

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 1, 2022, 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
Ysrael Valencia	Secretary
Martin N. “Teen” Lettunich	Assistant Secretary
George Mendez	Assistant Secretary

All of said persons were present thus constituting a quorum. Also present and in attendance were Erika Duran of Inframark, LLC; Linda Troncoso of TRE & Associates; Franklin Stubbs of Hunt Communities; and Maria Urbina of Hilltop Securities. Bob West of West, Davis & Company; 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 4, 2022. Upon a motion by Director Spence and a second by Director Valencia 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 the report and update on activities of the Paseo del Este Municipal Utility District No. 1 (“MUD No. 1”). Ms. Duran provided an update on the activities of MUD No. 1, the status of the temporary field office and the storage and maintenance facility; and the five-year plan to address the landscape and pond maintenance needs of the Paseo del Este community.

4. The next item before the Board was to consider and take action regarding the District's Resolution Requesting Appraisal of Property and Certificate of Estimated Appraised Value from the El Paso Central Appraisal District ("Appraisal District"). Mr. Embrey presented the Resolution to the Board and provided a brief summary of the Resolution. Upon a motion by Director Spence and a second by Director Ortega, the Board unanimously approved the District's Resolution Requesting Appraisal of Property and Certificate of Estimated Appraised Value from the Appraisal District, attached hereto as **Exhibit "A"**.

5. The next item before the Board was to discuss, consider and act on the Resolution Authorizing Application to the Texas Commission on Environmental Quality ("TCEQ") for Approval of Project and Bonds ("Resolution"). Mr. Embrey explained that the Resolution being presented to the Board would authorize the preparation and submission of a bond application to the TCEQ to request the approval of bonds to be issued by the District not to exceed the principal amount of Three Million Two Hundred Sixty Thousand and No/100 Dollars (\$3,260,000.00).

Mr. Embrey reported that the bond issuance would be used to reimburse the developer for projects that the District's financial advisor and District's engineer have identified could be paid back through the issuance of bonds.

Following further discussion, upon a motion by Director Lettunich and a second by Director Valencia, the Board unanimously approved the Resolution Authorizing Application to the Texas Commission on Environmental Quality for Approval of Project and Bonds for approval of bonds to be issued by the District not to exceed the principal amount of Three Million Two Hundred Sixty Thousand and No/100 Dollars (\$3,260,000.00). A copy of the Resolution authorizing the preparation and submittal of a bond application to the TCEQ is attached hereto as **Exhibit "B"**. A copy of the Certificate of Secretary is attached hereto as **"Exhibit "C"**, certifying the Resolution was duly passed and adopted by the Board on the aforesaid date.

6. The next item before the Board was to discuss, consider and act on the proposal for Engineering Services between Paseo del Este MUD No. 10 and TRE & Associates for preparation and submittal of the Bond Application Report to the Texas Commission on Environmental Quality, a copy of which is attached as **Exhibit "D"**. Ms. Troncoso presented the proposal to the Board for approval.

Upon a motion by Director Spence and a second by Director Mendez, the Board unanimously approved the proposal for Engineering Services between Paseo del Este MUD No. 10 and TRE & Associates for the preparation and submittal of the Bond Application Report to the Texas Commission on Environmental Quality.

7. The next item on the agenda was to discuss, consider and act on the proposal from West, Davis & Company for preparation of the developer reimbursement audit in relation to the District's fifth bond application to the Texas Commission on Environmental Quality. Mr. West next presented the engagement letter with West, Davis and Company for the preparation of the developer reimbursement audit in conjunction with the District's fifth bond application.

After further discussion, upon a motion by Director Lettunich and a second by Director Mendez, the Board unanimously approved the engagement letter with West, Davis and Company for preparation of the developer reimbursement audit in relation to the District's fifth bond application, a copy of which is attached as **Exhibit "E"**.

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 November 2, 2021. 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 that the Board approve the updated list of qualified brokers attached hereto as **Exhibit "A"** to the Resolution.

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 "A"** to the Resolution.

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 "A"** to the Resolution, it was moved by Director Ortega and seconded by Director Spence that the Resolution, the revised written Investment Policy dated November 2, 2021, and the updated list of qualified brokers attached as **Exhibit "A"** to the Resolution be approved, which motion carried unanimously. A copy of the Resolution and the updated list of qualified brokers is attached as **Exhibit "F"** hereto.

9. The next item before the Board was to consider the operator's report. Ms. Duran next presented the operator's report, a copy of which is attached hereto as **Exhibit "G"**. Ms. Duran reported that as of the end of September the District had 1,198 total connections, and that no 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. Troncoso 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.

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. 4983 in the amount of \$1,031.32 payable to the City of El Paso; and Supplemental Check No. 4984 in the amount of \$2,683.03 payable to Municipal Accounts and Consulting, L.P.

Upon a motion by Director Valencia and a second by Director Spence, 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. 4983 in the amount of \$1,031.32 payable to the City of El Paso; and Supplemental Check No. 4984 in the amount of \$2,683.03 payable to Municipal Accounts and Consulting, L.P.

13. There was no general counsel's report.

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

Passed and approved this 6th day of December, 2022.


Secretary, Board of Directors

(DISTRICT SEAL)

