

**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, January 22, 2026, 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 by the members of the board, to-wit:

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

Director 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 Services Manager - Veronica Saucedo. District's Attorney - Alan Petrov. TRE & Associates Inc. - Linda Troncoso, Tom Urrabazo, Frank Ortiz. El Paso Disposal - Lisa Hernandez. 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 on Pay Estimate No. 14 for 16 inch GST 4 Feedline.
- B: Consider and Take Action on Pay Estimate No. 14 for RO Plant Site work and yard piping.
- C: Consider and Take Action on Pay Estimate No. 9 for GST-3B and GST-4B.
- D: Consider and Take Action on Pay Estimate No. 2 for ROWTP No. 2 and BPS No. 5.
- E: Consider and Take Action on Pay Estimate No. 2 for BPS No. 1 Rehab.
- F: Consider and Take Action on Pay Estimate No. 5 for Verdancia Unit 1 (VN-2 VN-3) Subdivision Improvements.
- G: Consider and Take Action on Pay Estimate No. 1 for Booster Pump Station No. 3.
- H: Consider and Take Action on approval of Minutes for Special Board Meetings held on July 8, 2025; July 17, 2025 and Regular Board Meetings held on June 26, 2025.
- I: Consider and Take Action to approve the Payment of Bills and Invoices for Operations and Construction; and to Approve the Transfer of Funds.
- J: Consider and Take Action to approve the Payment of Bills and Invoices for Operations and Construction for Spray Field #1.

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

All in favor: 4 ayes

Opposed: 0 none

Motion passed to approve.

6. **DISCUSSION OF HORIZON VIEW ESTATES.**

Ms. Linda Troncoso reported they received the TCEQ approval letter in the mail for the Horizon View Estates wastewater project. The next step is to finalize all the construction specifications and bid documents.

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 Padilla made a motion to approve the Management Report and was seconded by Director Thomas.

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 Thomas 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.**

Director Barton briefly explained the Spray Field report.

No action necessary.

10. **CONSIDER AND TAKE ACTION ON PAY ESTIMATE No. 6 (final) AND RECOMMENDATION OF ACCEPTANCE FOR OPERATIONS AND MAINTENANCE OF VERDANCIA UNIT 1 (VN-2 & VN-3).**

Ms. Troncoso reported this is the final pay estimate for a subdivision in the Hunt Communities Defined Area. Inspections have been done; paperwork has been turned in and recommends approval and acceptance.

Director Thomas made a motion to approve the final pay estimate No. 6 and accept for operations and maintenance for Verdancia Unit 1 (VN-2 & VN-3) 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 OF VERDANCIA UNIT 3 SUBDIVISION IMPROVEMENTS.**

Ms. Troncoso explained this is the next phase of the subdivision in the Hunt Properties Defined Area. The job was bid out, and they received two bids with the lowest bid being \$2,278,179.00 from El Paso Underground and recommends award.

Director Padilla made a motion to award Verdancia Unit 3 subdivision improvements to El Paso Underground and was seconded by Director Barton.

All in favor: 4 ayes

Opposed: 0 none

Motion passed to approve.

12. **CONSIDER AND TAKE ACTION ON CHANGE ORDER No. 5 FOR SITE WORK AND YARD PIPING AT RO PLANT.**

Ms. Troncoso explained this change order is for the amount of \$ 18,987.72 related to scaffolding, sandblasting, and interior coating for GST No. 2 and Concentrate tank and recommends approval.

Director Thomas made a motion to approve Change Order No. 5 for site work and yard piping at RO Plant in the amount of \$18,897.72 and was seconded by Director Barton.

All in favor: 4 ayes
Opposed: 0 none

Motion passed to approve.

13. **CONSIDER AND TAKE ACTION ON CHANGE ORDER No. 3 FOR 16-INCH GST-4 FEEDLINE.**

Ms. Troncoso explained this item was discussed in engineering committee meeting and is all the adds and deducts for the cleanup regarding everything found on that line going from the tank all the way to the lake. Ms. Troncoso is recommending approval.

Director Thomas made a motion to approve Change Order No. 3 for 16-inch GST-4 feedline and was seconded by Director Barton.

All in favor: 4 ayes
Opposed: 0 none

Motion passed to approve.

14. **CONSIDER AND TAKE ACTION ON GST-3B AND GST4B.**

- a. Change Order No. 1.**
- b. Change Order No. 2.**
- c. Reduction of Retainage.**

Ms. Troncoso explained item (a) is a change order increasing the contract amount by \$39,711.00 for work needed to take place related to piping and reconfiguring the piping due to site conditions. Item (b) is the 120 days previously discussed, and item (c) is the

reduction in retainage.

Director Jarvis made a motion to approve Change Order No. 1 on GST 3B and GST 4B ONLY and was seconded by Director Thomas.

All in favor: 4 ayes

Opposed: 0 none

Motion passed to approve.

15. **CONSIDER AND TAKE ACTION ON AMENDING COST OF EMERGENCY REPAIRS FOR GST 2 IF NECESSARY.**

Mr. Frank Ortiz explained that at engineering committee, the proposal for Maguire Iron was discussed and approved an amount of \$249,000.00. This is a quick return price, which means they will expedite the repair and is for \$7,500.00

Director Jarvis made a motion to approve the quick return price as quoted only if deemed necessary by the engineers and was seconded by Director Thomas.

All in favor: 4 ayes

Opposed: 0 none

Motion passed to approve.

16. **CONSIDER AND TAKE ACTION ON CHANGE ORDER No. 1 FOR BOOSTER PUMP STATION No. 1.**

Ms. Troncoso reported this is a change order in the amount of \$46,449.93 increasing the contract price. Inframark requested several improvements identified as necessary while the contractor was there.

Director Padilla made a motion to approve Change Order No. 1 for RO Booster Pump Station No. 1 in the amount of \$46,449.93 and was seconded by Director Thomas.

All in favor: 4 ayes

Opposed: 0 none

Motion passed to approve.

17. **CONSIDER AND TAKE ACTION ON TURBIDEX MEDIA FOR FILTRATION SYSTEM.**

Mr. McGinnis requested item tabled to next meeting.

Item tabled.

18. **CONSIDER AND TAKE ACTION ON LANDSCAPING PROPOSALS FOR OFFICE AND GST-1.**

Mr. McGinnis explained he received 2 quotes, one from Green Scene & the other from Abescape. Mr. McGinnis is recommending Board go with Green Scene since their price was way lower in the amount of \$23,500.00.

Director Padilla made a motion to approve the quote from Green Scene in the amount of \$23,500.00 and was seconded by Director Thomas.

All in favor: 4 ayes

Opposed: 0 none

Motion passed to approve.

19. **CONSIDER AND TAKE ACTION REGARDING RESTAURANT LEASE.**

Item tabled to special meeting.

20. **CONSIDER AND TAKE ACTION TO APPROVE AN AMENDED AND RESTATED DISTRICT INFORMATION FORM.**

Mr. Petrov explained this form is required to be filed with the County and needs to be updated after every bond issuance.

Director Jarvis made a motion to approve an amended & restated District information form and was seconded by Director Thomas.

All in favor: 4 ayes
Opposed: 0 none

Motion passed to approve.

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

No executive session.

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

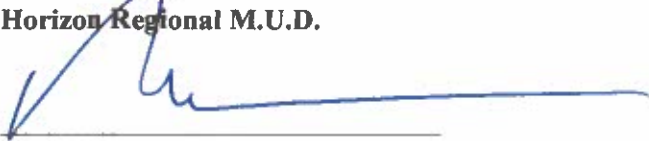
No other reports.

There being no further business before the Board, the meeting was adjourned at 7:14 p.m.

READ, APPROVED AND ADOPTED THIS 27th Day of May 2026.



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



RAFAEL PADILLA, ASSISTANT SECRETARY
Board of Directors
Horizon Regional M.U.D.

CM/VS



**Horizon Regional MUD
General Manager Reports for the month of
December 2025
Board Meeting Date: 01-22-2026**

Reviewed By: Carlos McGinnis
1/22/2026



Inframark LLC
 14100 Horizon Blvd, Horizon
 City, TX 79928
 United States
www.inframark.com

Current Items Requiring Board Approval

| Vendor | Amount | WO# | Budget Amount | Description |
|--------|--------|-----|---------------|-------------|
| | | | | |
| | | | | |

Date: 01/22/2026

Memorandum for: Board of Director's Horizon Regional MUD

From: Charlie McGinnis

Subject: General Manager's Executive Summary Report

Below is a summary of activities since the last board meeting:

1) Wastewater Treatment Plant

- a) Operational

2) Distribution System – Billing

- a) Using new Meters for change outs and new connections.
- b) Repaired a total of 8 leaks for the month of December 2025

3) Collection System

- a) All lift stations are operational
- b) Jetting sewer mains in the District







4) Ponds

- a) RO Ponds are holding.

5) Construction

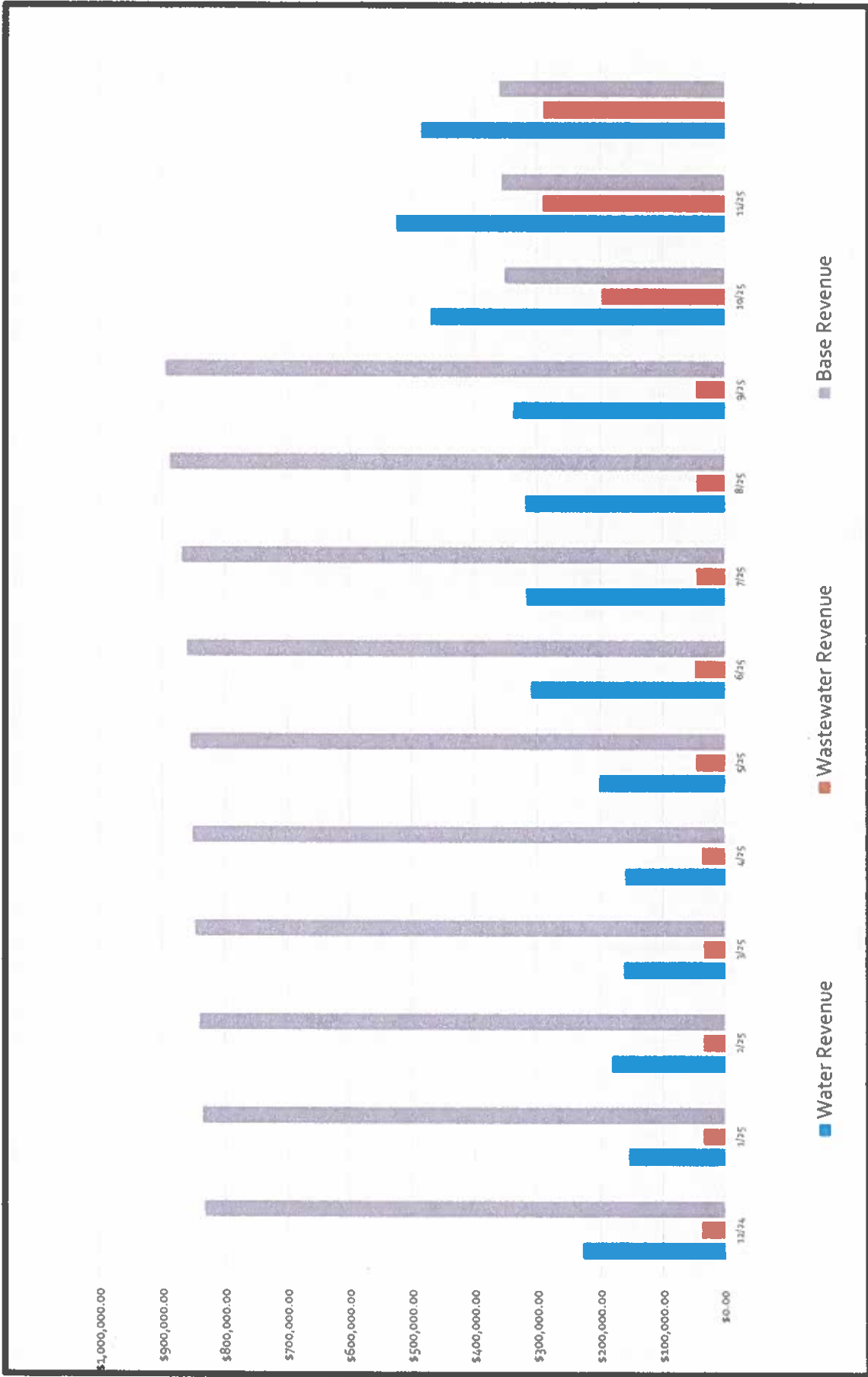
- a) RO Plant site is under construction

6) Customer Care

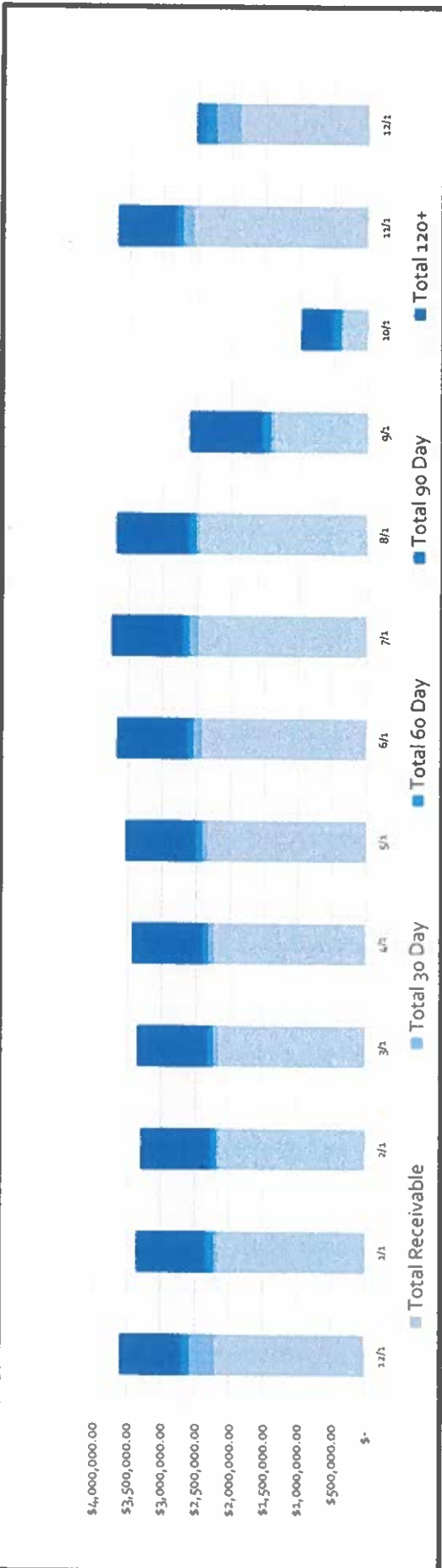
- a) Assisted 12 Customers with payment plans and questions.
 - b) No Disconnects were done for December 2025
 - c) Still implementing processes for new software for billing
- 
- 

| | Average Consumption | |
|--|---------------------|--------------|
| Residential | 5,556 | 5,093 |
| Commercial | 15,474 | 20,249 |
| Irrigation | 23,596 | 58,448 |
| School | 13,395 | 57,600 |
| Municipal | 11,900 | 51,381 |
| Church | 11,267 | 2,083.33 |
| Bulk Meter | 51,359 | 73,825 |
| Avg Water Use for Accounts Billed | 6,006 | 5,906 |
| Total Billed | \$ 1,029,460 | \$ 1,140,441 |
| Total Aged Receivables | \$ 1,181,100 | \$ 745,462 |
| Total Receivables | \$ 2,210,560 | \$ 1,885,903 |

12 Billing Month History Revenue by Category



12 Month Accounts Receivable and Collections Report



| Date | Total Receivable | Total 30 Day | Total 60 Day | Total 90 Day | Total 120+ |
|--------|------------------|---------------|---------------|--------------|-----------------|
| Dec-25 | \$ 2,210,560.70 | \$ 371,532.24 | \$ 95,504.37 | \$ 25,523.94 | \$ 897,583.31 |
| Jan-25 | \$ 2,173,697.93 | \$ 56,445.10 | \$ 101,558.20 | \$ 35,697.38 | \$ 1,000,266.03 |
| Feb-25 | \$ 2,145,779.75 | \$ 46,741.65 | \$ 79,821.70 | \$ 23,672.00 | \$ 1,019,917.24 |
| Mar-25 | \$ 2,171,743.21 | \$ 68,766.20 | \$ 79,986.83 | \$ 19,829.24 | \$ 1,019,576.86 |
| Apr-25 | \$ 2,240,386.97 | \$ 81,802.33 | \$ 75,305.93 | \$ 20,638.52 | \$ 1,022,847.65 |
| May-25 | \$ 2,348,854.57 | \$ 71,133.18 | \$ 79,667.38 | \$ 16,499.09 | \$ 1,027,454.73 |
| Jun-25 | \$ 2,432,719.76 | \$ 121,005.08 | \$ 77,418.08 | \$ 18,204.33 | \$ 1,029,762.67 |
| Jul-25 | \$ 2,494,350.40 | \$ 130,487.29 | \$ 90,331.94 | \$ 16,186.94 | \$ 1,036,185.64 |
| Aug-25 | \$ 2,463,047.28 | \$ 61,349.33 | \$ 94,999.69 | \$ 29,624.92 | \$ 1,042,629.11 |
| Sep-25 | \$ 1,369,869.88 | \$ 61,311.24 | \$ 104,053.84 | \$ 33,106.73 | \$ 1,054,217.36 |
| Oct-25 | \$ 354,840.98 | \$ 39,122.38 | \$ 111,434.12 | \$ 55,814.71 | \$ 416,491.38 |
| Nov-25 | \$ 2,569,125.15 | \$ 156,451.28 | \$ 79,127.80 | \$ 37,258.05 | \$ 846,951.05 |
| Dec-25 | \$ 1,885,903.98 | \$ 354,992.55 | \$ 150,948.53 | \$ 93,860.73 | \$ 52,170.59 |

Board Consideration to Write Off
 Board Consideration Collections

Delinquent Letter Mailed 0
 Delinquent Tags Hung N/A
 Disconnects for Non Payment 0

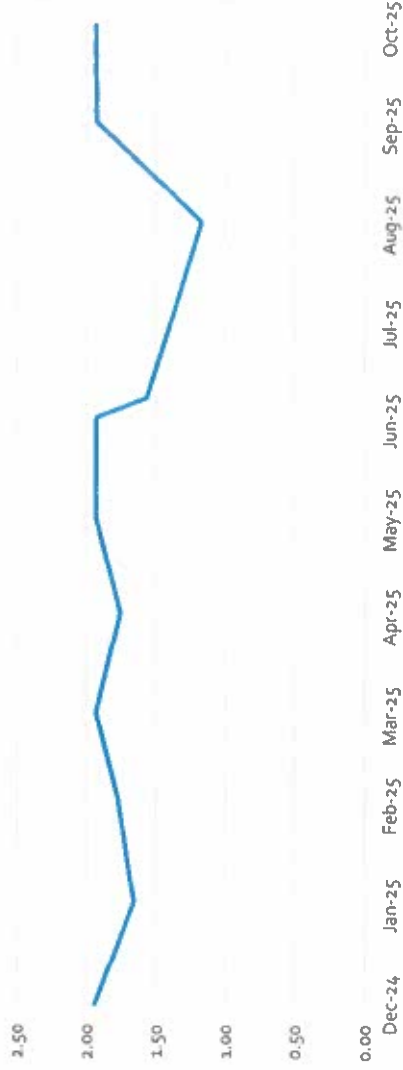
Water Production and Quality

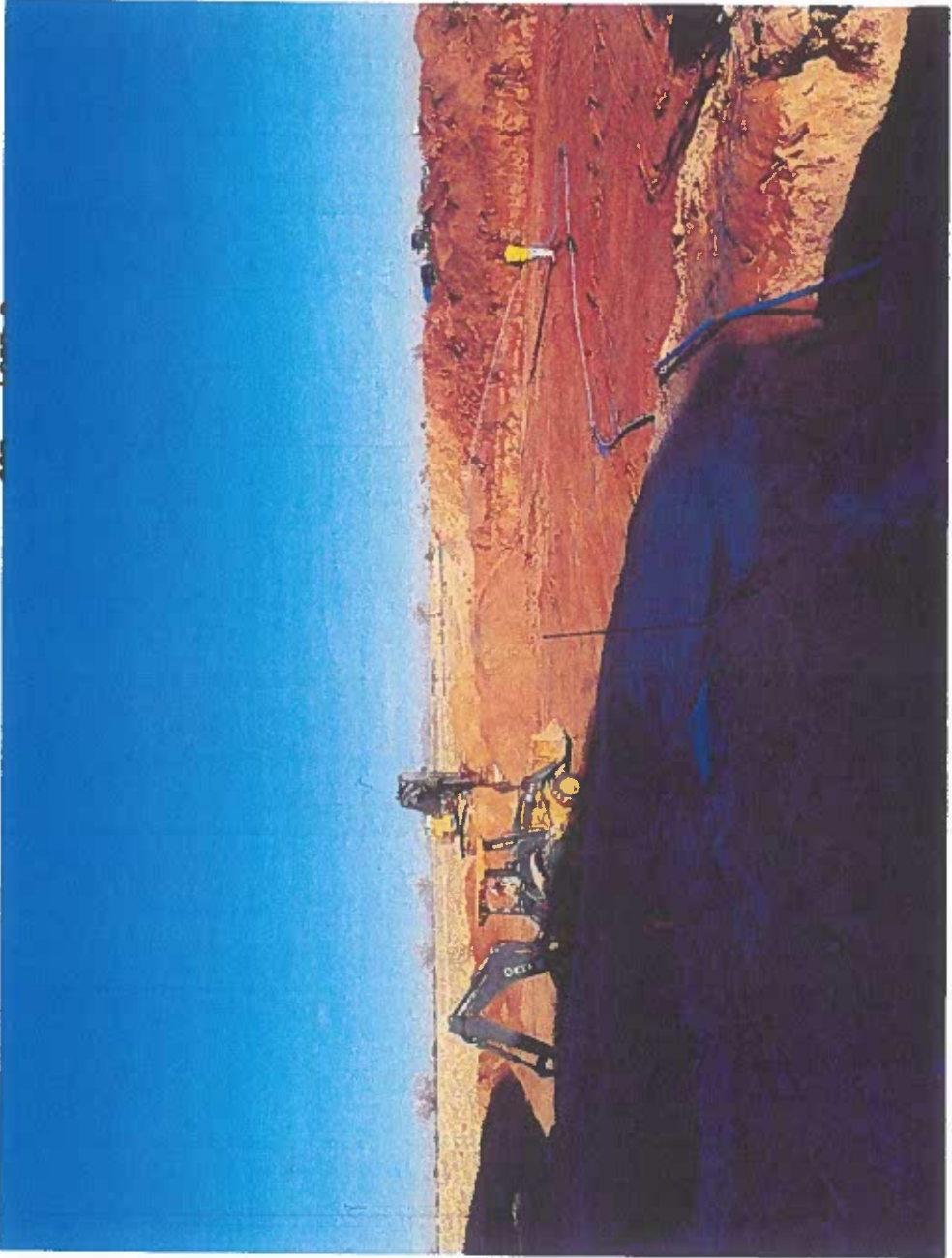
Water Quality Monitoring

Current Annual CL₂ Avg

| Requirements | Date | CL ₂ | Min .02 |
|--------------|--------|-----------------|---------|
| | Dec-24 | 1.94 | |
| | Jan-25 | 1.66 | |
| | Feb-25 | 1.77 | |
| | Mar-25 | 1.93 | |
| | Apr-25 | 1.76 | |
| | May-25 | 1.93 | |
| | Jun-25 | 1.93 | |
| | Jul-25 | 1.57 | |
| | Aug-25 | 1.17 | |
| | Sep-25 | 1.93 | |
| | Oct-25 | 1.93 | |
| | Nov-25 | 1.84 | |
| | 25-Dec | 1.71 | |

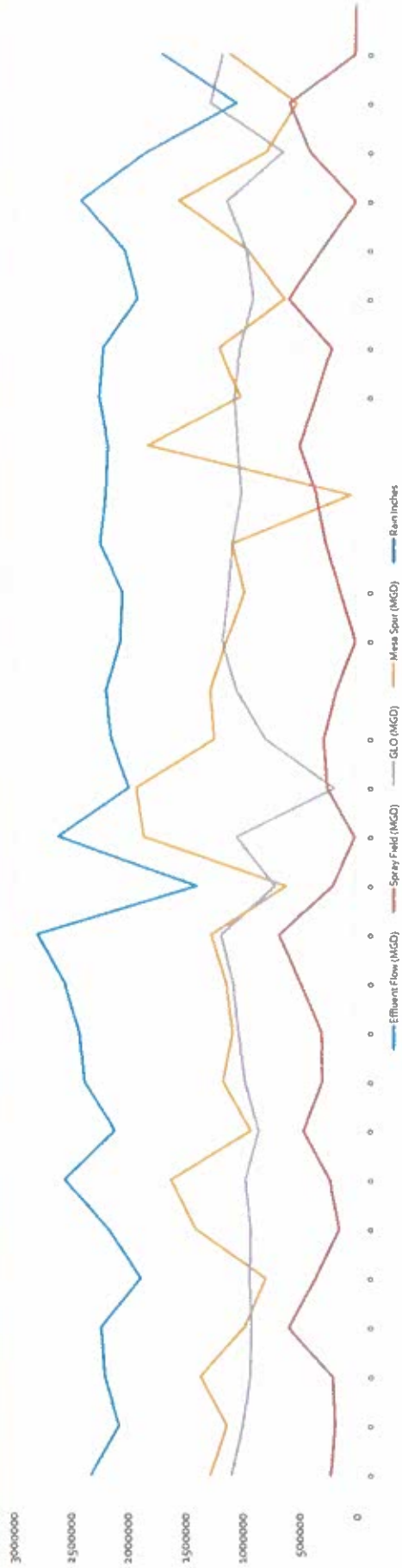
CL₂ FREE





| Month | Month | Connection Total | Pumped Water | Sold (1000) | District use at Facilities | Flushing System | Gal.s Loss (-) | Water loss % |
|--------------|------------|------------------|--------------|-------------|----------------------------|-----------------|----------------|--------------|
| December 24 | 1/30/2025 | 14715 | 188,897 | 123,221 | 10,000 | 30,000 | 47,616 | |
| January 25 | 2/27/2025 | 14788 | 178,126 | 93,981 | 20,000 | 32,500 | 26,676 | 21.0% |
| February 25 | 3/27/2025 | 14952 | 183,155 | 90,871 | 21,000 | 45,000 | 31,645 | 13.5% |
| March 25 | 4/24/2025 | 15008 | 197,521 | 93,741 | 25,100 | 55,000 | 26,284 | 17.0% |
| April 25 | 5/22/2025 | 15129 | 203,702 | 103,558 | 29,500 | 54,000 | 23,680 | 14.0% |
| May 25 | 6/26/2025 | 15177 | 228,370 | 130,947 | 28,000 | 50,000 | 16,644 | 12.0% |
| June 25 | 7/24/2025 | 15256 | 212,392 | 127,150 | 25,000 | 45,000 | 19,423 | 8.0% |
| July 25 | 8/28/2025 | 15299 | 231,265 | 128,375 | 30,000 | 55,000 | 15,242 | 8.5% |
| August 25 | 9/25/2025 | 15310 | 231,476 | 130,269 | 30,000 | 51,250 | 17,890 | 7.0% |
| September 25 | 10/23/2025 | 12039 | 196,223 | 103,370 | 25,000 | 40,000 | 19,250 | 8.0% |
| October 25 | 11/20/2025 | | 197,152 | | 25,000 | 35,000 | 19,250 | 8.0% |
| November 25 | 12/11/2025 | | 183,221 | | 25,000 | 40,000 | | |
| December 25 | 1/22/2026 | 15130 | 152,874 | 89,352 | 25,000 | 30,000 | 8,522 | 5.0% |

Wastewater Flows for the Month of December 2025



Wastewater Treatment Permit Summary - Month of December 2025

| | DISCHARGE | Eff. | ACTUAL | COMPLIANT | PERCENT |
|-----------------------|-----------|------|--------|-----------|---------|
| Avg. Treated Flow | MGD | 3 | 2.009 | Yes | 67.0% |
| Avg. Sprayfield Flow | MGD | 3 | 0.278 | Yes | 9.3% |
| Avg. GLO Flow | MGD | 3 | 0.942 | Yes | 31.4% |
| Avg. Mesa Spur Flow | MGD | 3 | 1.171 | Yes | 39.0% |
| Avg. Other Flow | | | 0.000 | N/A | |
| Avg. cBOD | mg/L | 10 | 7.5 | Yes | |
| Avg. TSS | mg/L | 15 | 10.0 | Yes | |
| Avg. Ammonia Nitrogen | mg/L | 3 | 0.52 | Yes | |
| Avg DO | mg/L | 10 | 7.40 | Yes | |
| E. coli Bacteria | CFU | 126 | 1.0 | Yes | |
| MIN. PH | STD UNITS | 6.0 | 6.40 | Yes | |
| MAX. PH | STD UNITS | 9.0 | 7.32 | Yes | |

only applies if discharge

Inframark

Leak Report January, 2026

Date 1/22/2026

| Address | Date | Street | Meter | Repaired | Comments |
|----------------------|-----------|--------|-------|----------|---------------------|
| 13295 Moriossey way | 1/11/2026 | X | | X | Replace with copper |
| 14728 Desert Breeze | 1/13/2026 | X | | X | Replace with copper |
| 14541 Valentin | 1/14/2026 | | X | | Replace with copper |
| 3605 Alderwood Manor | 1/20/2026 | X | | X | Replace with copper |
| 13593 Inspiration | 1/20/2026 | X | | X | Replace with copper |
| 1212 Lecompte | 1/21/2026 | X | | X | Replace with copper |
| 627 Endwall | 1/21/2026 | X | | X | Replace with copper |
| 12737 Paseo De Vida | 1/23/2026 | X | | X | Replace with copper |

| | |
|-------------|---|
| Street Leak | 7 |
| Meter Leak | 1 |
| Total | 8 |



Date: 1/14/2026

Re: Operations Report for December 2025

Lift Stations

| | |
|--------------------------------------|--------------------|
| <u>Barrel Cactus Lift Station</u> | Fully operational. |
| <u>Benton Lift Station</u> | Fully operational. |
| <u>Biglon Lift Station</u> | Fully operational |
| <u>Duanesburg Lift Station</u> | Fully operational |
| <u>Ellsworth Lift Station</u> | Fully operational |
| <u>El Paso Hills Lift Station</u> | Fully operational |
| <u>El Paso Hills Relay Station</u> | Fully operational |
| <u>El Paso Hills Lift Station #2</u> | Fully operational. |
| <u>Horizon Lift Station</u> | Fully operational |
| <u>Kenazo Lift Station</u> | Fully operational |
| <u>Notre Dame List Station</u> | Fully operational |
| <u>Manor 9 Lift Station</u> | Fully operational. |
| <u>Section 32 Lift Station</u> | Fully operational |
| <u>Veny Webb Lift Station</u> | Fully operational |
| <u>Woodale Lift Station</u> | Fully operational |
| <u>Kenazo Lift Station #2</u> | Fully operational |
| <u>Summer Sky Lift station</u> | Fully operational |
| <u>Hazlewood Lift Starion</u> | Fully operational |
| <u>Desert Point Lift Station</u> | Fully operational. |
| <u>Holy spirit Lift station</u> | Fully operational |

Tanks

| | |
|---------------|--------------------------------------|
| <u>GST 1</u> | Rehab |
| <u>GST 2</u> | Online with the distribution system |
| <u>GST 3</u> | Online with the distribution system |
| <u>GST 4</u> | Online with the distribution system |
| <u>GST 5</u> | Online with the distribution system. |
| <u>RWT #1</u> | Online and feeding the RO plant. |
| <u>EST 1</u> | Online with the distribution system |
| <u>EST 2</u> | Online with the distribution system. |
| <u>EST 3</u> | Online with the distribution system. |
| <u>EST 4</u> | Online with the distribution system. |
| <u>EST 5</u> | Online with the distribution system. |

Wastewater Treatment Plant

- 5 blowers are up and running.
Hauled 11 loads of sludge.
- GLO operational
- GC operational

Water Wells

Well 1 operational
Well 2 operational
Well 3 Rehab
Well 4 operational
Well 5 operational
Well 6 operational
Well 7 Rehab
Well 8 operational
Well 10 operational
Well 11 operational

Pump Station 2

No change in status.

Pump Station 3

Operational

Pump Station 4

Operational.

Pump Station 1

Offline Rehab

RO Plant

Operational

RO A, B, C, and D. Trains are up and running. Concentrators are up.

Aldo Navarrete, Field Service Manager.



Engineering Solutions

MEMORANDUM

Via E-Mail

TO: Horizon Regional Municipal Utility District
Board of Directors

FROM: Linda Troncoso, P.E.

DATE: January 22, 2026

SUBJECT: January 22, 2026, Board Meeting
Engineer's Report
TRE Job No.: 1277-7388-54

The following is a brief summary of the major activities that TRE & Associates, LLC. (TRE) has been involved in it since the District's last regular Board meeting.

Service Commitments Currently Under Review

See attached summary.

Plans Under Review

See attached summary.

Projects Under Construction

See attached summary.

Horizon City Roadway Projects

TRE is continuing to coordinate with the Town of Horizon on future roadway widening and rehabilitation projects.

Jordan-Foster Construction began the construction of Horizon Boulevard in January 2024 and has started the reconstruction of Darrington. The water and wastewater line extensions for the Town's new municipal facilities in Darrington are installed. Water and wastewater line and service replacement is ongoing.

TRE is also coordinating with the Town's consultant for the design of roadways within the Transit Oriented Development area near Darrington which will include the extensions of water and wastewater infrastructure.

HRMUD Engineering Report
January 22, 2026
Page 2 of 4

County Roadway Projects

The County has proposed to enter into an interlocal agreement with the District to extend a 12" waterline from Paseo del Este to Pellicano within Darrington (paid by the County) with the District completing the loop from the Pellicano / Darrington intersection to the intersection of River Sky and Pellicano. The two sets of plans would be combined and bid as one package with the County paying for their pro-rata portion. Alan has reviewed the agreement and provided comments to the County on the draft Interlocal Agreement. EP County, Alan Petrov and TRE are coordinating to finalize the interlocal agreement for approval.

Elevated Storage Tanks and Water Model Update

EST-5 is online with the system and TRE is currently coordinating with HCIA for a tank location for EST-6.

4.2 MGD RO Plant Expansion and Permit Amendment

Construction is nearly complete for the yard piping. Pay Estimate No. 14 and Change Order No. 5 are on the agenda for the Board's consideration.

RO Plant and BPS-5 are currently underway and is 4% complete. Pay Estimate No. 2 is on the agenda for the Board's consideration.

RO equipment was contracted for purchasing July 8, 2025.

RO Concentrate Disposal Management

The final injection well permit was received on May 1, 2025. TRE began designing the concentrate disposal system in June 2024. Bench testing for uranium removal methodology is complete and additional deep well water sampling and well stabilization is scheduled for January. The design for the uranium removal system is ongoing while awaiting the samples.

Designs for the repurposing of BPS2 and the 16" concentrate line have been approved by the TCEQ, TxDOT and EP County.

Booster Pump Station No. 1 Rehab

Booster Pump Station No.1 is currently underway and is 74% complete. Pay Estimate No. 2 and Change Order No. 1 are on the agenda for the Board's consideration.

Wastewater Treatment Plant Expansion Design and Major Permit Amendment

The design for the WWTP to be expanded to 5.0 MGD at the current treatment plant location is complete. The bid package for the WWTP expansion is scheduled to be awarded in February. The WWTP permit approval has been received and will expire on May 24, 2029.

Horizon Boulevard 16-inch Waterline – RO Plant to GST4B

The installation of the 16-inch water line is underway. Construction is 96% completed and Pay Estimate No. 14 and Change Order No. 3 are the agenda for the Board's consideration.

GST-3B and GST-4B

The tank is currently being erected at GST-4B. Pay Estimate No. 9 and Change Orders No. 2 and No. 3 are on the agenda for the Board's consideration.

GST 4B is currently underway and is 73% complete.

GST 3B is currently underway and is 35% complete.

BPS-3B

Booster Pump Station-3B is currently underway and is 13% complete. Pay Estimate No. 1 is on the agenda for the Board's consideration.

Horizon View Estates Wastewater System Improvements

TRE has completed the alignment of the wastewater system along with the plan and profile sheets for the wastewater lines and the layout of each individual septic tank on each property. Drone footage was used to confirm the location of the septic tanks. Plans have been submitted to TCEQ for review and approval.

RO Header Piping Repair

Wyler Industrial has ordered the material for the repair of Train C and D.

Water System SCADA Control Upgrade

ESS is 94% complete and continues to coordinate with Inframark for installation of SCADA components on each of the RO trains.

HRMUD Engineering Report
January 22, 2026
Page 4 of 4

Well No. 12

TRE has met with Inframark, incorporated their comments into the plan set, and has submitted to the TCEQ and TxDOT for review and approval.

Future Well Sites

TRE and Alan Petrov are coordinating with two landowners for well site acquisition and a temporary right of entry to drill test wells to confirm water source prior to the acquisition of well sites. Engineering bond funds have been sold for testing and acquisition at the well sites.

20" Raw Water Line Relocation

TRE is obtaining an appraisal for the remaining easement.

Well 10 Rehabilitation

TRE has identified an alternate method to install a blank in the screen to expedite the repair and reduce the repair cost and impact to well capacity. This will be presented at the next Board meeting.

Well Rehabilitation

Wells 3 and 7 are being rehabilitated at this time. Additional materials / scopes have been identified which will require board authorization.

GST2 Rehab

Maguire has mobilized and has began sand blasting the interior of the tank.

Linda Troncoso and Frank Ortiz will be at the January 22, 2026, BOD meeting to address any questions or comments you may have regarding these and any other items.

Attachment

cc: Mr. Charlie McGinnis, General Manager; HRMUD
Mr. Frank Ortiz, P.E.; TRE & Associates, LLC
Mr. Ricardo Felix, P.E.; TRE & Associates, LLC
Mr. Adrian H. Rosas, P.E.; TRE & Associates, LLC

TRE & ASSOCIATES, LLC (revised 1/22/2026)
COMMITMENT APPLICATIONS

| Job # | Job Title | Date Received | Additional Info Request | Commitment Letter Released | Committed LUE's WW | Committed LUE's Wtr | Comments |
|--------------|---|----------------------|--------------------------------|-----------------------------------|---------------------------|----------------------------|-----------------|
| 1277-12729 | Verdancia Unit Three | 11/21/2025 | | 12/23/2025 | 238 | 238 | Approved |
| 1277-12731 | 197 Darrington Rd. | 12/1/2025 | | 12/24/2025 | 12 | 12 | Approved |
| 1277-12737 | Spare Feet Storage | 12/15/2025 | | | | | Under review |
| 1277-12744 | Mountain Shadow Unit One Offsite | 1/6/2026 | | | 0 | 0 | Under review |
| 1277-12743 | Mountain Shadow Unit One Subdivision Improvements | 1/6/2026 | | | | | Under review |
| 1277-12742 | 13361 Eastlake | 1/8/2026 | | | | | Under review |

TRE & ASSOCIATES, LLC (revised 1/22/2026)
HR - CONSTRUCTION REVIEW

| Job # | Job Title | Commitment Letter Released | Plans Received | Plan Comments Sent | Plan Approval | Comments |
|------------|---|----------------------------|--|---|---------------|------------------------|
| 1277-12050 | El Paso Hills Replat B | 12/1/2022 | 1/25/2024 1st 7/23/2024 2nd 1/17/2025 3rd 4/2/2025 4th 9/2/2025 5th 1/15/2026 6th | 2/28/2024 1st 8/13/2024 2nd 2/13/2025 3rd 6/13/2025 4th 9/22/2025 5th | | Under review |
| 1277-12551 | Circle K 14272 Eastlake Blvd. | 10/3/2024 | | | | awaiting plans |
| 1277-12573 | Circle K. - S. Darrington Rd. | 12/13/2024 | | | | awaiting plans |
| 1277-12595 | 15490 Horizon Blvd. | 2/27/2025 | | | | awaiting plans |
| 1277-12647 | 14741 Horizon Blvd. | 6/25/2025 | | | | awaiting plans |
| 1277-12667 | O'Reilly Auto-S. Darrington & Kenazo | 7/2/2025 | 6/30/2025 1st 7/24/2025 2nd 10/21/2025 3rd | 7/14/2025 1st 8/11/2025 2nd 12/15/2025 3rd | | Under review |
| 1277-12640 | RDB19 | 7/2/2025 | 7/2/2025 1st 9/26/2025 2nd | 7/8/2025 1st 10/14/2025 2nd | 11/17/2025 | Approved |
| 1277-12690 | Verdancia Unit Two Subdivision | 9/5/2025 | 9/5/2025 1st 10/16/2025 2nd 11/13/2025 3rd | 9/11/2025 1st 11/1/2025 2nd 11/23/2025 3rd | 11/25/2025 | Approved |
| 1277-12691 | Verdancia U2 Offsite 15" Sewer Improvements | 9/5/2025 | 9/17/2025 1st 10/6/2025 2nd 11/12/2025 3rd | 9/23/2025 1st 11/1/2025 2nd | 11/25/2025 | Approved |
| 1277-12491 | Old Dominion Freight Line | 3/28/2024 | 11/5/2025 Revised plans | 12/16/2025 | | awaiting revised plans |
| 1277-12718 | 1533 Oxbow Dr. | 12/9/2025 | 11/18/2025 1st | 12/23/2025 1st | | awaiting revised plans |
| 1277-12721 | 218 Buffalo Dr. | 12/9/2025 | | | | awaiting plans |
| 1277-12726 | 14998 N. Darrington (Dairy Queen) | 12/9/2025 | | | | awaiting plans |
| 1277-12729 | Verdancia Unit Three | 12/23/2025 | 12/12/2025 1st 1/8/2026 2nd 1/14/2026 3rd | 12/23/2025 1st 1/14/2026 2nd 1/14/2026 3rd | 1/15/2026 | Approved |
| 1277-12731 | 197 Darrington Rd. | 12/24/2025 | 12/24/2025 1st | 1/21/2026 | | awaiting revised plans |

TRE & ASSOCIATES, LLC (revised 1/22/2026)
CONSTRUCTION OBSERVATION

| Job # | Job Title | Plan Approval | Construction Start Date | Comments |
|------------|--|---|-------------------------|-----------------------------|
| 1277-12236 | 15071 Horizon Blvd | 6/2/2022 | 11/21/2023 | under construction |
| 1277-12296 | Horizon Crossing Unit 3 | 10/10/2022 | 3/23/2023 | under construction |
| 1277-12051 | Polar Services Center | 1/10/2023(Pre-treatment/Imps 6/14/2023 | | awaiting construction start |
| 1277-12288 | Kenazo Estates Unit Two | 6/16/2023 | 12/1/2023 | under construction |
| 1277-12486 | 15420 Horizon Blvd | 5/6/2024 | | awaiting construction start |
| 1277-12574 | RDB17 | 12/13/2024 | 3/25/2025 | under construction |
| 1277-12503 | Town of Horizon City Courthouse | 1/2/2025 | 6/1/2025 | under construction |
| 1277-12426 | SCI Horizon City Funeral Home | 2/6/2025 | 8/4/2025 | under construction |
| 1277-12561 | Verdancia Unit One (VN2/VN3) | 2/6/2025 | 3/21/2025 | under construction |
| 1277-12491 | Old Dominion Freight Line | 5/19/2025 | | awaiting revised plans |
| 1277-12637 | 16055 Horizon Blvd. | 6/18/2025 | 7/17/2025 | under construction |
| 1277-12470 | 14861 Gateway West Blvd-H2O | 7/8/2025 | 7/22/2025 | under construction |
| 1277-12639 | RDB 18 | 7/17/2025 | | awaiting construction start |
| 1277-12627 | 14710 Allemands, 15090 & 15094 Andrepont St. | 8/28/2025 | | awaiting construction start |
| 1277-12631 | 969 Linwood Dr. | 10/10/2025 | 12/22/2025 | under construction |
| 1277-12587 | 305 N. Kenazo Ave | 10/13/2025 | 12/9/2025 | awaiting construction start |
| 1277-12640 | RDB19 | 11/17/2025 | | awaiting construction start |
| 1277-12690 | Verdancia Unit Two Subdivision | 11/25/2025 | 1/5/2026 | under construction |
| 1277-12691 | Verdancia U2 Offsite 15" Sewer Improvements | 11/25/2025 | 1/5/2026 | under construction |
| 1277-12729 | Verdancia Unit Three | 1/15/2026 | | awaiting construction start |

TRE & ASSOCIATES, LLC (revised 1/22/2026)
HR - APPROVED UTILITY SERVICE COMMITMENTS

| Job # | Job Title | Commitment Letter Released | Committed LUE's WW | Committed LUE's Wtr | Plan Approval | Comments |
|-------------|--|----------------------------|--------------------|---------------------|---|-----------------------------|
| 1277-12051 | Polar Services Center | 7/19/2021 | 5 | 5 | 1/10/2023 (Pre-Treatment) /lmps 6/14/2023 | approved |
| 1277-12136 | TxDOT Horizon Blvd Irrigation | 12/22/2021 | 0 | 24 | 8/18/2022 | under construction |
| 1277-12238 | 15071 Horizon Blvd | 5/11/2022 | 0 | 1 | 6/2/2022 | under construction |
| 1277-12288 | Kenazo Estates Unit Two | 9/28/2022 | 0 | 0 | 6/16/2023 | under construction |
| 1277-12296 | Horizon Crossing Unit 3 | 10/4/2022 | 0 | 0 | 10/10/2022 | under construction |
| 1277-12426 | SCI Horizon City Funeral Home | 10/13/2023 | 18 | 18 | 2/6/2025 | under construction |
| 1277-12470 | 14861 Gateway West Blvd | 2/13/2024 | 8 | 8 | 7/8/2025 | under construction |
| 1277-12486 | 15420 Horizon Blvd | 3/12/2024 | 0 | 0 | 5/6/2024 | under construction |
| 1277-12491 | Old Dominion Freight Line | 3/28/2024 | 22 | 22 | | awaiting revised plans |
| 1277-12551 | Circle K 14272 Eastlake Blvd. | 10/3/2024 | 10 | 10 | | awaiting plan submittal |
| 1277- 12561 | Verdancia Unit One (VN2-3) | 11/1/2024 | 214 | 214 | 2/6/2025 | under construction |
| 1277-12574 | RDB17 | 12/12/2024 | 101 | 101 | 12/13/2024 | under construction |
| 1277-12573 | Circle K - S. Darrington Rd. | 12/13/2024 | 10 | 10 | | awaiting plan submittal |
| 1277-12587 | 305 N. Kenazo Ave | 12/27/2024 | 22 | 22 | 10/13/2025 | awaiting construction start |
| 1277-12595 | 15490 Horizon Blvd. | 2/27/2025 | 0 | 2 | | awaiting plan submittal |
| 1277-12631 | 969 Linwood Dr. | 4/16/2025 | 8 | 8 | 10/10/2025 | under construction |
| 1277-12627 | 14710 Allemands, 15090 & 15094 Andreport St. | 4/23/2025 | 0 | 3 | 8/28/2025 | awaiting construction start |
| 1277-12637 | 16055 Horizon Blvd. | 5/8/2025 | 0 | 1 | 6/18/2025 | awaiting construction start |
| 1277-12639 | RDB 18 | 5/8/2025 | 89 | 89 | 7/17/2025 | awaiting construction start |
| 1277-12647 | 14741 Horizon Blvd. | 6/25/2025 | 0 | 2 | | awaiting plan submittal |
| 1277-12667 | O'Reilly Auto-S. Darrington & Kenazo | 7/2/2025 | 3 | 3 | | awaiting revised plans |
| 1277-12640 | RDB19 | 7/2/2025 | 85 | 85 | 11/17/2025 | awaiting construction start |
| 1277-12690 | Verdancia Unit Two Subdivision | 9/5/2025 | 275 | 275 | 11/25/2025 | under construction |
| 1277-12691 | Verdancia U2 Offsite 15" Sewer Improvements | 9/5/2025 | 0 | 0 | 11/25/2025 | under construction |
| 1277-12718 | 1533 Oxbow Dr. | 12/9/2025 | 4 | 4 | | awaiting revised plans |
| 1277-12721 | 218 Buffalo Dr. | 12/9/2025 | 0 | 2 | | awaiting plan submittal |
| 1277-12726 | 14998 N.Darrington (Dairy Queen) | 12/9/2025 | 12 | 12 | | awaiting plan submittal |
| 1277-12729 | Verdancia Unit Three Subdivision | 12/23/2025 | 238 | 238 | 1/15/2026 | awaiting construction start |
| 1277-12731 | 197 Darrington Rd. | 12/24/2025 | 12 | 12 | | awaiting revised plans |

TOTAL OUTSTANDING COMMITMENTS

1159

1194