

**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, July 25, 2024, 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. District Attorney - Alan Petrov. TRE & Associates Inc. - Linda Troncoso, Ricardo Felix, Tom Urrabazzo, Frank Ortiz. Horizon Golf & Conference Center - Luis Delgadillo. El Paso Disposal - Lorena Quezada. Hunt – Joel Guzman. HCIA – Roxanne Jurado. Town of Horizon - Teresa Quezada. Horizon View Estates - Arturo Padilla. 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 Payment of Bills and Invoices for Operations and Construction; and to approve the Transfer of Funds.**
- B: **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.**
- C: **Consider and Take Action to approve Financial Statement for June 30, 2024.**

Motion was made by Director Hulsey and seconded by Director Barton 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 explained as previously discussed the gate valves in Horizon View Estates had all been paved over and had been unable to identify where the water lines were to make sure to stay away from them for sewer installation. Inframark exposed all gate valves and have made them accessible and properly installed. TRE sent a survey crew to collect data, once received they will be able to proceed with the design.

No action necessary.

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

Mr. McGinnis handed out a flyer from Texas Department of Public Safety regarding cyber security. Many water districts are investing in it because of cyber security concerns and Mr. McGinnis would like someone to come in to review the District's cyber security for the SCADA system to do a survey to make sure it is compliant with all the standards with TxDOT.

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

See attached report.

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

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 report for Spray Field No. 1 for the month of June having \$141,000.00 in total revenue and the golf course made \$37,800.00 in profit. Mr. Delgadillo reported they have been having issues with a piece of equipment, a mower. They have found a mower & will place bid on next Special Meeting.

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

All in favor: 4 ayes

Opposed: 0 none

Motion passed to approve.

10. **CONSIDER AND TAKE ACTION ON PAY ESTIMATE No. 5 (final) FOR SUMMER SKY NORTH UNIT 1 PHASE 2.**

Ms. Troncoso explained this was a second subdivision in Summer Sky North, defined area and will seek future reimbursement. This is the final pay estimate in the amount of \$458,555.75, the work is complete and the next will recommend acceptance for maintenance.

Director Hulsey made a motion to approve Pay Estimate No. 5 (final) in the amount of \$458,555.75 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 ACCEPTANCE FOR SUMMER SKY NORTH UNIT 1 PHASE 2.**

Ms. Troncoso recommends acceptance.

Director Hulsey made a motion to accept recommendation for maintenance and operation for Summer Sky North Unit 1 Phase 2 and was seconded by Director Barton.

All in favor: 4 ayes
Opposed: 0 none

Motion passed to approve.

12. **CONSIDER AND TAKE ACTION ON BOOKKEEPING SOFTWARE.**

Mr. Michael White reported he had not yet received the amounts for the new bookkeeping software but has been in contact with the software company.

No Action Necessary.

13. CONSIDER AND TAKE ACTION ON RECOMMENDATION OF AWARD FOR WASTE ACTIVATED SLUDGE PUMP INSTALLATION.

Ms. Troncoso reported they had ordered waste activated sludge pump replacement parts and piping necessary to install. TRE solicited pricing from five different contractors and received two bids with the lowest coming from ZTEX in the amount of \$147,000.00 and recommends award to ZTEX.

Director Hulseley made a motion to approve the award to ZTEX in the amount of \$147,000.00 for the installation of WAS Pump and was seconded by Director Barton.

All in favor: 4 ayes
Opposed: 0 none

Motion passed to approve.

14. CONSIDER AND TAKE ACTION ON RECOMMENDATION OF AWARD FOR 16" GST-4 FEEDLINE.

Ms. Troncoso explained this line is approximately 9 miles long and is going to feed the new ground storage tank. She reported they had bid out job and received five bids with the lowest coming from ZTEX in the amount of \$5,306,855.00 and recommends approval.

Director Huley made a motion to approve the award to ZTEX for the 16" GST-4 feedline in the amount of \$5,306,855.00 and was seconded by Director Barton.

All in favor: 4 ayes
Opposed: 0 none

Motion passed to approve.

15. **CONSIDER AND TAKE ACTION ON WATER CONSERVATION PLAN AND DROUGHT CONTINGENCY PLAN FOR DISTRICT.**

Ms. Troncoso stated that every 5 years TCEQ requires an updated water conservation plan as well as the drought contingency plan for the District and need formal action.

Director Thomas made a motion to approve the Water Conservation Plan and Drought Contingency Plan for the District and was seconded by Director Hulsey.

All in favor: 4 ayes
Opposed: 0 none

Motion passed to approve.

16. **CONSIDER AND TAKE ACTION TO APPROVE PLAN CHANGE AND CHANGE ORDER No. 1 FOR DARRINGTON WATER AND WASTEWATER REPLACEMENT FOR SERVICE TO TOWN OF HORIZON MUNICIPAL FACILITY.**

Ms. Troncoso stated item can be approved contingent to interlocal agreement being received.

Director Hulsey made a motion to approve Change Order No. 1 contingent on interlocal agreement being received and was seconded by Director Barton.

All in favor: 4 ayes
Opposed: 0 none

Motion passed to approve.

17. **CONSIDER AND TAKE ACTION TO APPROVE AN ORDER DISSOLVING THE SUMMER SKY NORTH DEFINED AREA.**

Mr. Alan Petrov explained this item goes along with the next item #18 stating this is one of the defined areas where there were questions about the election and turned out more bond authority was needed than had originally voted for. Ms. Troncoso recalculated the numbers for the defined area and since there was going to be an additional election anyway it made the most sense to redo the whole process. The plan is to adopt a defined area plan and to distinguish it to keep better organization of them. He stated this item is essentially to dissolve the existing Summer Sky North defined area contingent on the establishment of the new defined area no. six.

Director Hulsey made a motion to dissolve the Summer Sky North Defined Area and was seconded by Director Barton.

All in favor: 4 ayes

Opposed: 0 none

Motion passed to approve.

18. **CONSIDER AND TAKE ACTION TO APPROVE A PLAN FOR A DEFINED AREA WITHIN THE DISTRICT TO BE KNOWN AS HORIZON REGIONAL MUNICIPAL UTILITY DISTRICT DEFINED AREA No. 6, INCLUDING A PLAN FOR IMPROVEMENTS TO SERVE THE DEFINED AREA AND A PLAN FOR FINANCING SUCH IMPROVEMENTS.**

Director Hulsey made a motion to approve the plan for a defined area within the District to be known as Horizon Regional Municipal Utility District defined area No. 6 including a plan for improvements to serve the defined area and a plan for financing such improvements and was seconded by Director Barton.

All in favor: 4 ayes

Opposed: 0 none

Motion passed to approve.

19. **CONSIDER AND TAKE ACTION TO APPROVE THE ARBITRAGE COMPLIANCE SPECIALISTS ENGAGEMENT LETTER FOR COMPLIANCE SERVICES CONTROL #17.00 \$7,935,000.00 UNLIMITED TAX REFUNDING BONDS, SERIES 2024.**

Mr. Petrov stated the IRS requires compliance audit of the bond proceeds every 5 years. It essentially is to determine if the District earned any arbitrage.

Director Hulseley made a motion to approve the Arbitrage Compliance Specialists engagement letter for compliance services and control and was seconded by Director Barton.

All in favor: 4 ayes
Opposed: 0 none

Motion passed to approve.

20. **CONSIDER AND TAKE ACTION ON POSSIBLE LEASE OF THE DISTRICT'S PROPERTY.**

Mr. Alan Petrov stated the District is at a point where they are ready to approve the lease for the golf course as discussed in executive session.

Director Huley made a motion to approve the lease as submitted subject to any modifications by the attorney and was seconded by Director Barton.

All in favor: 4 ayes
Opposed: 0 none

Motion passed to approve.

21. **EXECUTIVE SESSION, AS NECESSARY.**

Executive session at 7:01 pm.
Back from executive session at 7:17 pm.

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

No items to discuss.

There being no further business before the Board, the meeting was adjourned at 7:19 p.m.

READ, APPROVED AND ADOPTED THIS 26th Day of SEPTEMBER 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