

**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, February 23, 2023, at 6:00 p.m. in person 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:

Gordon, Jarvis	-	President
Dean Hulsey (<i>absent</i>)	-	Vice President
Florence Thomas	-	Treasurer
Mike Barton	-	Secretary
<i>vacant</i>	-	Assistant Secretary

Director Gordon Jarvis called the meeting to order at 6:00 p.m. A quorum was established. Also attending the meeting were the district's consultant: Account Manager - Charlie McGinnis, Administrative Assistant III - Veronica Saucedo. District Attorney - Alan Petrov. TRE & Associates Inc. - Linda Troncoso, Tom Urrabazzo, Frank Ortiz, Marcos Meza, Ricardo Felix. El Paso Disposal - Lorena Quezada. Horizon Golf & Conference Center - Luis Delgadillo. Moonlight P & Q - Emma Hinojos. The Pledge of Allegiance was said with audience participation.

4. RECEIVE CITIZEN COMMUNICATIONS.

No citizen Communications.

No Action Necessary.

5. **CONSENT AGENDA.**

- A: Consider and Take Action to approve the Payment of Bills and Invoices for Operations and Construction; and to approve the Transfer of Funds.
- B: Consider and Take Action to approve the Financial Statement for the month ending January 31, 2023.
- C: Consider and Take Action to approve the Regular Board Minutes for December 15, 2022 and January 23, 2023 and Special Board Meeting Minutes on February 2, 2023.
- 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.
- E: Consider and Take Action on Pay Estimate No. 14 for Elevated Storage Tank #5.
- F: Consider and Take Action on Pay Estimate No. 9 for Sludge Digester Rehabilitation.
- G: Consider and Take Action on Pay Estimate No. 2 for Summer Sky North Unit One Drainage, Water and Wastewater Improvements.
- H: Consider and Take Action on Pay Estimate No. 2 for GLO Treated Effluent Lift Station.
- I: Consider and Take Action on Pay Estimate No. 2 for Duanesburg Lift Station Replacement.

Motion was made by Director Barton and seconded by Director Thomas to approve the Consent Agenda.

All in favor: 3 ayes
Opposed: 0 none

Motion passed to approve.

6. **DISCUSSION ON HORIZON VIEW ESTATES SEWER PROJECT.**

Discussion item only. Ms. Troncoso reported an update stating the Texas Water Development Board has responded and gave a short list of comments on the environmental report and indicated they expected to release “our finding of no significant impact” shortly. Ms. Troncoso stated they gave comments, but these are pretty superficial, so she will be responding to them so the funds can be released. On the engineering side the TWDB stated the TRE had addressed all their comments but wanted the TRE to take a last look at the cost estimate. Ms. Troncoso stated they are finding some engineering groups are putting up to 100% contingency on their cost estimates to cover the rising construction costs. Ms. Troncoso is going over prices with her team to potentially be putting in the 100% contingency and is still hoping to get grant money to make sure everything is covered.

No Action Necessary.

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

Mr. McGinnis presented the Management and Operations report and set new calendar.

See attached report.

Director Barton made a motion to approve the Management Report to include write offs and collections and was seconded by Director Thomas.

All in favor: 3 ayes

Opposed: 0 none

Motion passed to approve.

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

Ms. Troncoso discussed and presented the current service commitment applications and construction activity, then presented a summary of the Engineer's Report.

See attached report.

Director Barton made a motion to approve the Engineering Report relating to construction and engineering activities and was seconded by Director Thomas.

All in favor: 3 ayes
Opposed: 0 none

Motion passed to approve.

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

Mr. Luis Delgadillo presented the Spray Field Management and Operations report. Mr. Delgadillo stated January turned out to be a good month despite the bad weather (cold & windy days). The gross profit ended up being \$86,000.00 compared to \$76,000.00 budget and on the expenses there was nothing major other than some chemicals that were purchased. Mr. Delgadillo stated they were \$17,000.00 ahead of budget for the month and are \$44,000.00 ahead of budget for the year.

Director Barton made a motion to approve the report relating to management and operational activities of Spray Field No. 1 and was seconded by Director Thomas.

All in favor: 3 ayes
Opposed: 0 none

Motion passed to approve.

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

Mrs. Emma Hinojos introduced herself to the Board stating she will be doing a lot of the management at the restaurant and a little bit of the operations, but her target is sales. Mrs. Hinojos reported the sales for last year was \$64,000.00 and January was \$72,000.00. Mrs. Hinojos reported they are working to restore the pool and get it ready to open once again.

Director Barton made a motion to approve the report for Moonlight P & Q LLC and was seconded by Director Thomas.

All in favor: 3 ayes
Opposed: 0 none

Motion passed to approve.

11. **CONSIDER AND TAKE ACTION ON CHANGE ORDER No. 2 FOR SUMMER SKY NORTH UNIT I PHASE I WATER, WASTEWATER AND DRAINAGE IMPROVEMENTS.**

Ms. Troncoso explained this change order is for zero dollars and is only adding 30 days of contract time and is a future defined area bond reimbursement.

Director Thomas made a motion to approve Change Order No. 2 for Summer Sky North Unit I Phase I water, wastewater, and drainage improvements and was seconded by Director Barton.

All in favor: 3 ayes
Opposed: 0 none

Motion passed to approve.

12. **CONSIDER AND TAKE ACTION ON CONTRACTOR PREQUALIFICATION PROCESS FOR UTILITY CONTRACTORS IN HRMUD.**

Ms. Troncoso explained to the Board they want to make sure they get qualified contractors doing utility work and spoke with Engineering Committee to create a pre-qualification process. Ms. Troncoso is proposing to put the pre-qualification packet on the District's website and have contractors qualify based on the topic. Director Thomas requested form be placed on Special Meeting agenda with the changes discussed before approving.

Item tabled.

13. **CONSIDER AND TAKE ACTION ON AWARD OF CONTRACT FOR SUMMER SKY NORTH UNIT II WATER, WASTEWATER AND DRAINAGE IMPROVEMENTS.**

Ms. Troncoso requested item tabled.

Item tabled.

14. **CONSIDER AND TAKE ACTION ON AWARD OF PAWLING WATER LINE CONTRACT.**

Ms. Troncoso requested item tabled.

Item tabled.

15. **CONSIDER AND TAKE ACTION ON ACCEPTANCE OF WEST EASTLAKE ESTATES UNIT TWO WATER AND WASTEWATER IMPROVEMENTS FOR OPERATIONS AND MAINTENANCE.**

Ms. Troncoso reported West Eastlake Estates has completed all improvements and have turned in all required documents and recommends approval. Mr. McGinnis requested approval be contingent upon payment of remaining engineering fees to the district.

Director Thomas made a motion to accept West Eastlake Estates Unit Two water and wastewater improvements for operations and maintenance contingent upon payment of outstanding engineering fees and was seconded by Director Barton.

All in favor: 3 ayes

Opposed: 0 none

Motion passed to approve.

16. **CONSIDER AND TAKE ACTION ON ACCEPTANCE OF 201 S DARRINGTON FOR OPERATIONS AND MAINTENANCE.**

Ms. Troncoso requested item tabled.

Item tabled.

17. **CONSIDER AND TAKE ACTION ON COMMUNICATION AGREEMENT FOR ELEVATED TANK 5.**

Ms. Troncoso requested item tabled.

Item tabled.

18. **CONSIDER AND TAKE ACTION ON PURCHASE OF 10 MOTORS AND 48 HUBS FOR E3 ATOMIZER UNIT 1.**

Mr. McGinnis requested item tabled to Special Meeting.

Item tabled.

19. **CONSIDER AND TAKE ACTION ON ALIGNING MOTORS AND PUMPS WITHIN THE DISTRICT.**

Mr. McGinnis reported he received two quotes, one from Remsa and one from CL North for the cost of aligning motors and pumps within the District but will table item to Special Meeting for a clarification and the quantity of motors included in quote.

Item tabled.

20. **CONSIDER AND TAKE ACTION REGARDING LITIGATION INVOLVING HZ VENTURES, LLC SERIES D TUSCANY VENTURES.**

Mr. Alan Petrov requested item discussed in executive session.

21. **CONSIDER AND TAKE ACTION REGARDING LITIGATION INVOLVING TMD DEFENSE AND SPACE, LLC.**

Mr. Alan Petrov requested item be discussed in executive session.

22. **CONSIDERATION AND TAKE ACTION REGARDING ANNEXATION REQUEST FROM COCHRAN COLONIA.**

Mr. Petrov stated they had received a petition from Dig Deep for annexation for the area. The next step would be for the Board to call a hearing on whether to annex the property or not. Mr. Petrov added that the petition meets all the legal requirements and are still working with Dig Deep to verify all the signatures and make sure they have 50% of the property owners. Mr. Petrov also stated before there can be a hearing the District would need to publish notice and post notice in the district, in the area and not in the area and cannot have the hearing less than 30 days after accepting the petition. Mr. Petrov recommends the Board approve calling the public hearing for the April board meeting and would be enough time to verify the petition and make sure everything is in order in case the District decides to move forward with the annexation.

Director Barton made a motion to approve the scheduling of a public hearing regarding the annexation of Cochran Colonia contingent upon approval of signatures and was seconded by Director Thomas.

All in favor: 3 ayes
Opposed: 0 none

Motion passed to approve.

23. **ADOPT ORDER DECLARING UNOPPOSED CANDIDATES ELECTED TO OFFICE AND CANCELING ELECTION.**

Mr. Petrov reported there were the three candidates that signed up and no one else and the deadline has passed.

Director Jarvis made a motion to adopt an order declaring unopposed candidates elected to the office and canceling the election and was seconded by Director Thomas.

All in favor: 3 ayes
Opposed: 0 none

Motion passed to approve.

24. **AUTHORIZE THE DISTRICT MANAGER TO PREPARE AND SUBMIT A DISTRICT WATER USE SURVEY FOR 2023 TO THE TEXAS WATER DEVELOPMENT BOARD.**

Mr. Alan Petrov stated this is done annually and placed on the agenda as a reminder and give the District Manager, Mr. McGinnis the authority to get it done.

Director Barton made a motion to authorize the District Manager to prepare and submit a district water survey for 2023 to the Texas Water Development Board and was seconded by Director Thomas.

All in favor: 3 ayes

Opposed: 0 none

Motion passed to approve.

25. **CONSIDER AND TAKE ACTION ON APPROVAL OF DISTRICT'S ANNUAL AUDIT.**

Mr. Alan Petrov requested item be tabled as he has not received the audit.

Item tabled.

26. **EXECUTIVE SESSION, AS NECESSARY.**

Executive session at 7:37 p.m.
Returned from executive session at 8:05 p.m.

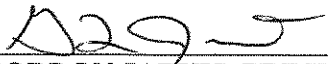
No action necessary from executive session.

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


Director Jarvis stated there was a need to add an item to the calendar for a workshop for the districts contract with Inframark.

There being no further business before the Board, the meeting was upon motion made by Director Thomas and seconded by Director Barton all in favor and carried, adjourned at 8:18 p.m.

READ, APPROVED AND ADOPTED THIS 27th DAY of April 2023.



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



MIKE BARTON, SECRETARY
Board of Directors
Horizon Regional M.U.D.

CM/VS