

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 December 1, 2020, said regular session of the Board of Directors being conducted solely by use of the free audio conference call-in number. 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 via conference call thus constituting a quorum, with Director Lettunich joining the meeting in progress during the discussion of Item 3 in these minutes. Also in attendance via conference call were Lourdes Gonzalez of Inframark, LLC; Bob West of West, Davis Company; Joel Guzman and Franklin Stubbs of Hunt Communities; Linda Troncoso of TRE & Associates; 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 October 27, 2020. Upon a motion by Director Ortega and a second by Director Gallardo 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 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 on the agenda was to consider approval of the Developer Reimbursement Audit Report relating to Paseo del Este Municipal Utility District No. 10 of El Paso County Unlimited Tax Improvement and Refunding Bonds, Series 2020, the distribution of Bond proceeds, and related matters. Mr. West informed the Board that this is the District’s fourth bond issue application. Mr. West provided the Board with a summary of the facilities associated with the fourth bond issue application and information of the costs the District will be reimbursing the developer for facilities within the District and its (the District’s) pro rata share for the cost of the regional facilities.

After further discussion, it was moved by Director Lettunich and seconded by Director Ortega to approve the audit report, a copy of which is attached as **Exhibit “A”**, and approve the distribution of proceeds as discussed in the audit report, which motion carried unanimously.

4. The next item on the agenda was to consider approval concerning the issuance and delivery of the District’s Series 2020 Bonds, and disbursement of bond proceeds, including accepting conveyance of facilities and real property in connection with the Paseo del Este Municipal Utility District No. 10 of El Paso County Unlimited Tax Improvement and Refunding Bonds, Series 2020.

Mr. West and Mr. Embrey provided the Board with a summary concerning the disbursement of bond proceeds and the conveyance of facilities and real property in connection with the District’s fourth bond issuance. After further discussion, it was moved by Director Lettunich and seconded by Gallardo to approve the disbursement of bond proceeds, including accepting conveyance of facilities and real property in connection with the District’s fourth bond issuance.

5. The next item on the agenda was to consider approval of the Audit Report of developer reimbursables in connection with the District’s fifth surplus funds reimbursement to developer. Mr. West presented the audit report to the Board. Mr. West informed the Board that this is the District’s fifth surplus funds application. Mr. West provided the Board with a summary of the facilities associated with the fifth surplus funds application and information of the costs the District will be reimbursing the developer for its (the District’s) pro rata share for the cost of the facilities. After further discussion, it was moved by Director Reynolds and seconded by Director Spence to approve the audit report, a copy of which is attached as **Exhibit “B”**, which motion carried unanimously.

6. The next item on the agenda was to consider approval of the disbursement of the District’s fifth surplus funds proceeds, including accepting the conveyance of facilities. Mr. Embrey recommended that the Board approve the surplus funds reimbursements as discussed in Mr. West’s Audit Report in connection with the District’s fifth surplus funds application and authorize Director Ortega to execute the necessary conveyance documents on behalf of the District and accept the conveyance of the facilities from the developer.

Upon a motion by Director Spence and a second by Director Lettunich, the Board unanimously approved the surplus funds reimbursements as discussed in Mr. West’s Audit Report and authorized Director Ortega to execute the necessary conveyance documents on behalf of the District and accept the conveyance of the facilities from the developer.

7. 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 “C”**. Ms. Gonzalez reported that as of the end of October the District had 1,044 total connections, and that 12 new connection 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.

8. 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 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. 5 from El Paso Underground Construction - \$52,089.30.

Upon a motion by Director Lettunich and a second by Director Reynolds, the Board unanimously approved the processing for Pay Estimate No. 5 in the amount of \$52,089.30 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. 5 is attached hereto as **Exhibit "D"**.

9. 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.

10. The Board next considered the bookkeeper's report, a copy of which is attached as **Exhibit "E"**. 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 Reynolds, the Board unanimously approved the bookkeeper's report with the list of disbursements and balances, and the list of bills presented for payment.

11. There was no general counsel's report.

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

Passed and approved this 5th day of January, 2021.

  
Secretary, Board of Directors

(DISTRICT SEAL)

