

MINUTES OF REGULAR MEETING OF
PASEO DEL ESTE MUNICIPAL UTILITY DISTRICT NO. 5
Thursday, September 08, 2022

STATE OF TEXAS §
 §
COUNTY OF EL PASO §

The Board of Directors of Paseo del Este Municipal Utility District No. 5 (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 10:30 a.m. MDT on Thursday, September 08, 2022, and the roll was called of the directors of the Board, to-wit:

Salvador Alonzo, Jr.	President
Humberto Juarez	Vice President
Gerardo Sanchez	Secretary
Kristen Ortega	Assistant Secretary
Roman Ortiz	Assistant Secretary

and all said persons were continuously present, except Directors Alonzo and Ortega, thus constituting a quorum.

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); Ronald J. Freeman of the Law Offices of Ronald J. Freeman (by video/telephone conference call); Taylor Kolmodin of Municipal Accounts & Consulting, L.P. (by video/telephone conference call); Bob West of West, Davis & Company, 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; Margaret Livingston of Franklin Mountain Land Services; and Frank Ortiz of TRE & Associates, LLC.

1. The Board first considered approval of the minutes of the Board’s August 11, 2022, meeting. Director Ortiz made a motion to approve the minutes. Director Juarez 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. Mr. Ortiz gave a brief update on the District’s pond maintenance program. No action was taken by the Board.

3. The Board then considered the General Manager’s and Operator’s Report. Ms. Duran gave a report summarizing the status of development in 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, L.L.P.'s understanding of the services to be provided to the District for the year ended September 30, 2022. Director Ortiz made a motion to approve the West, Davis & Company, L.L.P.'s engagement letter. Director Sanchez seconded the motion, which was approved unanimously.

5. The Board then considered an amendment to the engagement of the bookkeeper. Director Juarez made a motion to approve the amended engagement letter for Municipal Accounts & Consulting, L.P. Director Sanchez 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 a financial report for the District along with the bills and invoices. After discussion, Director Sanchez made a motion to approve the (i) payment of bills and invoices in the report (Check Nos. 5821-5833), except Check Nos. 5823 payable to Director Ortega and Check No. 5825 payable to Director Alonzo, as they were absent and (ii) Supplemental Check Nos. 5834 in the amount of \$4,567.79 payable to the El Paso Central Appraisal District and Check No. 5835 in the amount of \$2,562.69 payable to Municipal Accounts & Consulting, L.P. Director Ortiz 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 the District's Budget for Fiscal Year 2023. After discussion, Director Juarez made a motion to approve the District's Budget for Fiscal Year 2023. Director Sanchez seconded the motion, which the Board passed unanimously. A copy of the Bookkeeper's Report is attached 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 its 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 Ortiz and a second by Director Juarez, the Board unanimously approved an Order Levying Taxes for Tax Year 2022, hereby approving a final debt service rate of \$0.3512 per \$100 of assessed valuation, a final maintenance tax rate of \$0.0782 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. Mr. West left the meeting after discussion of this item.

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

11. As its final act of business, the Board considered the Engineer's Report. Ms. Ganser gave a brief report providing updates on the development within the District. No action was taken by the Board.

12. No public comments were received.

There being no further business, the meeting was adjourned.

Approved October 13, 2022.

(SEAL)


Secretary, Board of Directors