year in which this election is ordered is \$89,600,000 (including the District's outstanding revenue and general obligation bonds);
- H. The aggregate amount of the outstanding interest of the District's debt obligations as of the beginning of the District's fiscal year in which this election is ordered is \$36,966,946 (including the District's outstanding revenue and general obligation bonds);
- I. The ad valorem debt service tax rate for the District at the time this election is ordered is \$ 0.329557 per \$100 of assessed valuation in the District.
- J. The aggregate amount of the outstanding principal of the Defined Area obligations as of the beginning of the District's fiscal year in which this election is ordered is \$0.00;
- K. The aggregate amount of the outstanding interest of the Defined Area's debt obligations as of the beginning of the District's fiscal year in which this election is ordered is \$0.00 (including the District's outstanding revenue and general obligation bonds);
- L. The ad valorem debt service tax rate for the Defined Area at the time this election is ordered is \$0.00 per \$100 of assessed valuation in the District.

The information provided in this section is provided solely for the purpose of compliance with Sec. 3.009 (b), Texas Election Code and is for illustration purposes only. The information is not part of the proposition to be voted on and does not create a contract with the voters.

The President and Secretary are authorized and directed to take any action necessary to carry out the provisions of this Order.

[EXECUTION PAGE FOLLOWS]

WITNESS OUR HANDS AND THE SEAL OF THE DISTRICT this 20th day of
January, 2022.

/s/ Gordon "Bob" Jarvis

President, Board of Directors

ATTEST:

/s/ Mike Barton

Secretary, Board of Directors

(DISTRICT SEAL)



EXHIBIT "A"
(Engineering Plan for Creation of Summer Sky North Defined Area)



**PRELIMINARY ENGINEERING REPORT
FOR
DEFINED AREA CREATION OF SECTION 20-SUMMER SKY NORTH
WITHIN
HORIZON REGIONAL MUNICIPAL UTILITY DISTRICT**

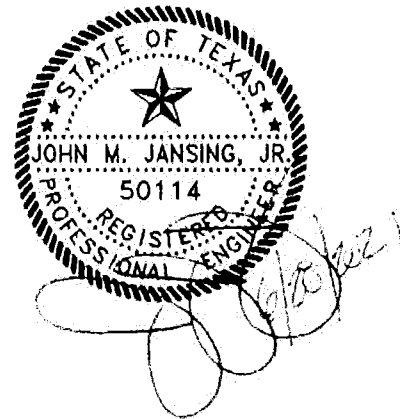
Submitted to:

**HORIZON REGIONAL MUNICIPAL UTILITY DISTRICT
14100 Horizon Blvd
Horizon City, Texas**

Prepared By:

**TRE & Associates, LLC.
El Paso, Texas**

June 2021



1911-11935-42

**PRELIMINARY ENGINEERING REPORT
FOR
DEFINED AREA CREATION OF SECTION 20-SUMMER SKY NORTH
WITHIN
HORIZON REGIONAL MUNICIPAL UTILITY DISTRICT**

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**PRELIMINARY ENGINEERING REPORT
FOR
DEFINED AREA CREATION OF SECTION 20-SUMMER SKY NORTH
WITHIN
HORIZON REGIONAL MUNICIPAL UTILITY DISTRICT**

LIST OF ATTACHMENTS

Attachment 1	A copy of the referenced Texas Water Code
Attachment 2	Vicinity and Location Map
Attachment 3	Defined Area Metes and Bounds
Attachment 4	Preliminary Land Use Plan for the Defined Area

1911-11935-42



ATTACHMENT 1

A COPY OF THE REFERENCED TEXAS WATER CODE

district's debt outstanding at the time the land was excluded from the district.

(b) The district shall apply the taxes collected on the excluded land only to the payment of the excluded land's pro rata share of the debt.

Added by Acts 2003, 78th Leg., ch. 248, Sec. 33, eff. June 18, 2003.

SUBCHAPTER J. SERVICES FOR CERTAIN DEFINED AREAS AND DESIGNATED PROPERTY

Sec. 54.801. AUTHORITY TO ESTABLISH DEFINED AREAS OR DESIGNATED PROPERTY. (a) A district that is composed of at least 1,000 acres may define areas or designate certain property of the district to pay for improvements, facilities, or services that primarily benefit that area or property and do not generally and directly benefit the district as a whole.

(b) The board shall state in its designation the physical and economic reasons, the particular diverse local needs, or the comparative potential benefits of the defined areas or designated property in the district that make it necessary or equitable to levy all or part of the tax on a defined area or designated property of the district.

Added by Acts 1987, 70th Leg., ch. 600, Sec. 1, eff. Aug. 31, 1987.

Amended by:

Acts 2019, 86th Leg., R.S., Ch. 1128 (H.B. 2590), Sec. 11, eff. September 1, 2019.

Sec. 54.802. DEFINING AREA AND DESIGNATING PROPERTY TO BE BENEFITED BY IMPROVEMENTS. (a) The board shall adopt a proposed plan that defines the particular area to be taxed by metes and bounds or designates the property to be served, affected, and taxed.

(b) The board shall file an engineer's report for improvements in the defined area or to serve the designated property.

(c) The board shall adopt a proposed plan of taxation to apply to the defined area or designated property that may or may not be in addition to other taxes imposed by the district on the same area or property.

Added by Acts 1987, 70th, Leg., ch. 600, Sec. 1, eff. Aug. 31, 1987.

Amended by Acts 1997, 75th Leg., ch. 1070, Sec. 32, eff. Sept. 1, 1997.

Amended by:

Acts 2019, 86th Leg., R.S., Ch. 1128 (H.B. 2590), Sec. 12, eff. September 1, 2019.

Sec. 54.804. ORDER ADOPTING PLANS FOR DEFINED AREA OR DESIGNATED PROPERTY. (a) Repealed by Acts 2019, 86th Leg., R.S., Ch. 1128 (H.B. 2590), Sec. 24, eff. September 1, 2019.

(b) If the board adopts a proposed plan, it must adopt the definition or designation that it finds, according to the evidence before the board, most equitably distributes the cost of facilities or service and protects the public welfare.

(c) If the proposal includes the issuance of bonds or the imposition of a maintenance tax for the defined area or designated property, the board shall call and hold an election in the defined area or within the boundaries of the designated property only.

(d) The board's order is not subject to judicial review except on the ground of fraud, palpable error, or arbitrary and confiscatory abuse of discretion.

Added by Acts 1987, 70th Leg., ch. 600, Sec. 1, eff. Aug. 31, 1987.

Amended by Acts 1989, 71st Leg., ch. 973, Sec. 1, eff. Aug. 28, 1989.

Amended by:

Acts 2019, 86th Leg., R.S., Ch. 1128 (H.B. 2590), Sec. 24, eff. September 1, 2019.

Sec. 54.805. OBTAINING FUNDS TO CONSTRUCT, ADMINISTER, MAINTAIN, AND OPERATE IMPROVEMENTS AND FACILITIES IN DEFINED AREAS OR DESIGNATED PROPERTY. On adoption of the proposed plan as provided by this subchapter and voter approval of the imposition of taxes and issuance of bonds, the district, under the limitations of this subchapter, may apply separately, differently, equitably, and specifically its taxing power and lien authority to the defined area or designated property to provide money to construct, administer, maintain, and operate improvements and facilities that primarily benefit the defined area or designated property.

Added by Acts 1987, 70th Leg., ch. 600, Sec. 1, eff. Aug. 31, 1987.

Amended by:

Acts 2019, 86th Leg., R.S., Ch. 1128 (H.B. 2590), Sec. 13, eff. September 1, 2019.

Sec. 54.806. PROCEDURE FOR ELECTION. (a) Before bonds may be issued or taxes may be imposed for the defined area or designated property, the bonds or taxes must be approved by the voters in the defined area or within

the boundaries of the designated property. The election shall be conducted as provided by Section 49.106 for an election to authorize the issuance of bonds or Section 49.107 for an election to authorize the imposition of an operation and maintenance tax.

(b) The board may submit the issues to the voters on the same ballot to be used in another election.

(c) The notice of election must describe the area to be defined or property to be designated and must otherwise conform to the provisions of this chapter relating to notice of bond elections.

Added by Acts 1987, 70th Leg., ch. 600, Sec. 1, eff. Aug. 31, 1987.

Amended by Acts 1997, 75th Leg., ch. 1070, Sec. 33, eff. Sept. 1, 1997.

Amended by:

Acts 2019, 86th Leg., R.S., Ch. 1128 (H.B. 2590), Sec. 14, eff. September 1, 2019.

Sec. 54.809. ISSUANCE OF BONDS AND IMPOSITION OF TAX FOR DEFINED AREA OR DESIGNATED PROPERTY. After approval by the voters, the district may issue bonds and impose taxes to provide the specific plant, works, and facilities included in the engineer's report for the defined area, or to serve the designated property.

Added by Acts 1987, 70th Leg., ch. 600, Sec. 1, eff. Aug. 31, 1987.

Amended by:

Acts 2019, 86th Leg., R.S., Ch. 1128 (H.B. 2590), Sec. 15, eff. September 1, 2019.

Sec. 54.810. LIMITATION ON OTHER BOND AUTHORIZATIONS. If the voters of the designated area authorize the issuance of bonds for a particular purpose, a district may not issue bonds from any other authorization for the same purposes, and only revenue and taxes from the designated area may be used to retire the bonds.

Added by Acts 1987, 70th Leg., ch. 600, Sec. 1, eff. Aug. 31, 1987.

Sec. 54.811. PLEDGE OF FAITH AND CREDIT. If at an election, the voters approve the issuance of bonds and the levy of a tax that applies only to a designated area, the district may issue bonds that pledge only the faith and credit based on the property values in the defined area and may not pledge the full faith and credit of the district.

Added by Acts 1987, 70th Leg., ch. 600, Sec. 1, eff. Aug. 31, 1987.

Sec. 54.812. NOTICE TO PURCHASERS. (a) A person who sells or conveys real property located within the designated area of the district shall supplement the notice to purchaser required by Section 50.301, of this code, as provided by this section.

(b) The prescribed notice shall be inserted into the general notice after the first sentence and shall read substantially as follows: "The real property described below, which you are about to purchase, may also be located within a defined area of the district and the land may be subject to defined area taxes in addition to the other taxes of the district. As of this date, the additional rate of taxes within the defined area is \$_____ on each \$100 of assessed valuation."

Added by Acts 1987, 70th Leg., ch. 600, Sec. 1, eff. Aug. 31, 1987.

Amended by:

Acts 2019, 86th Leg., R.S., Ch. 1128 (H.B. 2590), Sec. 16, eff. September 1, 2019.

Sec. 54.813. MUNICIPALITY'S AUTHORITY REGARDING DEFINED AREA. (a) This section applies only to a municipality any portion of which is located in a county with a population of more than 1 million and less than 1.5 million.

(b) A municipality may not annex a part of a defined area in a district that has adopted a plan for the defined area under this subchapter unless:

(1) 90 percent or more of all facilities and infrastructure described by the plan has been installed and completed; and

(2) the municipality:

(A) annexes all of the defined area that is within the municipality's extraterritorial jurisdiction; and

(B) assumes the pro rata share of the bonded indebtedness of the annexed area.

(c) After the annexation occurs:

(1) the annexed area is not eligible to be a defined area under this subchapter; and

(2) the district may not impose in the annexed area a tax authorized for a defined area under this subchapter.

Added by Acts 2005, 79th Leg., Ch. 962 (H.B. 1644), Sec. 6, eff. June 18, 2005.

Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 1163 (H.B. 2702), Sec. 185, eff. September 1, 2011.

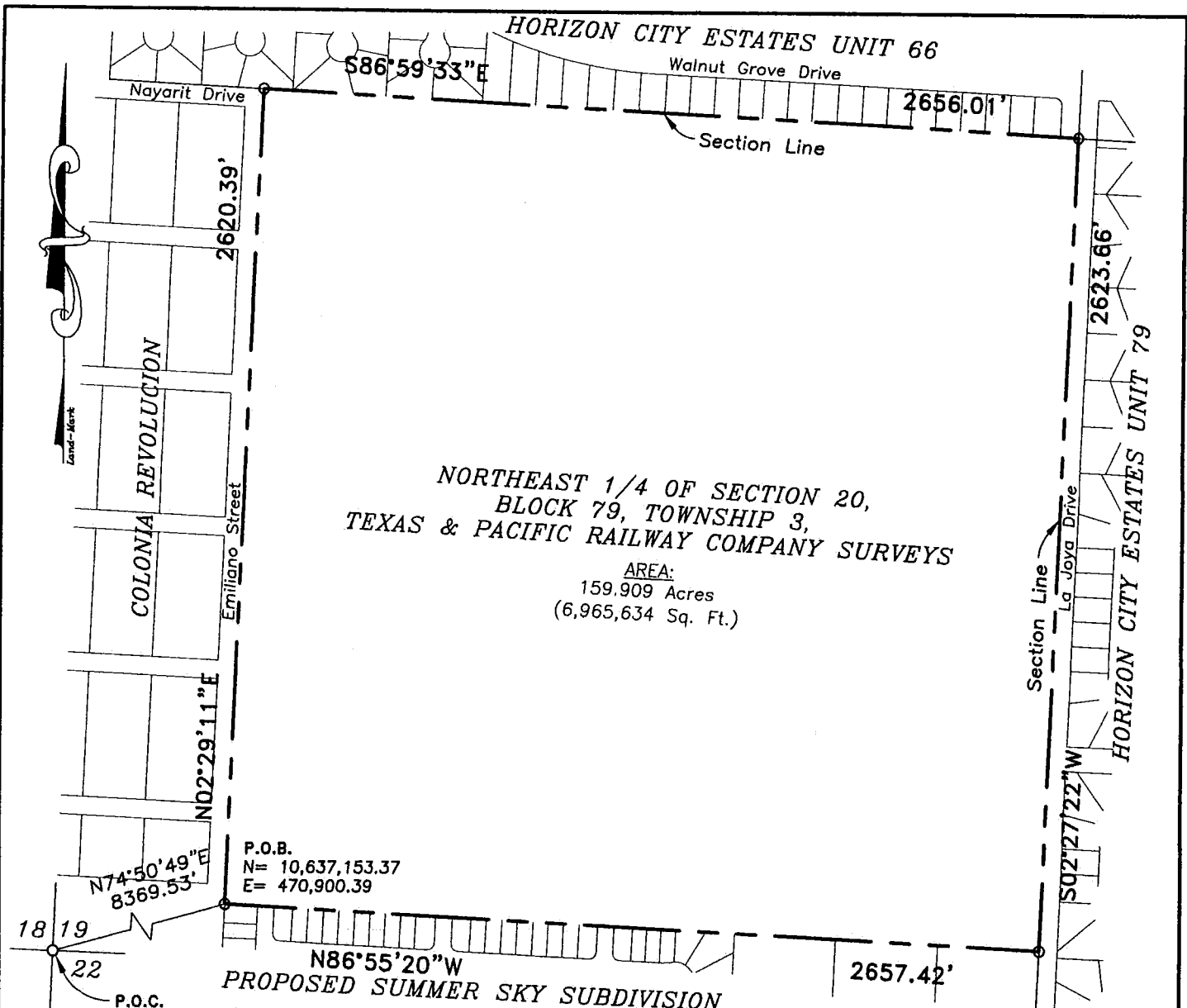


ATTACHMENT 2

VICINITY AND LOCATION MAP



ATTACHMENT 3
DEFINED AREA METES AND BOUNDS



P.O.B.
N= 10,637,153.37
E= 470,900.39

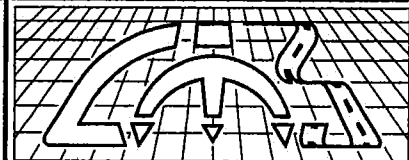
P.O.C.
N= 10,634,966.09
E= 462,823.70
Existing 1-1/2" Iron Pipe
at Common Corner of
Sections 18, 19, and 22

NOTES:

- 1.) Bearings shown hereon are grid, based on Grid North of the Texas State Plane Coordinate System in the Texas Central Zone No. 4203. (NAD83)
- 2.) Combined Grid Factor = 0.9997722248.
- 3.) Distances are horizontal surface measurements.
- 4.) Coordinates are based on the Central Zone of the Texas Coordinate System (NAD-83).
- 5.) This survey was based upon the Baker Survey boundary control of 1937.
- 6.) A field note description with the same date accompanies this plat.

Exhibit

**NORTHEAST 1/4 OF SECTION 20,
BLOCK 79, TOWNSHIP 3,
TEXAS AND PACIFIC RAILWAY
COMPANY SURVEYS,
EL PASO COUNTY, TEXAS**



**Land-Mark Professional
Surveying, Inc.**
1420 Bessemer Drive, Suite 'A'
El Paso, Texas 79936
(915) 598-1300
Texas Licensed Surveying Firm
Registration Number 10125900
email: Larry@Land-marksurvey.com
"Serving Texas, New Mexico
and Arizona"

Job No. 20-02-31778

Scale: 1" = 500'

Date: June 11, 2020



Land-Mark Professional Surveying, Inc.

"Serving Texas, New Mexico & Arizona"

FIELD NOTE DESCRIPTION

BEING THE NORTHEAST 1/4 OF SECTION 20, BLOCK 79, TOWNSHIP 3, TEXAS AND PACIFIC RAILWAY COMPANY SURVEYS, EL PASO COUNTY, TEXAS AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING, for reference, at an existing 1-1/2" iron pipe (accepted as McCombs pipe) found at the common corner of Survey Nos. 18, 19, and 22, Block 79, Township 3, Texas and Pacific Railway Company Surveys and C.D. Stewart Survey 319; said corner has a coordinate value of X=462,823.70 feet and Y=10,634,966.09 feet, in the Central Zone of the Texas Coordinate System (NAD-83 (1993)); **THENCE**, North 74°50'49" East, a distance of 8,369.53 feet to an existing 5/8-inch rebar with cap stamped "LAND-MARK TX4869 NM11402" for the **POINT OF BEGINNING** of this parcel description; said corner has a coordinate value of X=470,900.39 feet and Y=10,637,153.37 feet, in the Central Zone of the Texas Coordinate System (NAD-83 (1993));

THENCE, North 02°29'11" East, with the west boundary line of the Northeast 1/4 of Section 20, Block 79, Township 3, T. & P. R.R. Co. Survey a distance of 2620.39 feet to an existing 5/8-inch rebar, for the northwest corner of said Northeast 1/4 of Section 20;


THENCE, South 86°59'33" East, with the northerly boundary line of said Section 20, a distance of 2656.01 feet to a point for the northeast corner of said Section 20;

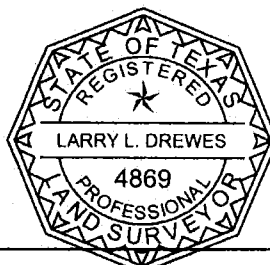
THENCE, South 02°27'22" West, with the easterly boundary line of said Section 20, a distance of 2623.66 feet to a 5/8-inch rebar with cap stamped "LAND-MARK TX4869 NM11402", set for the southeast corner of the Northeast 1/4 of said Section 20;

THENCE, North 86°55'20" West, with the southerly boundary line of said Northeast 1/4 of Section 20, a distance of 2657.42 feet to the **TRUE POINT OF BEGINNING** of this parcel. Said parcel contains 6,965,634 square feet or 159.909 acres more or less.

Notes: 1.) All courses contained in this description are based upon the Central Zone of the Texas Coordinate System – North American Datum (NAD) of 1983 (1993); 2.) Combined Grid Factor = 0.9997722248; 3.) Distances are horizontal surface measurements; 4.) Coordinates are based on the Central Zone of the Texas Coordinate System – North American Datum (NAD) of 1983 (1993); 5.) This survey was based upon the Baker Survey boundary control of 1937; 6.) A plat with the same date accompanies this field note description.

I, Larry L. Drewes, Registered Professional Land Surveyor of El Paso County, Texas, do hereby certify that the foregoing Survey was made by me on the ground, according to law, and that the limits, boundaries and corners, with marks, natural and artificial, are truly and correctly described in the foregoing plat and field notes.


Larry L. Drewes, RPLS
Date: June 11, 2020
Job No. 20-03-31778-B



1420 Bessemer • El Paso, Texas 79936

Tel. (915) 598-1300 • Fax (915) 598-1221 • Email address: Larry@Land-Marksurvey.com

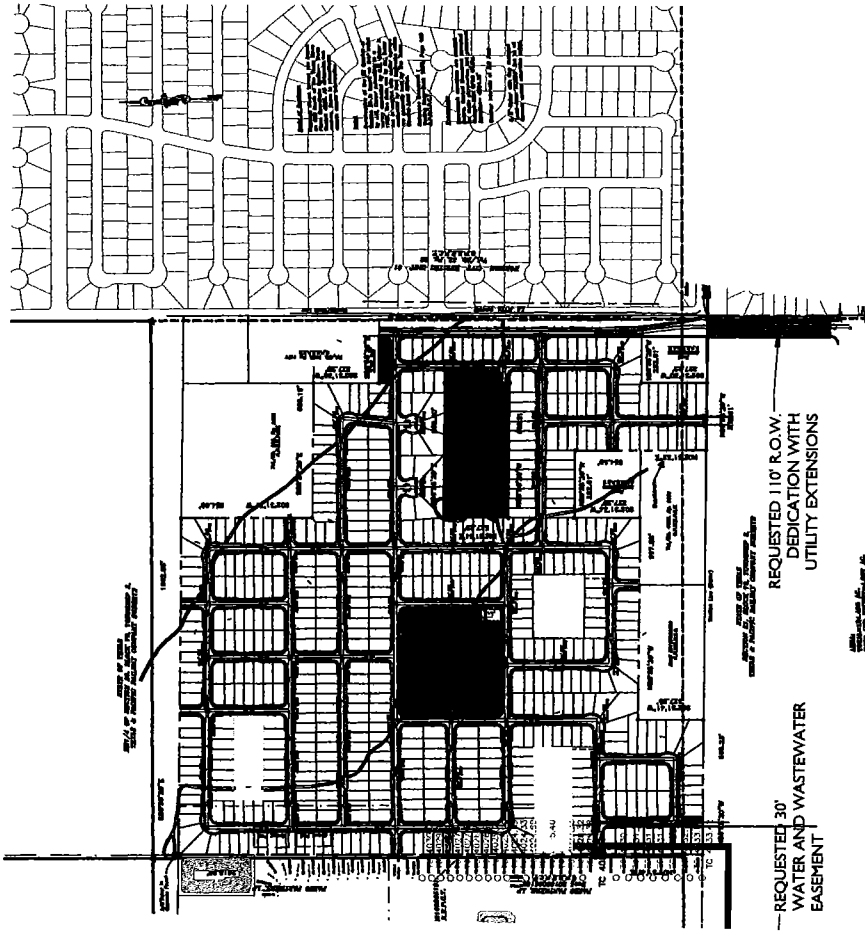


ATTACHMENT 4

PRELIMINARY LAND USE PLAN FOR THE DEFINED AREA

ATTACHMENT NO. 4

DEFINED AREAS PRELIMINARY LAND USE PLAN



LEGEND

COMMERCIAL	
PARK	
STORMWATER RETENTION POND	



TIRE & ASSOCIATES
 Engineering Solutions
 111 Main Street, Suite 100
 North Andover, MA 01857
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