

MINUTES OF MEETING
OF
BOARD OF DIRECTORS

STATE OF TEXAS §

COUNTY OF EL PASO §

PASEO DEL ESTE MUNICIPAL UTILITY DISTRICT NO. 11 §

The Board of Directors of Paseo del Este Municipal Utility District No. 11 of El Paso County held a regular meeting open to the public, on September 10, 2020, said regular session of the Board of Directors being conducted solely by use of the free audio conference call-in number and Zoom Videoconference. The roll was called of the directors of the Board, to-wit:

Jose R. Soto	President
Murray Van Gundy	Vice President
Darwin Voge	Secretary
Marisa Lascurain	Assistant Secretary
Alexandra Treviño	Assistant Secretary

All of said persons were present via conference call and Zoom Videoconference thus constituting a quorum. Also in attendance via conference call and Zoom Videoconference were Lourdes Gonzalez of Inframark, LLC; Maria Urbina of Hilltop Securities; Nadia Ganser of TRE & Associates; Franklin Stubbs of Hunt Communities; Nur Labardini of Municipal Accounts and Consulting, L.P.; and Ty Embrey, attorney, and Joe Jimenez, paralegal, of Lloyd Gosselink Rochelle & Townsend.

1. The first item on the agenda was the review and approval of the minutes of the Board meeting of August 13, 2020. Upon a motion by Director Voge and a second by Director Van Gundy the minutes of said meeting were unanimously approved.

2. The next item before the Board was to consider public comments. No persons presented themselves via conference call and Zoom Videoconference to speak at the meeting. There was no action required by the Board on this agenda item. No action was taken by the Board.

3. The next item before the Board was to call the Public Hearing on the 2020 Tax Rate for the District. Director Ortega opened the public hearing. Mr. Embrey stated that Notice of the Public Hearing on the Tax Rate was published in the *West Texas Courier* on August 27, 2020, which notified the public that the proposed 2020 tax rate will be \$0.75 per \$100 assessed valuation. Ms Urbina informed the Board that the proposed recommended tax rate for the 2020 tax year be set at \$0.75 per \$100 assessed valuation with the debt service tax rate set at \$0.4500, the maintenance and operation tax rate set at \$0.0100, and the contract tax rate set at \$0.2900 per one hundred dollars (\$100) of assessed valuation.

No persons presented themselves to speak at the Public Hearing. There being no persons present to speak at the Public Hearing on the 2020 Tax Rate for the District, the public hearing on the tax rate was closed by unanimous consent of the Board.

4. The next item before the Board was to consider and act on the Order Setting 2020 Tax Rates, a copy of which is attached as **Exhibit "A"**. Mr. Embrey stated that the Order, as stated by Ms. Urbina, provides that the District's 2020 debt service tax rate be set at \$0.4500, the maintenance and operation tax rate be set at \$0.0100, and the contract tax rate be set at \$0.2900 per one hundred dollars (\$100) of assessed valuation, for a total tax rate of \$0.75 per one hundred dollars (\$100) of assessed valuation.

After further discussion, it was moved by Director Van Gundy and seconded by Director Treviño that the Order Setting 2020 Tax Rates be approved and further that the District's 2020 debt service tax rate be set at \$0.4500, the maintenance and operation tax rate be set at \$0.0100, and the contract tax rate be set at \$0.2900 per one hundred dollars (\$100) of assessed valuation, for a total tax rate of \$0.75 per one hundred dollars (\$100) of assessed valuation, which motion carried unanimously.

5. The next item before the Board was to consider and act on the District Information Form. Mr. Embrey informed the Board that Chapter 49 of the Water Code requires that once a District adopts its tax rate, the District must file with the real property records of El Paso County notice of the tax rate for the purpose of providing notice to a purchaser of real property in the District of the tax rate. Mr. Embrey stated that the District Information Form has been revised to reflect the 2020 tax rate components. In addition, Mr. Embrey stated that the particular form of Notice to Purchasers that is required to be furnished by a seller to a prospective purchaser of real property in the District is included as an exhibit ("Exhibit C") to the District Information Form. Mr. Embrey stated that upon the Board's approval, the District Information Form and the related exhibits, including the Notice to Purchasers Form will be filed in the real property records of El Paso County. Following further discussion, it was moved by Director Lascurain and seconded by Director Voge that the District Information Form be approved, which motion carried unanimously. A copy of the District Information Form is attached as **Exhibit "B"**.

6. The next item before the Board was to consider and act on amending the operating budget for the fiscal year ending September 30, 2020. Ms. Labardini and Mr. Embrey informed the Board that there were no amendments to the operating budget for the fiscal year ending September 30, 2020, and therefore, no action was required by the Board on this agenda item. No action was taken by the Board.

7. The next item before the Board was to consider and act on the District's operating budget for the fiscal year ending September 30, 2021. Following further discussion, it was moved by Director Treviño and seconded by Director Lascurain that the operating budget for the fiscal year ending September 30, 2021 be approved, which motion carried unanimously. A copy of the adopted budget is attached as **Exhibit "C"**.

8. The next item before the Board was to consider the operator's report. 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 July the District had 1,022 total connections, and that 6 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. 11.

9. Ms. Ganser 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. Ganser next presented the following items for the Board's consideration and approval:

Emerald Estates Unit Four
Drainage, Water and Wastewater Improvements
TRE No.: 1502-11538-35
Pay Estimate No. 3 from El Paso Underground Construction - \$132,030.00.

Emerald Estates Unit Four
Drainage, Water and Wastewater Improvements
TRE No.: 1502-11538-35
Change Order No. 2 from El Paso Underground Construction - \$47,525.00.

Upon a motion by Director Van Gundy and a second by Director Treviño, the Board unanimously approved the processing for (1) Pay Estimate No. 3 in the amount of \$132,030.00; and, (2) Change Order No. 2 in the amount of \$47,525.00, from El Paso Underground Construction for construction of the Emerald Estates, Unit Four, Drainage, Water & Wastewater Improvements. A copy of the District Engineer's letter for Pay Estimate No. 3 is attached hereto as **Exhibit "E"**, and copy of the District Engineer's letter for Change Order No. 2 is attached hereto as **Exhibit "F"**.

10. Mr. Stubbs 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.

11. The Board next considered the bookkeeper's report, a copy of which is attached as **Exhibit "G"**. 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.

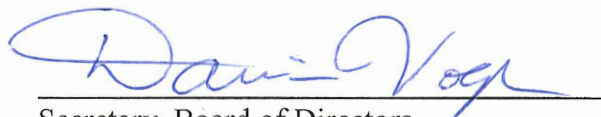
Ms. Labardini provided the Board with a list of disbursements and balances, and presented a list of bills for payment for the Board's review and approval, including the following supplemental checks: Supplemental Check No. 4812 to the El Paso Central Appraisal District in the amount of \$1,286.63; and Supplemental Check No. 4813 to Municipal Accounts and Consulting, L.P. in the amount of \$2,099.36.

Upon a motion by Director Treviño and a second by Director Voge, the Board unanimously approved the bookkeeper's report with the list of disbursements and balances, and the list of bills presented for payment, including Supplemental Check No. 4812 to the El Paso Central Appraisal District in the amount of \$1,286.63; and Supplemental Check No. 4813 to Municipal Accounts and Consulting, L.P. in the amount of \$2,099.36.

12. There was no general counsel's report.

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

Passed and approved this 8th day of October, 2020.


Secretary, Board of Directors

(DISTRICT SEAL)

