

MINUTES OF MEETING
OF
BOARD OF DIRECTORS

STATE OF TEXAS §
COUNTY OF EL PASO §
PASEO DEL ESTE MUNICIPAL UTILITY DISTRICT NO. 11 §

The Board of Directors of Paseo del Este Municipal Utility District No. 11 of El Paso County held a regular meeting open to the public, on November 10, 2022, at its meeting place located outside of the District at the offices of TRE & Associates, LLC, 110 Mesa Park Drive, Suite 200, 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:

Jose R. Soto	President
Darwin Voge	Vice President
Marisa Lascurain	Secretary
Alexandra Treviño	Assistant Secretary
Cynthia Ruiz	Assistant Secretary

All of said persons were present, with the exception of Director Lascurain and Director Treviño, thus constituting a quorum. Also present and in attendance were Erika Duran of Inframark, LLC; Nadia Ganser and Frank Ortiz of TRE & Associates; and Franklin Stubbs of Hunt Communities. Margaret Livingston of Franklin Mountain Land Services, LLC; Bob West of West, Davis & Company; Isaias Moreno and Tyler Wilson 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 13, 2022. Upon a motion by Director Ruiz and a second by Director Voge 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 Zoom Video and telephone conference. 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 an update and information on activities of the Paseo del Este Municipal Utility District No. 1 (“MUD No. 1”). Ms. Livingston provided a brief update on the activities of MUD No. 1 within the Paseo del Este community; including a brief update on the status of the temporary field office and the storage and maintenance facility; an update on the park improvements and maintenance plans; and an update on the landscape and pond maintenance plans 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 Voge and a second by Director Ruiz, 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 Four Million Six Hundred Seventy Five Thousand and No/100 Dollars (\$4,675,000.00).

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 Ruiz and a second by Director Voge, 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 Four Million Six Hundred Seventy Five Thousand and No/100 Dollars (\$4,675,000.00). 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. 11 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. Ganser presented the proposal to the Board for approval.

Upon a motion by Director Ruiz and a second by Director Voge, the Board unanimously approved the proposal for Engineering Services between Paseo del Este MUD No. 11 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 third 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 third bond application.

After further discussion, upon a motion by Director Voge and a second by Director Ruiz, 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 third 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 11, 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 11, 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 11, 2021, and the updated list of qualified brokers as incorporated as **Exhibit "A"** to the Resolution, it was moved by Director Ruiz and seconded by Director Voge that the Resolution, the revised written Investment Policy dated November 11, 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 as **Exhibit "G"**. Ms. Duran reported that as of the end of September the District had 392 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) an update on the latest construction and maintenance activity within the Paseo del Este community and growth trends for the Paseo del Este MUD No. 11.

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.

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"**. Mr. Moreno 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. Upon a motion by Director Ruiz and a second by Director Voge, the Board unanimously approved the bookkeeper's report with the list of disbursements and balances.

13. There was no general counsel's report.

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

Passed and approved this 8th day of December, 2022.



Secretary, Board of Directors

(DISTRICT SEAL)

