

MINUTES OF REGULAR MEETING OF
PASEO DEL ESTE MUNICIPAL UTILITY DISTRICT NO. 2
Thursday, September 08, 2022

STATE OF TEXAS §
 §
COUNTY OF EL PASO §

The Board of Directors of Paseo del Este Municipal Utility District No. 2 (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 1:00 p.m. MDT on Thursday, September 08, 2022, and the roll was called of the directors of the Board, to-wit:

Doug Borrett	President
Anne Jorjorian-Raynal	Vice President
Clint Newsom	Secretary
Hector Esparza	Assistant Secretary
Gina Mezzacappa	Assistant Secretary

and all said persons were continuously present, except Director Esparza, thus constituting a quorum. Director Esparza entered the meeting by video/telephone conference call during discussion of Item No. 4.

Also present were Michael G. McLean of Gordon Davis Johnson & Shane P.C.; Kayla Marshall of Gordon Davis Johnson & Shane P.C. (by video/telephone conference call); Ron Freeman of the Law Offices of Ronald J. Freeman (by video/telephone conference call); Bob West of West, Davis & Company, L.L.P. (by video/telephone conference call); Taylor Kolmodin of Municipal Accounts & Consulting, L.P. (by video/telephone conference call); Maria Urbina of Hilltop Securities Inc.; Erika Duran of Inframark; Franklin Stubbs of Hunt Communities; Nadia Ganser of TRE & Associates, LLC; and Margaret Livingston of Franklin Mountain Land Services.

1. The Board first considered approval of the minutes of the Board’s August 11, 2022, meeting. Director Jorjorian-Raynal made a motion to approve the minutes. Director Newsom 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. Mr. Freeman gave a brief update on the status of the petition appealing the wholesale water rate filed with the Public Utility Commission of Texas. Ms. Livingston provided a report on Master District activities. Ms. Ganser gave a brief update on the District’s pond maintenance program. No action was taken by the Board. Mr. Stubbs left the meeting during discussion of this item.

3. The Board then considered the General Manager’s and Operator’s Report. Ms. Duran gave a report summarizing the status of development within the District and other districts. No action was taken by the Board.

4. The Board next considered the engagement of an auditor for preparation of the annual audit. The Board reviewed West, Davis & Company, LLP's understanding of the services to be provided to the District for the year ended September 30, 2022. Director Jorjorian-Raynal made a motion to approve the West, Davis & Company, LLP's engagement letter, Director Newsom seconded the motion, which was approved unanimously.

5. The Board then considered an amendment to the engagement of the bookkeeper. Director Jorjorian-Raynal made a motion to accept the Third Amended and Restated Agreement for Bookkeeper Services from Municipal Accounts & Consulting, L.P. Director Newsom seconded the motion which the Board passed unanimously.

6. The Board next considered approving payment of bills and invoices and the financial report. Ms. Kolmodin presented the financial report for the District along with bills and invoices. After discussion, Director Jorjorian-Raynal made a motion to approve the (i) payment of bills and invoices as listed in the report (Check Nos. 2439-2448); (ii) and Supplemental Check Nos. 2449 in the amount of \$3,585.78 payable to the El Paso Central Appraisal District, and Check No. 2450 in the amount of \$2,551.16 payable to Municipal Accounts & Consulting L.P. Director Esparza seconded the motion, which the Board passed unanimously. A copy of the Bookkeeper's Report is attached to these minutes.

7. The Board then considered approving the District's Budget for Fiscal Year 2023. After discussion, Director Jorjorian-Raynal made a motion to approve the District's Budget for Fiscal Year 2023. Director Newsom seconded the motion, which the Board passed unanimously. A copy of the Budget is attached as an exhibit to these minutes.

8. As its next item of business, the Board conducted a public hearing for adoption of final tax rates for the 2022 tax year. No public comments were received. By acclamation, the Board closed the public hearing for adoption of final tax rates for the 2022 tax year.

9. The Board then considered adopting tax rates. Upon a motion by Director Jorjorian-Raynal and a second by Director Newsom, the Board unanimously approved an Order Levying Taxes for Tax Year 2022, thereby approving a final debt service tax rate of \$0.3780 per \$100 of assessed valuation, a final maintenance tax rate of \$0.0739 per \$100 of assessed valuation, and a final contract tax rate of \$0.29 per \$100 of assessed valuation, all in accordance with the Financial Advisor's recommendation. A copy of the Order approved by the Board is attached as an exhibit to these minutes.

10. The Board next considered approval of the Preliminary Official Statements and publication of Notice of Sale for the District's Bond Issue 5, and other actions related to the offering of the Bonds for sale. Upon a motion made by Director Newsom and seconded by Director Jorjorian-Raynal, the Board unanimously approved the draft Preliminary Official Statement and publication of Notice of Sale for the District's Bond Issue 5, as well as other actions related to the offering of the Bonds for sale.

11. No Developer's report was presented to the Board.

12. As its final act of business, the Board considered the Engineer's Report. Ms. Ganser presented the following item for consideration:

Garden Park at Mission Ridge Unit Four
Drainage, Water and Wastewater Improvements
TRE No.: 1502-11807-35

- Pay Estimate No. 1 - \$122,868.00

Upon a motion by Director Newsom and a second by Director Esparza, the Board unanimously approved the foregoing item.

13. No public comments were received.

There being no further business, the meeting was adjourned.

Approved October 13, 2022.

(SEAL)


Secretary, Board of Directors