

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 January 5, 2021, 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. Also in attendance via conference call were Kristi Hester of Inframark, LLC; Bob West of West, Davis Company; 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 December 1, 2020. Upon a motion by Director Ortega and a second by Director Spence 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 and take action regarding the District’s meeting place. Mr. Embrey reviewed the Texas Water Code Chapter 49 petition process to establish a meeting place within the District’s boundaries.

Mr. Embrey informed the Board that State law requires a district to provide notice of the Chapter 49 petition process the first meeting of each calendar year if the district does not have a meeting place within the boundaries of the district. Mr. Embrey reminded the Board that the District has its meeting place within the boundaries of the District, therefore, Mr. Embrey

advised the Board that there was no action required by the Board on this agenda item. No action was taken by the Board.

4. The next item on the agenda was the review and approval of the District's annual audit report for the fiscal year ending September 30, 2020. Mr. West presented the audit report to the Board. Mr. West reviewed the audit report with the Board, which included a management discussion and analysis, financial statements, notes to financial statements, and required supplementary information. Mr. West informed the Board he had issued a clean opinion.

Mr. West presented the Annual Filing Affidavit to the Board for signature upon the Board's approval of the District's annual audit report. Upon securing the proper signature on the Annual Filing Affidavit, the Affidavit would be attached and filed with the Annual Financial Report filed with the Texas Commission on Environmental Quality.

It was then moved by Director Spence and seconded by Director Gallardo that the District's annual audit report for the fiscal year ending September 30, 2020 be approved, which motion carried unanimously.

5. The next item before the Board was to consider the operator's report. Ms. Hester next presented the operator's report, a copy of which is attached as **Exhibit "A"**. Ms. Hester reported that as of the end of November the District had 1,052 total connections, and that 8 new connections were added during the current month. Ms. Hester 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.

6. 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. 6 (Final) from El Paso Underground Construction - \$227,903.86.

Emerald Estates Unit Four  
Water, Wastewater & Drainage and  
Regional Wastewater Improvements  
Acceptance of Utilities for Operation and Maintenance  
TRE No.: 1502-11538-35

Upon a motion by Director Reynolds and a second by Director Gallardo, the Board unanimously approved (1) the processing for Pay Estimate No. 6 in the amount of \$227,903.86 from El Paso Underground Construction for construction of the Emerald Estates, Unit Four,

Drainage, Water & Wastewater Improvements, and (2) the District Engineer's letter of recommendation addressed to Mr. Jack Holford of Paseo del Este Municipal Utility District No. 1 that the District approve the completion of construction activities on the project and accept the improvements for operation and maintenance. A copy of the District Engineer's letter for Pay Estimate No. 6 is attached hereto as **Exhibit "B"**. A copy of the District Engineer's letter of recommendation addressed to Mr. Jack Holford of Paseo del Este Municipal Utility District No. 1 that the District approve the completion of construction activities on the project and accept the improvements for operation and maintenance is attached hereto as **Exhibit "C"**.

7. 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.

8. The Board next considered the bookkeeper's report, a copy of which is attached as **Exhibit "D"**. 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 Gallardo and a second by Director Ortega, the Board unanimously approved the bookkeeper's report with the list of disbursements and balances, and the list of bills presented for payment.

9. There was no general counsel's report.

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

Passed and approved this 2nd day of February, 2021.

  
Secretary, Board of Directors

(DISTRICT SEAL)

