

MINUTES OF MEETING  
OF  
BOARD OF DIRECTORS

STATE OF TEXAS §  
COUNTY OF EL PASO §  
PASEO DEL ESTE MUNICIPAL UTILITY DISTRICT NO. 11 §

The Board of Directors of Paseo del Este Municipal Utility District No. 11 of El Paso County held a regular meeting open to the public, on October 10, 2019, at its meeting place located outside of the District at the offices of TRE & Associates, LLC, 110 Mesa Park Drive, Suite 200, El Paso, Texas. The roll was called of the Directors of the Board, to-wit:

Jose R. Soto	President
Mary Suzann Pell	Vice President
Darwin Voge	Secretary
Marisa Lascurain	Assistant Secretary
Murray Van Gundy	Assistant Secretary

All of said persons were present thus constituting a quorum. Also in attendance were Lourdes Gonzalez of Inframark, LLC; Linda Troncoso of TRE & Associates; and Franklin Stubbs of Hunt Communities. Ty Embrey, attorney, and Joe Jimenez, paralegal, of Lloyd Gosselink Rochelle & Townsend; and Nur Labardini of Municipal Accounts and Consulting, L.P. participated in the meeting via conference call.

1. The first item on the agenda was the review and approval of the minutes of the Board meeting of September 12, 2019. Upon a motion by Director Lascurain and a second by Director Van Gundy the minutes of said meeting were unanimously approved, with Director Soto abstaining.

2. The next item before the Board was to consider public comments. No persons presented themselves to speak at the meeting. There was no action required by the Board on this agenda item. No action was taken by the Board.

3. The next item before the Board was the Resolution Evidencing Annual Review of the District's Investment Policy ("Resolution"). Mr. Embrey reported that the Board is required by state law to review the District's Investment Policy ("Policy") on an annual basis to make certain the Policy complies with current state law requirements and, if necessary, recommend changes that are needed to bring the Policy into compliance with those requirements.

The Texas Legislature convened in 2019. Mr. Embrey stated that there were recommended changes that needed to be made to the District's current Investment Policy, which was last revised on October 12, 2017. Mr. Embrey explained that the Investment Policy has

been revised consistent with the changes enacted by the 86th Legislature to the Public Funds Investment Act. Mr. Embrey reported that the revised District's Investment Policy was also provided to Municipal Accounts and Consulting for review. Mr. Embrey reported that Ms. Kolmodin also recommended that the District update the list of qualified brokers that are authorized to engage in investment transactions with the District. Mr. Embrey reported that the updated list of qualified brokers has been incorporated to the revised District's Investment Policy. Mr. Embrey recommended that the Board adopt the Resolution Evidencing Annual Review of the Investment Policy, adopt the revised written Investment Policy, and adopt the revised list of qualified brokers that are authorized to engage in investment transactions with the District.

Upon review of the Resolution Evidencing Annual Review of the Investment Policy, the revised written Investment Policy, and the revised list of qualified brokers as incorporated therein, it was moved by Director Voge and seconded by Director Lascrain that the Resolution, the revised written Investment Policy, and the revised list of qualified brokers be approved, which motion carried unanimously. A copy of the Resolution and the revised list of qualified brokers is attached as Exhibit "A".

4. Ms. Gonzalez next presented the operator's report, a copy of which is attached as Exhibit "B". Ms. Gonzalez reported that as of the end of September the District had 392 total connections, and that no new connections were added during the current month. Ms. Gonzalez reported on the following to the Board: (1) reported on the population and occupancy rates during the current month; (2) reported on the number of delinquent accounts during the current month, and efforts to address concerns with the delinquent accounts (3) reported on the latest growth trends for the Paseo del Este MUD No. 10, and (4) provided an update on the water usage during the current month. Further, Ms. Gonzalez provided a copy of the utility rate Order adopted by the Paseo del Este Municipal Utility District No. 1 on September 11, 2019.

5. Ms. Troncoso next presented the engineer's report and updated the Board on the status of development activity within the District and the Paseo del Este community.

6. Mr. Stubbs next presented the developer's report and updated the Board on the status of development activity within the District and the Paseo del Este community.

7. The Board next considered the bookkeeper's report, a copy of which is attached as Exhibit "C". Ms. Labardini provided the Board with a list of disbursements and balances, and presented a list of bills for payment for the Board's review and approval. Upon a motion by Director Van Gundy and a second by Director Lascrain, the Board unanimously approved the bookkeeper's report with the list of disbursements and balances, and the list of bills presented for payment.

8. There was no general counsel's report.

9. There being no further business before the Board, it was moved by Director Voge and seconded by Director Van Gundy, to adjourn the meeting, which motion carried unanimously.

Passed and approved this 14th day of November, 2019.

  
Secretary, Board of Directors

(DISTRICT SEAL)

