

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 9, 2021, at its meeting place located outside of the District at the offices of TRE & Associates, LLC, 110 Mesa Park Drive, Suite 200, El Paso, Texas and via means of telephone conference number and Zoom Videoconference. The roll was called of the directors of the Board, to-wit:

Jose R. Soto	President
Darwin Voge	Vice President
Marisa Lascurain	Secretary
Alexandra Treviño	Assistant Secretary
Cynthia Ruiz	Assistant Secretary

All of said persons were present thus constituting a quorum. Also present and in attendance were Daniel Martinez of Inframark, LLC; Maria Urbina of Hilltop Securities; Nadia Ganser of TRE & Associates; Margaret Livingston of Franklin Mountain Land Services, LLC.; Ron Freeman of the Law Office of Ronald J. Freeman, and Lorena Quezada of El Paso Disposal. Franklin Stubbs of Hunt Communities; Nur Labardini of Municipal Accounts and Consulting, L.P.; Ty Embrey, attorney, and Joe Jimenez, paralegal, of Lloyd Gosselink Rochelle & Townsend, P.C. participated in the meeting via Zoom Videoconference.

1. The first item on the agenda was the review and approval of the minutes of the Board meeting of August 12, 2021. Upon a motion by Director Lascurain and a second by Director Treviño the minutes of said meeting were unanimously approved.

2. The next item before the Board was to consider public comments. No persons presented themselves to speak at the meeting or via Zoom Video and telephone conference. 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 2021 Tax Rate for the District. Director Soto opened the public hearing. Mr. Embrey stated that Notice of the Public Hearing on the Tax Rate was published in the West Texas County Courier on August 26, 2021, which notified the public of the District's proposed tax rate for the tax year 2021 of \$0.75 per \$100 assessed valuation.

Ms. Urbina discussed the components that comprise the District's tax rate and recommended that the Board adopt a tax rate of 0.7496 for the year 2021. Further, Ms. Urbina recommended that the Board adopt the following tax rates for the year 2021 for each component as follows: (1) debt service tax rate of \$0.4345 per \$100 valuation; (2) maintenance and operation tax rate of \$0.0251 per \$100 valuation, and (3) contract tax rate of \$0.2900 per \$100 valuation.

No persons presented themselves to speak at the Public Hearing. There being no persons present to speak at the Public Hearing on the 2021 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 2021 Tax Rates, a copy of which is attached as **Exhibit "A"**. After further discussion, it was moved by Director Treviño and seconded by Director Lascurain that the Board adopt a tax rate of 0.7496 for the year 2021, approve the Order Setting 2021 Tax Rates ("Order"), and that the Order reflect the following tax rates of the District: (1) debt service tax rate of \$0.4345; (2) maintenance and operation tax rate of \$0.0251; and (3) contract tax rate of \$0.2900 per one hundred dollars (\$100) of assessed valuation, for a total tax rate of \$0.7496 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 2021 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 Ruiz and seconded by Director Treviño 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 an update and information on activities of the Paseo del Este Municipal Utility District No. 1 ("MUD No. 1"). Ms. Livingston informed the Board that efforts are still ongoing to (1) resolve the issue of the rate increase with the El Paso Water Public Service Board; and (2) identify and explain the cause for the water loss within the District. There was no action 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 amending the operating budget for the fiscal year ending September 30, 2021. Ms. Labardini and Mr. Embrey informed the Board that there were no amendments to the operating budget for the fiscal year

ending September 30, 2021, and therefore, no action was required by the Board on this agenda item. No action was taken by the Board.

8. The next item before the Board was to consider and act on the District's operating budget for the fiscal year ending September 30, 2022. After further discussion, it was moved by Director Treviño and seconded by Director Ruiz that the operating budget for the fiscal year ending September 30, 2022 be approved, which motion carried unanimously. A copy of the Resolution Approving the 2021-2022 Fiscal Year Operating Budget of Paseo del Este Municipal Utility District No. 11 and adopted budget are attached as **Exhibit "C"**.

9. The next item next item before the Board was to consider the operator's report. Mr. Martinez next presented the operator's report, a copy of which is attached as **Exhibit "D"**. Mr. Martinez reported that as of the end of July the District had 392 total connections, and that one new connection was added during the current month. Mr. Martinez provided a brief summary of the activities for July to the Board on the following: (1) an update of activities and improvements to the District's distribution system; (2) an update on the population and occupancy rates during the current month; (3) an update on the number of delinquent accounts during the current month; and, (4) reported on the latest construction and maintenance activity within the Paseo del Este community and growth trends for the Paseo del Este MUD No. 11.

Ms. Lorena Quesada provided the Board with a report on the issues and reasons for the recent trash collection delays that El Paso Disposal has been experiencing and the Company's efforts to resolve those issues.

10. 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 Park Unit Five  
Drainage, Water and Wastewater Improvements  
TRE No.: 1502-11762-35  
Pay Estimate No. 3 from Bain Construction - \$118,480.14

Agreement Regarding Water Service For Emerald Park Unit Five between the District, the Paseo del Este Municipal Utility District No. 1; the Paseo del Este Municipal Utility District No. 11, and Hunt Mission Ridge, LLC.

Agreement Regarding Wastewater Service For Emerald Park Unit Five between the District, the Paseo del Este Municipal Utility District No. 1; the Paseo del Este Municipal Utility District No. 11, and Hunt Mission Ridge, LLC.

Upon a motion by Director Lascrain and a second by Director Ruiz, the Board unanimously approved the **(1)** processing for Pay Estimate No. 3 in the amount of \$118,480.14 from Bain Construction for construction of the Emerald Park, Unit Five, Drainage, Water &

Wastewater Improvements, attached hereto as **Exhibit "E"**; **(2)** Agreement Regarding Water Service For Emerald Park Unit Five between the District, the Paseo del Este Municipal Utility District No. 1; the Paseo del Este Municipal Utility District No. 11, and Hunt Mission Ridge, LLC., attached hereto as **Exhibit "F"**; and **(3)** Agreement Regarding Wastewater Service For Emerald Park Unit Five between the District, the Paseo del Este Municipal Utility District No. 1; the Paseo del Este Municipal Utility District No. 11, and Hunt Mission Ridge, LLC, attached hereto as **Exhibit "G"**.

11. 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.

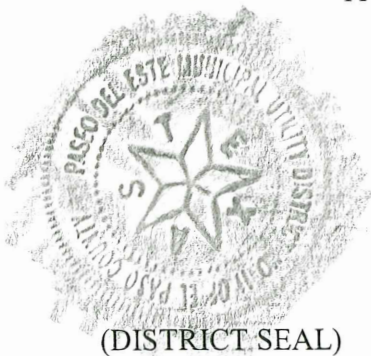
12. The Board next considered the bookkeeper's report, a copy of which is attached as **Exhibit "H"**. Ms. Labardini provided the Board with a list of disbursements and balances, and presented a list of bills for payment for the Board's review and approval, including the following supplemental checks: Supplemental Check No. 4947 to the El Paso Central Appraisal District in the amount of \$1,424.93; Supplemental Check No. 4948 to Municipal Accounts and Consulting, L.P. in the amount of \$2,301.09; and Supplemental Check No. 4949 to West Texas County Courier in the amount of \$1,050.00.

Upon a motion by Director Lascurain and a second by Director Treviño, the Board unanimously approved the bookkeeper's report with the list of disbursements and balances, and the list of bills presented for payment, including the following supplemental checks: Supplemental Check No. 4947 to the El Paso Central Appraisal District in the amount of \$1,424.93; Supplemental Check No. 4948 to Municipal Accounts and Consulting, L.P. in the amount of \$2,301.09; and Supplemental Check No. 4949 to West Texas County Courier in the amount of \$1,050.00.

13. There was no general counsel's report.

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

Passed and approved this 14th day of October, 2021.



  
Secretary, Board of Directors