

MINUTES OF MEETING  
OF  
BOARD OF DIRECTORS

STATE OF TEXAS §  
COUNTY OF EL PASO §  
PASEO DEL ESTE MUNICIPAL UTILITY DISTRICT NO. 10 §

The Board of Directors of Paseo del Este Municipal Utility District No. 10 of El Paso County met in regular session, open to the public, on February 4, 2020, at its meeting place within the District at the offices of Inframark, LLC, 13034 Eastlake Boulevard, Suites D-E, El Paso, Texas. The roll was called of the directors of the Board, to-wit:

Luis Ortega	President
Greg Spence	Vice President
B. D. Reynolds, Jr.	Secretary
Martin N. “Teen” Lettunich	Assistant Secretary
Antonio Gallardo	Assistant Secretary

All of said persons were present thus constituting a quorum. Also in attendance were Lourdes Gonzalez of Inframark, LLC; Franklin Stubbs of Hunt Communities; Linda Troncoso of TRE & Associates; Bob West of West, Davis & Company; Lorena Quezada of El Paso Disposal; and Mr. Valencia of the Emerald Springs Retreat Homeowners Association. Ty Embrey, attorney, and Joe Jimenez, paralegal, of Lloyd Gosselink Rochelle & Townsend; Joel Guzman of Hunt Communities; 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 January 7, 2020. Upon a motion by Director Ortega and a second by Director Reynolds the minutes of said meeting were unanimously approved.

2. Public Comment. The next item before the Board was to hear comments and received information from members of the public. Mr. Valencia asked if the District had contacted the City of Horizon (“City”) about partnering with the District to construct the walkway improvements associated with the District’s Hike and Bike Trail project. Ms. Troncoso reported that she contacted City’s Public Works Department to discuss this matter. Mr. Troncoso explained that the City’s Public Works Department walkway improvements were on the City’s priority projects list but unfortunately the City did not have the funding for this improvements. Ms. Troncoso reported that the District would proceed with constructing the walkway improvements. There was no action required by the Board on this agenda item. No action was taken by the Board.

3. The next item on the agenda was to discuss, consider and act on the Resolution Authorizing Application to the Texas Commission on Environmental Quality for Approval of Project and Bonds, a copy of which is attached as **Exhibit “A”**. Mr. Embrey explained that the Resolution being presented to the Board would authorize the preparation and submission of an application to the Texas Commission on Environmental Quality (“TCEQ”) for approval of bonds to be issued by the District not to exceed the principal amount not to exceed One Million Seven Hundred Fifty Thousand and No/100 Dollars (\$1,750,000.00).

Mr. Embrey reported that the bond issuance would be used to reimburse the developer for projects that the District’s financial advisor and District’s engineer have identified could be paid back through the issuance of bonds. It was explained that the Board’s resolution along with the engineering report will be filed with the TCEQ. The TCEQ will review the application to ensure that the District complied with all TCEQ requirements. The TCEQ will issue an order authorizing the bond issue.

Following further discussion, upon a motion by Director Spence and a second by Director Gallardo, the Board unanimously approved the Resolution Authorizing Application to the Texas Commission on Environmental Quality for Approval of Project and Bonds for approval of bonds to be issued by the District not to exceed the principal amount not to exceed One Million Seven Hundred Fifty Thousand and No/100 Dollars (\$1,750,000.00). A copy of the Certificate of Secretary For Resolution is attached as **“Exhibit “B”**, certifying the Resolution was duly passed and adopted by the Board on the aforesaid date.

4. The next item on the agenda was to discuss, consider and act on proposal for Engineering Services between for Paseo del Este MUD No. 10 and TRE & Associates for preparation and submittal of Bond Application Report to the Texas Commission on Environmental Quality, a copy of which is attached as **Exhibit “C”**.. Ms. Troncoso presented the proposal to the Board for approval.

Upon a motion by Director Ortega and a second by Director Reynolds, the Board unanimously approved the proposal for Engineering Services between for Paseo del Este MUD No. 10 and TRE & Associates for the preparation and submittal of Bond Application Report to the Texas Commission on Environmental Quality.

5. Ms. Gonzalez next presented the operator’s report, a copy of which is attached as **Exhibit “D”**. Ms. Gonzalez reported that as of the end of December the District had 982 total connections, and that 13 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, (3) reported on the latest growth trends for the Paseo del Este MUD No. 10.

Mr. Embrey provided the Board a brief report of the community meeting held on January 29, 2020 for the residents of all the Paseo del Este MUDs. Mr. Embrey reported that the community meeting was held at the Socorro ISD offices. He reported that approximately ten residents of the PDE MUDs attended the community meeting, including El Paso County Commissioner Vincent Perez, and a representative from State Representative Mary Gonzalez’s

office. Mr. Embrey reported that Inframark, and Mr. Reza and Mr. Castro, provided PowerPoint presentations at the community meeting. Mr. Embrey reported that the PDE MUD residents expressed an interest having more parks and amenities in the Paseo MUD District, and better lighting. Mr. Embrey reported that overall the community meeting was a very positive meeting that turned out to be a great opportunity for the exchange information between the District and PDE MUD residents.

6. 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.

Ms. Troncoso next presented the following item for the Board's consideration and approval:

Emerald Pass Commercial Unit Two  
Drainage, Water & Wastewater Improvements  
TRE Job No.: 1502-11422-35  
Change Order No. 1 - \$71,086.00

Upon a motion by Director Lettunich and a second by Director Reynolds, the Board unanimously approved the processing for Change Order No. 1 for changes to the contract plans associated with the construction of Emerald Pass Commercial, Unit Two, Drainage, Water & Wastewater Improvements in the amount of \$71,086.00, and a copy of the District Engineer's letter of recommendation for Change Order No. 1 is attached hereto as **Exhibit "E"**.

7. Mr. Stubbs and Mr. Guzman 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.

8. The Board next considered the bookkeeper's report, a copy of which is attached as **Exhibit "F"**. 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 Spence and a second by Director Gallardo, the Board unanimously approved the bookkeeper's report with the list of disbursements and balances, and the list of bills presented for payment.

9. There was no general counsel's report.

10. There being no further business before the Board, it was moved by Director Ortega, and seconded by Director Gallardo, to adjourn the meeting, which motion carried unanimously.

Passed and approved this 3rd day of March, 2020.

  
Secretary, Board of Directors

(DISTRICT SEAL)

