

CERTIFICATE OF ORDER

**THE STATE OF TEXAS
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 27th day, July, 2023, at 6:00 p.m., at 14100 Horizon Blvd., Horizon City, Texas 79928 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	Asst. Secretary

All members of the Board were present, with the exception of NONE , thus constituting a quorum. Whereupon other business, the following was transacted at such Meeting: A written

ORDER CALLING FOR A SPECIAL ELECTION ON THE ASSUMPTION OF THE PRO RATA SHARE HORIZON REGIONAL MUNICIPAL UTILITY DISTRICT'S OUTSTANDING INDEBTEDNESS, BONDS, NOTES, AND OTHER OBLIGATIONS AND TAXES AND ASSUMPTION OF AUTHORIZED BUT UNISSUED BONDS PAYABLE IN WHOLE OR IN PART FROM PROPERTY TAX BY THE PROPERTY LOCATED IN THE COCHRAN COLONIA MOBILE PARK SUBDIVISION AS INDICATED IN THE PETITION FILED WITH THE HORIZON REGIONAL MUNICIPAL UTILITY DISTRICT ON OR ABOUT FEBRUARY 23, 2023

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: 4 NOES: 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 27th day of July, 2023.

/s/ Florence "Kit" Thomas
Treasurer, Board of Directors

/s/ Gordon "Bob" Jarvis
President, Board of Directors

(DISTRICT SEAL)



ORDER CALLING FOR A SPECIAL ELECTION ON THE ASSUMPTION OF THE PRO RATA SHARE HORIZON REGIONAL MUNICIPAL UTILITY DISTRICT'S OUTSTANDING INDEBTEDNESS, BONDS, NOTES, AND OTHER OBLIGATIONS AND TAXES AND ASSUMPTION OF AUTHORIZED BUT UNISSUED BONDS PAYABLE IN WHOLE OR IN PART FROM PROPERTY TAX BY THE PROPERTY LOCATED IN THE COCHRAN COLONIA MOBILE PARK SUBDIVISION AS INDICATED IN THE PETITION FILED WITH THE HORIZON REGIONAL MUNICIPAL UTILITY DISTRICT ON OR ABOUT FEBRUARY 23, 2023

**THE STATE OF TEXAS
COUNTY OF EL PASO**

HORIZON REGIONAL MUNICIPAL UTILITY DISTRICT

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WHEREAS, pursuant to Section 49.103, Texas Water Code, as amended, and Section 41.001, Texas Election Code, as amended, Horizon Regional Municipal Utility District (the "District") is required to hold a Special Election on the Tuesday after the first Monday in November, November 7, 2023 (the "Election"); and

WHEREAS, the Board of Directors (the "Board") of the District deems it necessary and appropriate to establish the procedures whereby such election may be held; and

WHEREAS, pursuant to § 49.302 of the Texas Water Code, owners of taxable real property in a defined territory that is not included in a district may file a petition with the secretary of the board requesting the inclusion of the territory in a district; and

WHEREAS, upon the filing of such a petition signed by a majority in value of the owners of land in the defined territory, the Board of Directors of the District shall set a time and place to hold a hearing on the petition to include the territory in the District held not earlier than the 30th day after the date on which the board issues the order; and

WHEREAS, such a petition signed by a majority in value of the owners of land in the defined territory known as the Cochran Colonia Mobile Park Subdivision ("Defined Territory" or "Cochran Colonia Subdivision and Adjacent Territory") was filed with, and certified by, the District on or about **February 23, 2023** requesting the inclusion of a tract of land located in El Paso County into the District, as further described in the attached Exhibit A; and

WHEREAS, the District ordered a public hearing on the annexation of said Defined Territory to be held on or about **April 27, 2023** in full compliance with all applicable provisions of the Code, including § 49.302; and

WHEREAS, at the meeting and public hearing held on **April 27, 2023** pursuant to the Texas Open Meetings Act and § 49.302, the District found that annexation of the Defined Territory into the District would be feasible and would benefit the District and adopted an Order Annexing the Cochran Colonia Subdivision and Adjacent Territory subject to the Defined Area's assumption of outstanding and authorized, but unissued bonds, notes, or other obligations or taxes; and

WHEREAS, the District anticipates that on election day it will have \$136,324,985 of outstanding bonds payable in whole or in part from property taxes, \$189,025,000 authorized, but unissued bonds payable in whole or in part from property taxes, and the levy of ad valorem maintenance tax not to exceed \$1.50 per \$100 of valuation; and

WHEREAS, the District at a meeting held on **July 27, 2023**, called and conducted in conformance with all applicable law, and ordered that an election on the issue of the annexation of the Defined Territory to be held on November 7, 2023; and

WHEREAS, the Board has determined that it will conduct a joint election with El Paso County pursuant to the Joint Election Agreement and Contract for Election Services; and

WHEREAS, the Election will be administered by the El Paso County Elections Administrator pursuant to the Joint Election Agreement and Contract for Election Services, **NOW, THEREFORE**, pursuant to all applicable sections of the Texas Election Code, Chapter 49, Texas Water Code, and other applicable law,

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

Section 1. The statements contained in the preamble to this Order are true and correct and are adopted as findings of fact and conclusions of law hereby.

Section 2. An election shall be held on November 7, 2023 between the hours of 7:00 a.m. and 7:00 p.m. at the times and locations to be determined by the El Paso County Elections Administrator, or her designee, on the inclusion of the Defined Territory in the District, with all applicable early and absentee voting places determined by the District in conjunction with the El Paso County Elections Administrator as required by law or further notice. The location of the main early voting polling place shall be that location or locations determined by the El Paso County Elections Administrator, Lisa Wise, or her designee, and she shall be the District's Early Voting Clerk, and said Clerk's official mailing address is El Paso County Courthouse, 500 East San Antonio, #314, El Paso, El Paso County, Texas 79901.

Section 3. Such election shall be held and conducted in all respects as provided by law for general elections, except as provided by Chapter 49, Texas Water Code, as amended.

Section 4. All duly qualified resident voters of the Defined Territory shall be allowed to vote at such Election.

Section 5. The early voting shall begin on October 23, 2023 and end on November 3, 2023, per the Texas Election Code and at the times determined by the Lisa Wise, El Paso County Elections Administrator, and may include Saturdays, Sundays, or legal holidays as further determined by said Elections Administrator in conjunction with other elections to be held on said date.

Section 6. Early voting ballots for voting by mail may be obtained from and mailed to the early voting clerk at Lisa Wise, El Paso County Elections Administrator, El Paso County Courthouse, 500 East San Antonio, #314, El Paso, Texas 79901. Phone: (915)546-2154 Fax: (915)546-2220 and Email: epelections@epcounty.com.

Section 7. Pursuant to Texas Election Code § 42.061, the District shall have and adopt appropriate precincts as determined by the El Paso County Elections Administrator, and the qualified voters of the defined territory shall vote in an election at the above-noted early voting and election day polling places, as further determined by the El Paso County Elections Administrator.

Section 8. The Board hereby designates its General Manager, Carlos McGinnis, 14100 Horizon Blvd., Horizon City, Texas 79928, and its Attorney, Johnson Petrov LLP, 2929 Allen Parkway, Suite 3150, Houston, Texas 77019, as authorized representatives 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 Election Code shall be deemed filed and notices shall be deemed given if filed with or given to the Board's General Manager or Attorney.

Section 9. The Election Officer for the District shall be Gordon (Bob) Jarvis, President of the District or his designee. The Election Officer is hereby empowered to execute all necessary documents and all take necessary actions to conduct and give effect to the election ordered herein. The Presiding Election Judges or other election officials for the election shall be those individuals designated by the El Paso County Elections Administrator. The District shall follow all applicable bilingual procedures in the election.

Section 10. The voting at said election shall be by paper ballot or electronic voting system as utilized by the El Paso County Election Administrator, and such ballots for the election shall be printed in English and Spanish to permit voting for or against the following propositions submitted to the registered voters of the Defined Territory:

PROPOSITION A

SHALL, UPON ANNEXATION BY HORIZON REGIONAL MUNICIPAL UTILITY DISTRICT, THE COCHRAN COLONIA SUBDIVISION AS INDICATED IN THE PETITION FOR ANNEXATION SUBMITTED TO THE HORIZON REGIONAL MUNICIPAL UTILITY DISTRICT ON OR ABOUT FEBRUARY 23, 2023, ASSUME AND BE SUBJECT TO ITS PRO RATA SHARE OF HORIZON REGIONAL MUNICIPAL UTILITY DISTRICT'S OUTSTANDING BONDS FOR WATER, SANITARY SEWER AND DRAINAGE FACILITIES IN THE PRINCIPAL AMOUNT OF \$136,324,985 PAYABLE IN WHOLE OR IN PART FROM AD VALOREM TAXES AND PREVIOUSLY AUTHORIZED BUT UNISSUED BONDS FOR THE PURPOSE OF FINANCING THE DISTRICT'S CONSTRUCTION, REPAIR AND REPLACEMENT OF WATER, SANITARY SEWER AND DRAINAGE FACILITIES IN THE MAXIMUM PRINCIPAL AMOUNT OF \$189,025,000 PAYABLE IN WHOLE OR IN PART FROM AD VALOREM TAXES, AND THE ASSUME AND BE SUBJECT TO OF THE LEVY OF A PREVIOUSLY AUTHORIZED AD VALOREM MAINTENANCE TAX NOT TO EXCEED \$1.50 PER \$100 OF ASSESSED VALUATION AND THE LEVY OF A TAX ON ALL TAXABLE PROPERTY WITHIN THE DISTRICT, INCLUDING THE COCHRAN COLONIA SUBDIVISION, SUFFICIENT FOR THE PAYMENT OF PRINCIPAL OF AND INTEREST ON THE OUTSTANDING AND AUTHORIZED BUT UNISSUED BONDS, SAID BONDS MAY BE SOLD IN ONE OR MORE ISSUES OR SERIES MATURING SERIALY OR OTHERWISE OVER A PERIOD NOT TO EXCEED 40 YEARS FROM THEIR DATE OR DATES, AND TO BE ISSUED AND SOLD AT ANY PRICE OR PRICES AND TO BEAR INTEREST AT ANY RATE OR RATES AS SHALL BE DETERMINED WITHIN THE DISCRETION OF THE BOARD OF THE

DISTRICT AT THE TIME OF ISSUANCE AS AUTHORIZED BY LAW, ALL AS AUTHORIZED BY THE CONSTITUTION AND LAWS OF THE STATE OF TEXAS?

Section 11. Voting in the election for the proposition shall be by the use of electronic or paper ballot which shall be printed in English and Spanish, and which shall conform to the requirements of federal law, including the Help America Vote, and the Texas Election Code, as amended. The order of the propositions on the ballot shall be in accordance with the Texas Election Code. The ballots used in the election shall contain the following.

OFFICIAL BALLOT
PROPOSITION A

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| () | FOR |) | UPON ANNEXATION BY HORIZON REGIONAL |
| | |) | MUNICIPAL UTILITY DISTRICT, SHALL THE |
| () | AGAINST |) | COCHRAN COLONIA SUBDIVISION ASSUME AND BE |
| | |) | SUBJECT TO ITS PRO RATA SHARE OF THE |
| | |) | DISTRICT'S OUTSTANDING BONDS FOR WATER, |
| | |) | SANITARY SEWER AND DRAINAGE FACILITIES IN |
| | |) | THE PRINCIPAL AMOUNT OF \$136,324,985, PAYABLE |
| | |) | IN WHOLE OR IN PART FROM PROPERTY TAXES, |
| | |) | AND PREVIOUSLY AUTHORIZED BUT UNISSUED |
| | |) | BONDS FOR THE CONSTRUCTION, REPAIR AND |
| | |) | REPLACEMENT OF WATER, SANITARY SEWER AND |
| | |) | DRAINAGE FACILITIES IN THE MAXIMUM |
| | |) | PRINCIPAL AMOUNT OF \$189,025,000, PAYABLE IN |
| | |) | WHOLE OR IN PART FROM PROPERTY TAXES, AND |
| | |) | ASSUME AND BE SUBJECT TO THE LEVY OF A |
| | |) | PREVIOUSLY AUTHORIZED AD VALOREM |
| | |) | MAINTENANCE TAX NOT TO EXCEED \$1.50 PER \$100 |
| | |) | OF ASSESSED VALUATION AND THE LEVY OF |
| | |) | PROPERTY TAXES ADEQUATE TO PROVIDE |
| | |) | PAYMENT ON THE OUTSTANDING AND |
| | |) | AUTHORIZED BUT UNISSUED BONDS? |

Section 12. Immediately after the election, the officers holding same shall make and deliver the returns of the results thereof to the District's Appointed Agent, who shall safely keep them and deliver same to the Board at its next meeting, at which time the Board shall canvass said returns and declare the returns of the said election.

Section 13. The rate of pay for judges and clerks of the election shall be determined according to the Election Agreement.

Section 14. That notice and order of said election, in substantially the form promulgated by the Texas Secretary of State, and in Spanish translation thereof, shall be issued and given in the manner provided by law. The notice of election is to be provided in accordance with the requirements of the Election Code and the Texas Water Code. Said notice is to be provided to the El Paso County Clerk as required by the Election Code.

Section 15. 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 and Section 1251.052 of the Government Code.

Section 16. 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 11 of this Order;
- B. The purposes for which the bonds are to be authorized are set forth in Section 10 of this Order;
- C. The maximum aggregate principal amount of bonds to be authorized is described in Proposition A under Section 10 hereof;
- D. Should the issuance of the bonds described in Proposition A, under Section 10 hereof be authorized, the Board of Directors shall be authorized to issue such bonds and to levy a sufficient tax, without limit as to rate or amount, upon all taxable property within the District to provide for the payment of the principal of and interest on such bonds;
- E. The estimated maximum interest rate of the debt obligations or any series of debt obligations under Proposition A is 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 \$141,519,985 (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 \$90,393,630.28 (including the District's outstanding revenue and general obligation bonds); and

- I. The ad valorem debt service tax rate for the District at the time this election is ordered is \$0.511024 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.

Section 17. The President or Vice President and Secretary or any Assistant Secretary of the Board are hereby authorized to evidence adoption of this Order and directed to do any and all things legal and necessary in connection with the holding and consummation of such election and to carry out the intent hereof.

Section 18. If any provision, section, sentence, clause, or phrase of this Order is held by any reason to be invalid, such invalid portions shall not affect the validity of the remaining portion of this Order.

WITNESS OUR HANDS AND THE SEAL OF THE DISTRICT this 27th day of July, 2023.

/s/ Gordon "Bob" Jarvis
President, Board of Directors

ATTEST:

/s/ Florence "Kit" Thomas
Treasurer, Board of Directors

(DISTRICT SEAL)



EXHIBIT "A"
(Election Day Polling Locations)
TBD

EXHIBIT "B"
(Early Voting Polling Locations)

TBD