

MINUTES OF REGULAR MEETING OF
PASEO DEL ESTE MUNICIPAL UTILITY DISTRICT NO. 1
Wednesday, January 22, 2020

STATE OF TEXAS §
 §
COUNTY OF EL PASO §

The Board of Directors of Paseo del Este Municipal Utility District No. 1 (the "District") held a regular 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, January 22, 2020, 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, thus constituting a quorum.

Also present at the meeting were Ronald J. Freeman of the Law Offices of Ronald J. Freeman; 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; and Franklin Stubbs of Hunt Communities (by telephone).

1. The Board first considered approval of the minutes of the Board's December 18, 2019, meeting. Director Holford made a motion to approve the minutes. Director Roark seconded the motion, which the Board passed unanimously

2. As its next item of business, the Board considered Texas law regarding District meeting places. Mr. Freeman reviewed the Texas Water Code Chapter 49 petition process to establish a meeting place within the District's boundaries. No action was taken by the Board.

3. The Board then 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. No action was taken by the Board.

4. The Board next considered improvements to the District website and professional services contracts related thereto. Director Covington updated the Board on the status of the new website. Mr. Freeman presented a Resolution Approving Transfer of District Website Domain and Authorizing Certain District Officers and Representatives to Take All Actions Necessary, Convenient or Appropriate to Effectuate the Transfer. Upon a motion by Director Covington and

a second by Director Mellenbruch, the foregoing resolution was unanimously approved by the Board.

5. No contract regarding landscape maintenance responsibilities was presented.

6. As its next item of business, the Board considered approving the payment of bills and invoices. Ms. Kolmodin presented the financial reports for the District along with bills and invoices. Upon a motion by Director Mellenbruch and a second by Director Roark, the Board voted 4-0 to pay Director Covington a rate of \$150.00 per day for his work on the District website. Director Covington abstained from the vote.

Director Covington then made a motion to approve the payment of (i) bills and invoices as listed in the report (Check Nos. 6483-6507); and (ii) Supplemental Check Nos. 6508 in the amount of \$411,750.00 payable to Bain Construction, and Check No. 6509 in the amount of \$77,300.00 payable to El Paso Underground Construction. Director Mills seconded the motion, which the Board passed unanimously. A copy of the Bookkeeper's Report is attached as an exhibit to these minutes.

7. The Board next considered the District's annual financial statements and Auditor's Report. Mr. West gave a brief report. A special meeting of the Board was scheduled for Wednesday, February 5, 2020, at 11:30 a.m. to consider the District's annual financial statements and Auditor's Report.

8. No amendment to District Manager/Operator's Contract was presented.

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

10. 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

- Change Order No. 1 – Increase of \$11,000.00
- Pay Estimate No. 10 (Final) - \$211,853.78
- Acceptance of Utilities for Operation and Maintenance

Emerald Pass Commercial Unit Two

Drainage, Water & Wastewater Improvements

TRE No.: 1502-11422-35

- Change Order No. 1 – Increase of \$71,086.00

Sector 6 Phase III

Lift Station Rehabilitation Improvements

TRE No.: 1451-11691-35

- Pay Estimate No. 1 - \$411,750.00
- Change Order No. 2 - Increase of \$13,983.43

Paseo del Este MUD No. 1

Manhole Rehabilitation Improvements

TRE No.: 1451-11692-35

- Pay Estimate No. 2 (Final) - \$77,300.00
- Acceptance of Utilities for Operation and Maintenance

Chapel Hill Apartments

TRE No.: 1451-11626-35

- Acceptance of Utilities for Operation and Maintenance
- This approval conditioned on payment of engineering fees and additional report for Phase II

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

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

Approved February 5, 2020.

[SEAL]


Secretary, Board of Directors