

**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, September 28, 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	-	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 consultants: Inframark Account Manager - Charlie McGinnis, Administrative Assistant III - Veronica Saucedo. TRE & Associates Inc. - Linda Troncoso, Frank Ortiz, Tom Urabazzo, Ricardo Felix. Horizon Golf and Conference Center - Luis Delgadillo. Joel Guzman (Hunt). Arturo Leyva (Horizon View Estates). Nora Carlos (Moonlight information). The Pledge of Allegiance was said with audience participation.

4. RECEIVE CITIZEN COMMUNICATIONS.

None.

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 August 31, 2023.
- C: 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.
- D: Consider and Take Action on Pay Estimate No. 9 for Summer Sky North Unit 1 Phase 1.
- E: Consider and Take Action on Pay Estimate No. 2 for Horizon Blvd 16" waterline replacement.

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

All in favor: 4 ayes

Opposed: 0 none

Motion passed to approve.

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

Ms. Troncoso reported they have been approved to begin the design of the Horizon View Estates sewer system. The design process would take about 18 months and they are beginning to get survey pricing. Ms. Troncoso translated information to Mr. Leyva and explained to him they are now in the beginning of the design process and will need to complete the design, turn it in to the respective agencies for approval before being able to begin construction.

No action necessary.

7. **CONSIDER AND TAKE ACTION ON 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 Hulsey made a motion to approve the Management Report to include write offs and collections and was seconded by Director Barton.

All in favor: 4 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. Linda 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 Hulsey made a motion to approve the Engineering Report relating to construction and engineering activities and was seconded by Director Barton.

All in favor: 4 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 Management and Operations report for Spray Field No. 1. Mr. Delgadillo reported on the revenue side they were \$20,000.00 over budget. Their office was very busy, the greens are in very good shape and the customers are very happy. On the expense side Mr. Delgadillo reported they did spend more money than anticipated but overall, they were only \$8,000.00 short of budget.

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

All in favor: 4 ayes

Opposed: 0 none

Motion passed to approve.

10. **CONSIDER AND TAKE ACTION ON CHANGE ORDER No. 2 FOR HORIZON BLVD 16" WATERLINE REPLACEMENT PROJECT.**

Ms. Linda Troncoso explained there were four specific items/issues associated with this project. The first is they are still looking for services at Torrey Pines, there is labor, and effort associated with trying to identify and make sure they are able to reconnect those customers correctly, this not included on this change. Included on this change order was additional work and time since all their maps showed the Ashford line to be a 12" line and was in fact an 8" line so they had to reconfigure that connection, this in the amount of \$3,645.00. The second was the backing up and lowering of the jack and bore in front of commercial centers to avoid existing light pole bases, this in the amount of \$17,000.00. The third is the additional addition of labor and equipment including a vector truck to look for the gas lines on Darrington in the amount of \$13,400.00. The last is additional standby and labor efforts due to the tie-in across the street from the hospital in the amount of \$12,970.00. The total amount of Change Order No. 2 is in the amount of \$47,015.00.

Director Hulsey made a motion to approve Change Order No. 2 in the amount of \$47,015.00 and was seconded by Director Barton.

All in favor: 4 ayes
Opposed: 0 none

Motion passed to approve.

11. **CONSIDER AND TAKE ACTION ON RECOMMENDATION OF AWARD FOR GST 3 REHABILITATION.**

Ms. Troncoso stated they bid this project and received a total of four bids with the lowest bid being Maguire Iron, Inc. in the amount of \$259,000.00. Ms. Troncoso advised that Maguire Iron was on the list of acceptable contractors and recommends award to Maguire Iron, Inc.

Director Hulsey made a motion to approve the award of GST 3 rehabilitation to Maguire Iron, Inc. in the amount of \$259,000.00 and was seconded by Director Barton.

All in favor: 4 ayes
Opposed: 0 none

Motion passed to approve.

12. **CONSIDER AND TAKE ACTION ON RECOMMENDATION OF AWARD FOR EST-1 REHABILITATION.**

Ms. Troncoso explained the EST-1 rehabilitation was separated from the GST 3 rehabilitation because the lowest bidder may for the Ground Storage Tank may not work on Elevated Storage Tanks but in this case they did and the lowest bidder for EST-1 was also Maguire, Inc. in the amount of \$275,000.00 and recommends award to them.

Director Hulsey made a motion to approve the award of EST-1 rehabilitation to Maguire Iron, Inc. in the amount of \$275,000.00 and was seconded by Director Barton.

All in favor: 4 ayes
Opposed: 0 none

Motion passed to approve.

13. **CONSIDER AND TAKE ACTION ON RECOMMENDATION OF AWARD FOR SUMMER SKY NORTH UNIT 2 PHASE 2 WATER, WASTEWATER AND DRAINAGE IMPROVEMENTS.**

Ms. Troncoso explained this item is a project in the North Defined Area for the Raveena-Hunt partnership for the Summer Sky developments called Summer Sky North. There two bids received and the lowest bid coming from El Paso Underground Construction in the amount of \$2,125,226.50 and recommends award to El Paso Underground. This project will have a potential reimbursement through defined area bonds.

Director Hulsey made a motion to approve the award for Summer Sky North Unit 2 Phase 2 water, wastewater and drainage improvements to El Paso Underground construction in the amount of \$2,125,226.50 and was seconded by Director Barton.

All in favor: 4 ayes
Opposed: 0 none

Motion passed to approve.

14. **CONIDER AND TAKE ACTION ON PAY ESTIMATE No. 3 (final) FOR PASEO DEL ESTE UNIT 9 PHASE I WATER, WASTEWATER AND DRAINAGE IMPROVEMENTS.**

Item requested to be tabled.

Item tabled.

15. **CONSIDER AND TAKE ACTION ON RECOMMENDATION OF ACCEPTANCE FOR OPERATIONS AND MAINTENANCE FOR PASEO DEL ESTE UNIT 9 PHASE I WATER, WASTEWATER AND DRAINAGE.**

Item requested to be tabled.

Item tabled.

16. **CONSIDER AND TAKE ACTION ON WATER AND WASTEWATER AGREEMENTS.**

- a. **Paseo del Este Unit 8 Phase I**
- b. **Paseo del Este Unit 8 Phase II**
- c. **Paseo del Este Unit 9 Phase I**
- d. **Paseo del Este Unit 9 Phase II**
- e. **Summer Sky North Unit 1 Phase I**

Ms. Troncoso explained that the county requires that the water or sewer provider for a subdivision guarantee water and wastewater availability for a 30-year period, and these are all just standard form agreements issued and drafted by the county stating utility provider will provide service for 30 years.

Director Hulseley made a motion to approve the water and wastewater agreements for the aforementioned subdivisions and was seconded by Director Barton.

All in favor: 4 ayes
Opposed: 0 none

Motion passed to approve.

17. **CONSIDER AND TAKE ACTION ON THE DISTRICT BUDGET FOR FISCAL YEAR 2024.**

Director Jarvis presented the new numbers to the Board as recommended by the Budget committee. He stated there were some adjustments made considering difficulties with the restaurant. Last year was a decent year but prices are always increasing as well.

Director Thomas made motion to approve recommended budget for fiscal year 2024 and was seconded by Director Barton.

All in favor: 4 ayes
Opposed: 0 none

Motion passed to approve.

18. **CONSIDER AND TAKE ACTION ON THE HUNT COMMUNITIES DEFINED AREA BUDGET FOR FISCAL YEAR 2024.**

Mr. Carlos McGinnis reported these budgets had been prepared by Mr. Alan Petrov's staff on Exhibit A. There is a recommended budget for each defined area items 18 through 22.

Director Hulsey made motion to approve the budget as recommended for Hunt Communities Defined Area for fiscal year 2024 and was seconded by Director Thomas.

All in favor: 4 ayes
Opposed: 0 none

Motion passed to approve.

19. CONSIDER AND TAKE ACTION ON THE RANCHO DESIERTO BELLO DEFINED AREA BUDGET FOR FISCAL YEAR 2024.

This explained on item 18 by Mr. McGinnis.

Director Hulsey made motion to approve the budget as recommended for Rancho Desierto Bello Defined Area for fiscal year 2024 and was seconded by Director Barton.

All in favor: 4 ayes

Opposed: 0 none

Motion passed to approve.

20. CONSIDER AND TAKE ACTION ON THE RAVENNA DEFINED AREA BUDGET FOR FISCAL YEAR 2024.

This explained on item 18 by Mr. McGinnis.

Director Hulsey made motion to approve the budget as recommended for Ravenna Defined Area for fiscal year 2024 and was seconded by Director Barton.

All in favor: 4 ayes

Opposed: 0 none

Motion passed to approve.

21. **CONSIDER AND TAKE ACTION ON THE HUNT PROPERTIES DEFINED AREA BUDGET FOR FISCAL YEAR 2024.**

This explained on item 18 by Mr. McGinnis.

Director Hulsey made motion to approve the budget as recommended for Hunt Properties Defined Area for fiscal year 2024 and was seconded by Director Barton.

All in favor: 4 ayes

Opposed: 0 none

Motion passed to approve.

22. **CONSIDER AND TAKE ACTION ON THE SUMMER SKY NORTH DEFINED AREA BUDGET FOR FISCAL YEAR 2024.**

This explained on item 18 by Mr. McGinnis.

Director Hulsey made motion to approve the budget as recommended for the Summer Sky North Defined Area for fiscal year 2024 and was seconded by Director Barton.

All in favor: 4 ayes

Opposed: 0 none

Motion passed to approve.

23. **CONSIDER AND TAKE ACTION ON PROPOSALS FOR RESTAURANT OPERATIONS.**

Directors spoke/discussed in executive session.

24. CONSIDER AND TAKE ACTION ON, IF NECESSARY, ON WEBPAGE UPDATES THAT WERE DISCUSSED AS NEW REQUIREMENTS.

Director Thomas requested item tabled.

Item tabled.

25. SALE OF \$1,645,000 RANCHO DESIERTO BELLO DEFINED AREA, UNLIMITED TAX BONDS, SERIES 2023, INCLUDING:

- a. **Receive and accept bids for the purchase of the Rancho Desierto Bello Defined Area, \$1,645,000 Unlimited Tax Bonds, Series 2023;**
- b. **Approve the Attorney General's Bond Transcript Fee; and**
- c. **Approve final form of the Official Statement and Adopt an Order Authorizing Issuance of Rancho Desierto Bello Defined Area, \$1,645,00 Unlimited Tax Bonds, Series 2023.**

- a. Mr. Bill Blich spoke to the Board via phone and explained they received two bids, one from RBD Capital Markets and the second from GMS Group. Mr. Blich recommends the Board accept the interest rate of 5.611562% from RBD Capital Markets.

Director Hulsey made a motion to approve Mr. Bill Blich's recommendation on the sale of the bonds and was seconded by Director Thomas.

All in favor: 4 ayes

Opposed: 0 none

Motion passed to approve.

- b. & c. Director Hulsey made a motion to approve the Attorney General's Bond Transcript Fee and to approve the final form of the official statement and adopt an order authorizing issuance of Rancho Desierto Bello Defined Area, \$1,645,000 unlimited tax bonds, series 2023.

All in favor: 4 ayes
Opposed: 0 none

Motion passed to approve.

26. **DISCUSSION AND POSSIBLE ACTION REGARDING SERIES 2023 UNLIMITED TAX BONDS FOR THE HUNT COMMUNITIES DEFINED AREA, INCLUDING APPROVAL OF A PRELIMINARY OFFICIAL STATEMENT; APPROVE ADVERTISING OF BOND SALE AND SCHEDULE FOR FINANCING AND AUTHORIZE ANY NECESSARY ACTION RELATED TO SAME.**

Mr. Blich explained this was the second of the defined bond projects to sell. He has preliminary official statement and will be completed and distributed in the middle of next month and recommends the approval.

Director Hulsey made motion for the approval of a preliminary official statement subject to revision and approve the advertising of bond sale and schedule financing and authorize any necessary action related to same and was seconded by Director Barton.

All in favor: 4 ayes
Opposed: 0 none

Motion passed to approve.

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

Item to be discussed in executive session.

28. EXECUTIVE SESSION, AS NECESSARY.

Executive session at 6:56 pm.

Back from executive session at 7:21 pm.

Board of Directors tabled item # 27 to next special meeting with the presence of Mr. Petrov.

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

Director Jarvis requesting for Ms. Troncoso to come up with wording for proposals for RFP.

There being no further business before the Board, the meeting was upon motion made by Director Hulseley and seconded by Director Barton all in favor and carried, adjourned at 7:27 p.m.

READ, APPROVED AND ADOPTED THIS 24th DAY of January 2024.



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



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

CM/VS