

MINUTES OF REGULAR MEETING OF
PASEO DEL ESTE MUNICIPAL UTILITY DISTRICT NO. 3
Thursday, August 12, 2021

STATE OF TEXAS §
 §
COUNTY OF EL PASO §

The Board of Directors of Paseo del Este Municipal Utility District No. 3 (the "District") held a regular meeting, open to the public, at TRE & Associates, LLC, located at 110 Mesa Park Drive, Suite 200, El Paso, Texas 79912, a regular meeting place of the Board of Directors of the District (the "Board"), and by video/telephone conference call at 9:00 a.m. MT on Thursday, August 12, 2021, and the roll was called of the directors of the Board, to-wit:

Ivan Alcocer	President
L. Gus Haddad	Vice President
Mark Dyer	Secretary
Sandy Boswell	Assistant Secretary
Ray Aduino	Assistant Secretary

and all said persons were continuously present, thus constituting a quorum.

Also present were Michael G. McLean and Kayla Marshall of Gordon Davis Johnson & Shane P.C.; Cyndi Ferris of the Law Offices of Ronald J. Freeman (by video/telephone conference call); Kristi Hester of Inframark (by video/telephone conference call); Daniel Martinez of Inframark; Tyler Wilson of Municipal Accounts & Consulting, L.P. (by video/telephone conference call); Maria Urbina of Hilltop Securities Inc. (by video/telephone conference call); Franklin Stubbs of Hunt Communities.; Nadia Ganser of TRE & Associates, LLC.; and Margaret Livingston. Ronald J. Freeman of the Law Offices of Ronald J. Freeman entered the meeting by video/telephone conference call during discussion of Item No. 3.

1. The Board first considered approval of the minutes of the Board's July 8, 2021, meeting. Director Dyer made a motion to approve the minutes. Director Aduino seconded the motion, which the Board passed unanimously.

2. As its next item of business, the Board received a report from Paseo del Este MUD No. 1 regarding Master District activities. Ms. Livingston updated the Board on the status of the petition appealing the wholesale water rate filed at the Public Utility Commission of Texas and pending deadlines. No action was taken by the Board.

3. The Board then considered the General Manager's and Operator's Reports. Mr. Martinez presented a report on the status of development in the District and other districts. No action was taken by the Board.

4. The Board next considered approving payment of bills and invoices and the financial report. Mr. Wilson presented the financial report for the District along with bills and invoices. Following discussion by the Board, Director Aduino made a motion to approve (i) the payment of bills and invoices as listed in the financial report (Check Nos. 4543-4550) and (ii)

Supplemental Check No. 4551 in the amount of \$1,787.27 payable to Municipal Accounts & Consulting. Director Dyer seconded the motion, which the Board passed unanimously. A copy of the Bookkeeper's Report is attached to these minutes.

5. The Board then considered the District's preliminary Budget. Mr. Wilson provided a brief report. No action was taken by the Board.

6. As its next item of business, the Board considered setting a proposed tax rate and setting a date for a hearing regarding adoption of final tax rates. Upon a motion by Director Dyer and a second by Director Boswell, the Board unanimously approved the following: (i) a proposed not-to-exceed tax rate of \$0.75/\$100 of assessed valuation; (ii) establishment of a hearing date for consideration of final tax rates on Thursday, September 9, 2021, at 9:00 a.m. MT at TRE & Associates, LLC, 110 Mesa Park Drive, Suite 200, El Paso, Texas 79912, and by use of a video/telephone conference call; and (iii) publication of the required notice for the public hearing.

7. The Board then considered the Developer's Report. Mr. Stubbs gave a brief report on development in the Paseo del Este MUDs. No action was taken by the Board.

8. As its final act of business, the Board considered the Engineer's Report. Ms. Ganser gave a brief report and summarized internal system studies being conducted to further analyze on-going water loss issues. No action was taken by the Board.

9. No public comments were received.

There being no further business, the meeting was adjourned.

Approved September 9, 2021.

(SEAL)


Secretary, Board of Directors