

MINUTES OF REGULAR MEETING OF
PASEO DEL ESTE MUNICIPAL UTILITY DISTRICT NO. 1
Wednesday, December 23, 2020

STATE OF TEXAS §
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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, by video/telephone conference call, at 11:30 a.m. CT on Wednesday, December 23, 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 and Cyndi Ferris of the Law Offices of Ronald J. Freeman; Kristi Hester of Inframark; Tyler Wilson of Municipal Accounts & Consulting, L.P.; Linda Troncoso, John Jansing, Adrian Rosas and Nadia Ganser of TRE & Associates, LLC; Franklin Stubbs of Hunt Communities; Jay Joyce of Expergy (rate consultant); Ray Baca of MIEP Property Management (on behalf of Chapel Hill Apartments); Fred Marcus of Perim Builders, LLC (developer of Chapel Hill Apartments); and Lorena Quezada of El Paso Disposal, LP.

1. The Board first considered approval of the minutes of the Board's November 25, 2020 meeting. Director Mills made a motion to approve the minutes. Director Holford 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 Report. Ms. Hester presented a report on the status of development in the District and the other 10 Paseo del Este MUDs. Director Covington requested that future reports include metrics for customer calls and that the District find alternatives to reduce pond maintenance costs. Upon a motion by Director Covington and a second by Director Roark, the Board unanimously approved expenses over \$2,000 as shown in the General Manager's Summary Report.

Ms. Hester updated the Board on the account manager and administrative position openings. Director Roark suggested that (i) the District hire a full-time District representative to work alongside Inframark's account manager and (ii) a District Committee be formed consisting of one Board member from each of the Paseo del Este MUDs to represent residents. The President requested that Director Roark work with Ms. Hester, Ms. Troncoso and Mr. Freeman on how to go forward with the idea of a District representative and District committee and to present ideas at the January meeting.

3. The Board then considered amending District rates and policies for retail water and wastewater services to non-single family residential customers. After discussion, upon a motion by Director Roark and a second by Director Holford, the Board unanimously approved a rate of \$3.11 per CCF for water used in excess of the volume allowance included in the Base Service Fee for non-single family residential customers effective during the District's ensuing billing cycles. A copy of the amended rate order is attached to these minutes. However, pursuant to earlier Board action, the new rate would be applied retroactively for the Chapel Hill Apartments to April 2020, with no late fees and elimination of the base fee for the by-pass meter for that project. Mr. Holford requested that Messrs. Baca and Jansing continue working on the meter-size issue. Messrs. Joyce, Baca and Marcus left the meeting after discussion of this item.

4. As its next item of business, the Board considered approving the payment of bills and invoices. Mr. Wilson presented the financial reports for the District along with bills and invoices. Upon a motion by Director Holford and a second by Director Covington, the Board unanimously approved the payment of bills and invoices as listed in the report (Check Nos. 6755-6774). A copy of the Bookkeeper's Report is attached as an exhibit to these minutes.

5. The Board then considered ceasing the suspension of certain District service policies, including:

- a. Consider reinstating termination of service for non-payment;
- b. Discuss and take action regarding payment assistance options or past-due accounts; and
- c. Any another actions necessary or appropriate related to the existence of the coronavirus emergency.

No action was taken by the Board.

6. The Board next considered the Developer's Report. Mr. Stubbs gave a brief report. 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 construction items for consideration:

Peyton Estates Unit Seven

Water, Wastewater and Drainage Improvements

TRE No.: 1502-11932-35

- Pay Estimate No. 2 - \$455,518.44

Hillside Park at Mission Ridge Unit Four

Drainage, Water & Wastewater Improvements

TRE No.: 1502-11706-35

- Pay Estimate No. 5 (Final) - \$136,432.70

- Acceptance of Utilities for Maintenance and Operation - the Board authorized the President to accept the facilities on behalf of the District if all documentation is completed before the next Board meeting.

Emerald Estates Unit Four

Drainage, Water and Wastewater Improvements

TRE No.: 1502-11538-35

- Pay Estimate No. 6 (Final) - \$227,903.86
- Acceptance of Utilities for Maintenance and Operation

Eastlake Marketplace

- Acceptance for Operation and Maintenance – Mr. Jansing notified the Board that there were problems with easements and that the project was not ready for acceptance.

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 **landscaping/irrigation repair(s)** for approval:

Bob Hope and Mission Ridge Boulevard

- Partial payment of \$22,110 to Bain Construction increased approximately \$3400 by change order. Upon a motion by Director Covington and a second by Director Mellenbruch, the Board ratified the pay estimate and change order and authorized the President to approve acceptance before the January 2021 Board meeting.

The President requested updates at the next meeting regarding (i) research determining if irrigation line had been lowered to specifications by the landscaping company and (ii) cost-recovery recommendations.

Mr. Jansing next updated the Board on requests for proposals for **Leak Detection Services**. After discussion, Mr. Jansing suggested that he request bidders to extend proposals for an additional 30 days while District monitors water usage in District.

8. No public comments were received.

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

Approved January 27, 2021.



Secretary, Board of Directors

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