

MINUTES OF SPECIAL MEETING OF
PASEO DEL ESTE MUNICIPAL UTILITY DISTRICT NO. 1
Wednesday, December 18, 2019

STATE OF TEXAS §
 §
COUNTY OF EL PASO §

The Board of Directors of Paseo del Este Municipal Utility District No. 1 (the "District") held a special meeting, open to the public, at TRE & Associates, LLC, located at 6101 West Courtyard, Building One, Suite 100, Austin, Texas 78730, a regular meeting place of the Board of Directors of the District (the "Board"), at 11:30 a.m., on Wednesday, December 18, 2019, and the roll was called of the Directors of the Board, to-wit:

Jack Holford	President
Dan Roark	Vice President
Ken Mills	Secretary
Sid Covington	Assistant Secretary
Larry Mellenbruch	Assistant Secretary

and all of said persons were present except Director Mills, thus constituting a quorum.

Also present at the meeting were Ronald J. Freeman of the Law Offices of Ronald J. Freeman; Kristi Hester and Lourdes González of INFRAMARK; Taylor Kolmodin of Municipal Accounts & Consulting, L.P.; John Jansing, Adrian Rosas and Nadia Ganser of TRE & Associates, LLC; Bob West of West, Davis & Company, LLP; Ty Embrey of Lloyd Gosselink Rochelle & Townsend, P.C.; and Joel Guzman and Franklin Stubbs of Hunt Communities (by telephone).

1. The Board first considered approval of the minutes of the Board's November 20, 2019, meeting. Director Holford made a motion to approve the minutes. Director Covington seconded the motion, which the Board passed unanimously.

2. As its next item of business, the Board considered the General Manager's and Operator's Reports. Ms. González presented a report on the status of development in the District and other districts. By acclamation, the Board approved delegating power to Director Roark and Ms. González to resolve the bill complaint filed by Mr. and Mrs. Hernandez. Director Covington updated the Board on the new District website. Director Roark updated the Board on resident meetings held in El Paso to address customer complaints.

3. No contract regarding landscape maintenance responsibilities was presented.

4. The Board then considered approving the payment of bills and invoices. Ms. Kolmodin presented the financial reports for the District along with bills and invoices. After discussion, Director Covington made a motion to approve the payment of (i) bills and invoices as listed in the report (Check Nos. 6463-6484); and (ii) Supplemental Check Nos. 6485 in the

amount of \$145,800.00 payable to El Paso Underground Construction, Check No. 6486 in the amount of \$832.98 payable to Director Roark for District business, and Check No. 6487 in the amount of \$12,934.78 payable to El Paso Electric. Director Mellenbruch seconded the motion, which the Board passed unanimously. A copy of the Bookkeeper's Report is attached as an exhibit to these minutes.

5. The Board next considered amending the District's service rules and regulations. Mr. Freeman discussed the amendments. Upon a motion by Director Roark and a second by Director Mellenbruch, amendments to the service rules and regulations were unanimously approved by the Board.

6. The Board then considered the Developer's Report. Mr. Guzman gave a brief report on development in the Paseo del Este MUDs. No action was taken by the Board.

7. As its final act of business, the Board considered the Engineer's Report. Mr. Jansing presented the following items for approval:

- Peyton Estates Unit Five
- Water, Wastewater & Drainage
- Regional Water and Wastewater Improvements
- TRE No.: 1502-11686-35
- Pay Estimate No. 8 - \$50,760.00
- Pay Estimate No. 9 - \$14,355.00

Upon a motion by Director Roark and a second by Director Covington, the Board unanimously approved the foregoing items and authorized the President to approve any final pay estimates and accept the project for operation and maintenance if appropriate before the Board's next meeting.

Mr. Jansing then presented the following items for approval:

- Peyton Estates Unit Six
- Water, Wastewater & Drainage
- Regional Water and Wastewater Improvements
- TRE No.: 1502-11782-35
- Pay Estimate No. 1 - \$198,410.40
- Pay Estimate No. 2 - \$640,188.90

- Emerald Pass Commercial Unit Two
- Drainage, Water & Wastewater Improvements
- TRE No.: 1502-11422-35
- Pay Estimate No. 3 - \$30,690.00

Hillside Park at Mission Ridge Unit Two
Drainage, Water & Wastewater and
Regional Water and Wastewater Improvements
TRE No.: 1502-11182-35

- Pay Estimate No. 3 - \$406,123.20
- Pay Estimate No. 4 - \$64,710.00

Emerald Heights Unit Two Grading Improvements
TRE No.: 1451-11486-35

- Change Order No. 4 – Increase of \$36,630.00
- Pay Estimate No. 6 (Final) - \$188,939.90

Emerald Heights Unit Two
Water, Wastewater & Drainage Improvements
TRE No.: 1451-11486-35

- Pay Estimate No. 9 - \$95,287.50

Sky View Estates Water Line
Crossing Improvements Phase II
TRE No.: 1851-11560-35

- Pay Estimate No. 1 – \$31,575.60

PDEMUD 1
Manhole Rehabilitation
TRE No.: 1451-11692-35

- Pay Estimate No. 1 - \$145,800.00

Sector 6 Phase III Lift Station Rehabilitation Improvement
TRE No.: 1451-11691-35

- Change Order No. 1 – Increase of \$21,160.43

Upon a motion by Director Mellenbruch and a second by Director Covington, the foregoing items were unanimously approved by the Board.

Mr. Jansing next presented the following agreements for approval:

Emerald Heights Unit Two
Water and Wastewater Service Agreements

Upon a motion by Director Roark and a second by Director Holford, the Board unanimously approved the foregoing water and wastewater service agreements.

Mr. Jansing then presented the following for approval:

Electric Service Contract – El Paso Electric

- Overhead Electric Service to:
Lift Station located at 13645 Gateway West Blvd., El Paso, Texas
- Cash Advance for Construction - \$12,934.78

Upon a motion by Director Roark and a second by Director Covington, the foregoing items were unanimously approved by the Board.

There being no further business to come before the Board, the meeting was adjourned.

Approved January 22, 2020.

[SEAL]

A handwritten signature in blue ink, appearing to read "Quint W. Allen", written over a horizontal line.

Secretary, Board of Directors