

MINUTES OF REGULAR MEETING OF
PASEO DEL ESTE MUNICIPAL UTILITY DISTRICT NO. 1
Wednesday, January 27, 2021

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, by video/telephone conference call, at 11:30 a.m. CT on Wednesday, January 27, 2021, 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 except Director Mills, thus constituting a quorum. Director Mills entered the meeting during discussion of Item No. 3.

Also present at the meeting were Ronald J. Freeman and Cyndi Ferris of the Law Offices of Ronald J. Freeman; Kristi Hester 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 Lorena Quezada of El Paso Disposal, LP. Franklin Stubbs of Hunt Communities entered the meeting during discussion of Item No. 3.

1. The Board first considered approval of the minutes of the Board's December 23, 2020, meeting. Director Holford 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 Texas law regarding District meeting places. Mr. Freeman referred the Board to the agenda language regarding 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 Report. Ms. Hester presented a report on the status of development in the District and the other 10 Paseo del Este MUDs. She recommended moving forward with leak detection services to help resolve water accountability issues. She then updated the Board on the start date of the new account manager. Director Holford suggested that the Board consider postponing the hiring of a separate District employee to work alongside the Inframark account manager until the account manager became familiar with the Districts. Upon a motion by Director Covington and a second by Director Mills, the Board unanimously approved expenses over \$2,000 as shown in the General Manager's Summary Report.

4. The Board next 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.

After discussion, the Board directed Inframark to send notices to customers in February and March informing them that effective April 1, 2021, normal protocol would resume for termination of service for non-payment, and that residents could request a payment plan to extend for a period not to exceed six (6) months.

5. 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 Roark and a second by Director Mills, the Board unanimously approved the payment of bills and invoices as listed in the report (Check Nos. 6777-6800). A copy of the Bookkeeper's Report is attached as an exhibit to these minutes.

6. As its next item of business, the Board considered the District's annual financial statements and Auditor's Report. Mr. West gave a brief report. Upon a motion by Director Covington and a second by Director Mellenbruch, the Board unanimously approved the Financial Statements, Supplemental Information and Independent Auditor's Report for the Year Ended September 30, 2020.

7. The Board then considered an Order Calling Director Election for May 1, 2021. Director Holford made a motion to approve the Order Calling Directors Election and to approve the election contracts with El Paso County. Director Covington seconded the motion, which the Board passed unanimously. A copy of the Order is attached as an exhibit to these minutes.

8. The Board next considered the Developer's Report. Mr. Stubbs gave a brief report. No action was taken by the Board.

9. 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. 3 - \$649,588.14

Mission Ridge Towne Center Unit One

Drainage, Water and 16" Regional Water Line Improvements

TRE No.: 1502-11499-96

- Engineer's Letter of Recommendation: El Paso Underground Construction - \$ 721,483.40

Hillside Park at Mission Ridge Unit Four

Drainage, Water & Wastewater Improvements

TRE No.: 1502-11706-35

- Ratify Acceptance of Utilities for Maintenance and Operation

Paseo del Este MUD No. 1

Eastlake Marketplace

TRE No.: 1451-11714-35

- Ratify Acceptance of Utilities for Operation and Maintenance

Paseo del Este MUD No. 1

Eastlake Marketplace – Phase II

TRE No.: 1451-11714-35

- Authorize the President to approve acceptance of utilities for operation and maintenance before the February 24, 2021, Board meeting.

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

Mr. Jansing then updated the Board regarding commercial development at I-10 and Eastlake Boulevard. No action was taken by the Board.

Next, he presented the following service agreements for consideration:

Garden Park at Mission Ridge Unit Two

- Water & Wastewater Service Agreements

Garden Park at Mission Ridge Unit Three

- Water & Wastewater Service Agreements

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

Mr. Jansing then updated the Board on Accent Maintenance irrigation projects. No action was taken by the Board.

Next, Mr. Jansing reviewed proposals for leak detection services. After discussion, Director Roark made a motion to accept the Utilis Inc. proposal and execute the Utilis Inc. contract. Director Covington seconded the motion which was unanimously approved by the Board.

10. No public comments were received.

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

Approved February 24, 2021.


Secretary, Board of Directors

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