

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 November 2, 2021, at its meeting place within the District at the offices of Inframark, LLC, 13034 Eastlake Boulevard, Suites D-E, 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:

Luis Ortega	President
Greg Spence	Vice President
Vacant	Secretary
Martin N. “Teen” Lettunich	Assistant Secretary
Ysrael Valencia	Assistant Secretary

All of said persons were present thus constituting a quorum. Also present and in attendance were Erika Duran of Inframark, LLC; and George Mendez. Kristi Hester of Inframark, LLC; Margaret Livingston of Franklin Mountain Land Services, LLC; Nadia Ganser of TRE & Associates; Franklin Stubbs of Hunt Communities; Nur Labardini of Municipal Accounts and Consulting, L.P.; and 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 October 5, 2021. Upon a motion by Director Ortega and a second by Director Lettunich 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 telephone conference or Zoom Videoconference. 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 consider and act on the resolution expressing appreciation to Director Reynolds for his years of service on the District’s Board, a copy of said resolution attached hereto as **Exhibit “A”**. Upon a motion by Director Spence and a second by Director Valencia, the resolution expressing appreciation to Director Reynolds for his years of service on the District’s Board was unanimously approved.

4. The next item before the Board was to consider and act on the appointment of the director to fill the director vacancy. George Mendez was introduced as the new director to the Board. Upon a motion by Director Spence and a second by Director Ortega, the Board unanimously approved the appointment of George Mendez to the Board of Directors to serve out the term of office left vacant by Director Reynolds, whose term expires on May 6, 2023.

5. The next item before the Board was to consider and act on qualifying the new director. Mr. Mendez executed his Statement of Officer and took his Oath of Office. Director Mendez participated as a member of the Board of Directors for the remainder of the meeting.

6. The next item before the Board was to consider and act on the election of officers for the District. Mr. Embrey explained that after each directors' election or appointment of a new director, the Board elects officers. After further discussion, upon a motion by Director Lettunich and a second by Director Spence, the Board unanimously approved the appointment of Director Valencia to the office of Secretary and Director Mendez to the office of Assistant Secretary with all other officers' positions for the directors of the District remaining the same, as follows:

Luis Ortega	President
Greg Spence	Vice President
Ysrael Valencia	Secretary
Martin N. "Teen" Lettunich	Assistant Secretary
George Mendez	Assistant Secretary

7. 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 she had no updates to report to the Board. 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.

8. The next item before the Board was to consider and act on the Resolution Evidencing Annual Review of the District's Investment Policy ("Resolution"). Mr. Embrey reported that the Board is required by state law to review the District's Investment Policy ("Policy") on an annual basis to make certain the Policy complies with current state law requirements and, if necessary, recommend changes that are needed to bring the Policy into compliance with those requirements.

Mr. Embrey stated that there were no recommended changes that needed to be made to the District's current Investment Policy, which was last revised and adopted on October 1, 2019, and adopted and reaffirmed on October 6, 2020. Mr. Embrey reported that Municipal Accounts and Consulting provided an updated list of qualified brokers that are authorized to engage in investment transactions with the District, and recommended approval of the updated list of qualified brokers, attached as **Exhibit "6"** to the Investment Policy.

Mr. Embrey recommended that the Board adopt the Resolution Evidencing Annual Review of the Investment Policy, reaffirm the revised written Investment Policy dated November 2, 2021, and adopt the revised list of qualified brokers that are authorized to engage in investment transactions with the District, attached as **Exhibit “6”** to the Investment Policy.

Upon review of the Resolution Evidencing Annual Review of the Investment Policy, the revised written Investment Policy dated November 2, 2021, and the updated list of qualified brokers as incorporated as **Exhibit “6”** to the Investment Policy, it was moved by Director Spence and seconded by Director Valencia that the Resolution, the revised written Investment Policy dated November 2, 2021, and the updated list of qualified brokers attached as **Exhibit “6”** to the Investment Policy be approved, which motion carried unanimously. A copy of the Resolution, the Investment Policy dated November 2, 2021 with the updated list of qualified brokers is attached as **Exhibit “B”** hereto.

9. The next item before the Board was to consider the operator’s report. Ms. Hester informed the Board that Daniel Martinez had resigned his position as the Account Manager for Inframark and the Paseo del Este Municipal Utility Districts (“MUDs”) to pursue another job opportunity with the Tesla company. Ms. Hester introduced Ms. Erika Duran to the Board, informing the Board that Ms. Duran had accepted Inframark’s offer to serve as the Interim Account Manager for Inframark and the Paseo del Este MUDs.

Ms. Duran next presented the operator’s report, a copy of which is attached as **Exhibit “C”**. Ms. Duran reported that as of the end of September the District had 1,119 total connections, and that two new connections were added during the current month. Ms. Duran provided a brief summary of the activities for September 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. 10.

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. 5 from Bain Construction - \$58,128.30

Upon a motion by Director Lettunich and a second by Director Spence, the Board unanimously approved the processing for Pay Estimate No. 5 in the amount of \$58,128.30 from Bain Construction for construction of the Emerald Park, Unit Five, Drainage, Water & Wastewater Improvements, attached hereto as **Exhibit “D”**.

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 "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, including the following supplemental check: Supplemental Check No. 4817 in the amount of \$921.88 payable to the City of El Paso.

Upon a motion by Director Spence and a second by Director Valencia, the Board unanimously approved the bookkeeper's report with the list of disbursements and balances and the list of bills presented for payment, including Supplemental Check No. 4817 in the amount of \$921.88 payable to the City of El Paso.

13. The Board next considered the general counsel's report. Mr. Embrey reminded the Board that the Board's next meeting will be held in December on Tuesday, December 7, 2021, and in January on Tuesday, January 4, 2022. Mr. Embrey asked the Board members to review their personal calendars for any potential conflicts and to confirm that a quorum of the Board will be available for the December and January meetings. Further, Mr. Embrey also asked the Board whether they wished to cancel either the December or January Board meeting, given the upcoming holiday season. After further discussion, the consensus of the Board was to hold the Board meeting on December 7, 2021, and then discuss, in December, whether to cancel or hold the Board meeting on January 4, 2022.

14. 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 7th day of December, 2021.


Secretary, Board of Directors

(DISTRICT SEAL)

