

MINUTES OF REGULAR MEETING OF  
PASEO DEL ESTE MUNICIPAL UTILITY DISTRICT NO. 1  
Wednesday, February 26, 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, February 26, 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; Kristi Hester and Lourdes González of INFRAMARK; Taylor Kolmodin of Municipal Accounts & Consulting, L.P.; John Jansing and Nadia Ganser of TRE & Associates, LLC; and Lorena Quezada of El Paso Disposal, LP.

1. The Board first considered approval of the minutes of the Board's February 5, 2020, meeting. Director Covington made a motion to approve the minutes. Director Mellenbruch 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. Upon a motion by Director Roark and a second by Director Mills, the Board unanimously approved expenses over \$2,000 as shown in the Summary Report. Ms. González then discussed issues with two meters servicing the high school in Paseo del Este MUD No. 6. No action was taken by the Board.

3. The Board next considered ratification and approval of the creation of the Finance Committee with Directors Roark and Covington serving as members and Director Mellenbruch serving as an alternate member. Upon a motion by Director Holford and a second by Director Mills, the Finance Committee was unanimously approved by the Board.

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. Upon a motion by Director Mills and a second by Director Holford, the Board unanimously approved the

(i) payment of bills and invoices as listed in the report (Check Nos. 6510-6532); (ii) payment of \$150/day to Director Covington for his work on the District website; and (iii) payment of \$150/day to Finance Committee Members for each committee meeting attended. A copy of the Bookkeeper's Report is attached as an exhibit to these minutes.

5. As its next item of business, the Board considered the new District Manager/Operator's contract. Mr. Freeman stated that he would review INFRAMARK's new contract, and work with Directors Holford and Mills on the contract. Director Covington requested a report on the call center. Phone/communication issues and training to be included as an addendum to the contract in two to three months.

6. The Board then considered a landscape maintenance contract with Accent Maintenance Company, Inc. Mr. Freeman to review the bidding requirement and discuss at the next meeting.

7. The Board next 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.

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

**Hillside Park at Mission Ridge Unit Two**

Drainage, Water & Wastewater and  
Regional Water and Wastewater Improvements  
TRE No.: 1502-11182-35

- Pay Estimate No. 5 - \$73,976.40
- Change Order No. 1 – Increase of \$12,200.00

**Hillside Park at Mission Ridge Unit One**

Drainage, Water & Wastewater and  
Regional Water and Wastewater Improvements  
TRE No.: 1502-11181-35

- Pay Estimate No. 6 - \$19,800.00

**Americas Estates Unit Two Replat A**

Water, Wastewater & Drainage Improvements  
TRE No.: 1519-11666-35

- Pay Estimate No. 3 - \$335,101.10

**Peyton Estates Unit Six**

Water, Wastewater & Drainage  
Regional Water and Wastewater Improvements  
TRE No.: 1502-11782-35

- Pay Estimate No. 3 - \$314,064.00

**Hillside Park at Mission Ridge Unit Three**

Drainage, Water and Wastewater Improvements

TRE No.: 1502-11682-96

- Engineer's Letter of Recommendation – El Paso Underground Construction - \$1,136,659.50

**Hillside Park at Mission Ridge Unit Four**

Drainage, Water and Wastewater Improvements

TRE No.: 1502-11706-96

- Engineer's Letter of Recommendation – CMD Endeavors, Inc. - \$1,193,777.00

**Paseo del Este MUD 1**

Lift Station Improvements

TRE No.: 1851-11471-35

- Change Order No. 1 – Decrease of \$533.97

**Emerald Heights Unit Two**

Water, Wastewater & Drainage Improvements

TRE No.: 1451-11486-35

- Acceptance of Utilities for Operation and Maintenance

**Sector 6 Phase III**

**Lift Station Rehabilitation Improvements**

TRE No.: 1451-11691-35

- Change Order No. 3 - Increase of \$9,143.65

**Peyton Estates Unit Three**

- Water Service Agreement; and
- Wastewater Service Agreement

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

Mr. Jansing then presented the following items for approval:

- **Wall for pathway.** Wall to include a two-foot wall and a two-foot wrought iron fence. No action was taken by the Board.
- **Park located in Paseo del Este MUD No. 9.** Mr. Jansing advised the Board that irrigation water may be needed for a possible extension (contemplated by Hunt Communities) of the trail system outside of the PDEMUD service area but adjacent to PDEMUD 9 northern boundary. After a brief discussion, the Board tabled that item until the next meeting.

- **Del Sol Hospital.** Upon a motion by Director Covington and a second by Director Mellenbruch, the Board unanimously approved authorizing the President to authorize acceptance of District facilities to serve Del Sol Hospital before the District's next meeting.
- **Logo Tank Painting with PSB.** Upon a motion by Director Roark and a second by Director Mills, the Board unanimously approved authorizing President to negotiate and execute a contract with the PSB for repainting the elevated storage tank in the District with any amount borne by the District to be reimbursed by Hunt Communities.
- **Eastlake Gateway Commercial.** Upon a motion by Director Holford and a second by Director Covington, the Board unanimously approved authorizing President to negotiate and execute consents to crossings of the District's easements in that area for other extensions of facilities by other utilities serving the project.

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

Approved March 25, 2020.

[SEAL]

*Quint W. Allen*  
Secretary, Board of Directors