

MINUTES OF SPECIAL MEETING OF
PASEO DEL ESTE MUNICIPAL UTILITY DISTRICT NO. 1
Friday, October 15, 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 special meeting, open to the public, at TRE & Associates, LLC, located at 6101 West Courtyard Drive, Building One, Suite 100, Austin, Texas 78730, a regular meeting place of the Board of Directors of the District (the "Board") at 2:00 p.m. CT on Friday, October 15, 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 continuously present except Director Mellenbruch, thus constituting a quorum. Director Roark attended the meeting by video/telephone conference call.

Also present at TRE & Associates were Ronald J. Freeman of the Law Offices of Ronald J. Freeman; and John Jansing and Adrian Rosas of TRE & Associates, LLC. Also present by video/telephone conference call were Cyndi Ferris of the Law Offices of Ronald J. Freeman; Michael G. McLean of Gordon Davis Johnson & Shane, P.C.; Daniel Martinez of Inframark; Nadia Ganser of TRE & Associates; Margaret Livingston; and Franklin Stubbs of Hunt Communities. Kristi Hester of Inframark entered the meeting by video/telephone conference call during discussion of Item No. 1. Harrel Davis of Gordon Davis Johnson & Shane, P.C. and Paul Terrill of Terrill & Waldrop entered the meeting by video/telephone conference call during discussion of Item No. 7.

1. The Board first considered an easement request from El Paso Electric. Mr. Jansing presented the following easement for consideration:

Project William Replat A

Two 10' easements for underground electric power extensions

Upon a motion by Director Mills and a second by Director Covington, the Board unanimously authorized the President to (i) negotiate and execute appropriate documents for the foregoing easements and (ii) authorized the President to negotiate and execute a broader standard for future easement requests.

2. As its next item of business, the Board considered maintenance of a proposed linear park adjacent to Morningside at Mission Ridge Units Three and Four. Mr. Jansing gave a brief report. No action was taken by the Board.

3. The Board then considered a resolution authorizing the Hotel Paso del Norte as an out of district meeting place. Upon a motion by Director Covington and a second by Director Holford, the Board unanimously approved the resolution.

4. The Board next considered approval of the preliminary official statement, notice of sale and other actions related to the offering of bonds for sale. After discussion, upon a motion by Director Covington and a second by Director Mills, the Board unanimously authorized finalization and publication of the preliminary official statement and notice of sale before the Board's next meeting if the Texas Commission on Environmental Quality final memo was received before that date.

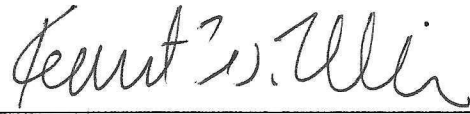
5. The Board then considered a fee amendment request from TRE & Associates for landscape management services. Mr. Jansing requested an increase of \$1,000 per month to compensate TRE & Associates for additional work performed relating to landscape management services. Upon a motion by Director Holford and a second by Director Roark, the Board unanimously approved the \$1,000 increased monthly fee from \$2,000 per month to \$3,000 per month.

6. No public comments were received.

7. As its last item of business, the Board considered wholesale water and sewer charges to the District from El Paso Water Utilities. The Board entered into executive session at 2:35 p.m. All meeting attendees, except Ms. Ferris, left the meeting after the Board entered into executive session. The Board returned to the meeting at 3:07 p.m. Upon a motion by Director Covington and a second by Director Mills, the Board unanimously authorized (i) filing a declaratory judgment action to determine the contractual dispute between the parties related to the rate methodology, (ii) authorized the President and other officers and attorneys of the District to file and prosecute that lawsuit and (iii) authorized the attorneys to coordinate with the President and other District representatives in conjunction with the Public Utility Commission matter that is pending.

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

Approved October 27, 2021.

A handwritten signature in cursive script, reading "Kent W. Ulin". The signature is written in dark ink and is positioned above a horizontal line.

Secretary, Board of Directors

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