

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 a special called session, open to the public, on December 5, 2023, 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
George Mendez	Assistant Secretary
Vacant	Assistant Secretary

All of said persons were present thus constituting a quorum. Also present and in attendance were Erika Duran of Inframark, LLC; and Margaret Livingston of Franklin Mountain Land Services. Bob West of West, Davis & Company; Maria Urbina of Hilltop Securities; Linda Troncoso of TRE & Associates; Joel Guzman of Hunt Communities; Isaias Moreno of Municipal Accounts and Consulting, L.P.; and Ty Embrey 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 November 9, 2023. Upon a motion by Director Ortega and a second by Director Mendez 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 on the agenda was to consider approval of the Developer Reimbursement Audit Report relating to the \$1,800,000, Paseo del Este Municipal Utility District No. 10 of El Paso County Unlimited Tax Bonds, Series 2023, the distribution of Bond proceeds, and related matters. Mr. West informed the Board that this is the District's fifth bond issue application. Mr. West provided the Board with a summary of the facilities associated with the fifth bond issue application and information of the costs the District will be reimbursing the

developer for facilities within the District and its (the District's) pro rata share for the cost of the regional facilities.

After further discussion, it was moved by Director Ortega and seconded by Director Spence to approve the audit report, a copy of which is attached as **Exhibit "A"**, and approve the distribution of proceeds as discussed in the audit report, which motion carried unanimously.

4. The next item before the Board was to discuss consider, and take action as necessary concerning the issuance and delivery of the \$1,800,000, Paseo del Este Municipal Utility District No. 10 of El Paso County Unlimited Tax Bonds, Series 2023 and disbursement of bond proceeds, including accepting conveyance of the facilities and real property in connection with the District's Series 2023 Bonds.

Ms. Urbina informed the Board that all necessary actions concerning the issuance and delivery of the \$1,800,000, Paseo del Este Municipal Utility District No. 10 of El Paso County Unlimited Tax Bonds, Series 2023 were completed last month . Mr. Embrey recommended that the Board approve the reimbursements as discussed in Mr. West's Audit Report in connection with the District's fifth bond issuance. Further, Mr. Embrey recommended that the Board authorize him to finalize the necessary conveyance documents on behalf of the District and coordinate the execution of the necessary conveyance documents to accept the conveyance of the facilities from the developer.

After further discussion, it was moved by Director Spence and seconded by Director Valencia to approve the reimbursements as discussed in Mr. West's Audit Report in connection with the District's fifth bond issuance; and, authorize Mr. Embrey to finalize the necessary conveyance documents on behalf of the District and coordinate the execution of the necessary conveyance documents to accept the conveyance of the facilities from the developer, which motion carried unanimously.

5. The next item before the Board was to consider and act on the Resolution Evidencing Annual Review of the Investment Policy and adoption of any recommended revisions to the District's Investment Policy. 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 informed the Board of the minor changes that needed to be made to the District's current Investment Policy, which was last revised on November 2, 2021 and adopted and reaffirmed on November 1, 2022. 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 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 December

5, 2023, 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 December 5, 2023, 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 Mendez that the Resolution, the revised written Investment Policy dated December 5, 2023, 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 revised written Investment Policy, and the updated list of qualified brokers is attached as **Exhibit “B”** hereto.

6. 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; an update on the construction activities of the interim field office; and an update on the landscape improvements within the Paseo del Este community.

7. 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 “C”**. Ms. Duran reported that as of the end of October the District had 1,239 total connections, and that no new connections were added during the current month. Ms. Duran provided the Board with a brief summary of the activities for October 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.

8. 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.

9. Mr. Guzman 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.

10. The Board next considered the bookkeeper’s report, a copy of which is attached as **Exhibit “D”**. 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, including the following supplemental checks: Supplemental Check No. 5168 in the amount of \$ 7,338.50 payable to Lloyd Gosselink Rochelle & Townsend, P. C.; and Supplemental Check No. 5169 in an amount to be determined upon receipt of the billing statement from Texas Municipal League.

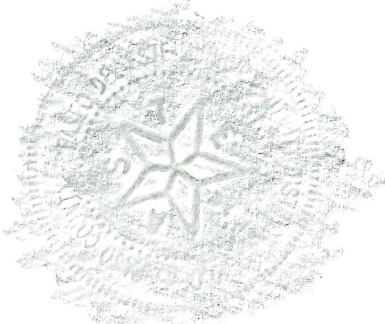
Upon a motion by Director Spence and a second by Director Mendez, the Board unanimously approved the bookkeeper’s report with the list of disbursements and balances and the list of bills presented for payment, including the following supplemental checks: Supplemental Check No. 5168 in the amount of \$ 7,338.50 payable to Lloyd Gosselink Rochelle

& Townsend, P. C.; and Supplemental Check No. 5169 in an amount to be determined upon receipt of the billing statement from Texas Municipal League.

11. The Board next considered the general counsel's report. Mr. Embrey informed the Board that the date of the next regular scheduled meeting is Tuesday, January 2, 2024. Mr. Embrey asked the Board if the January 2, 2024 date was acceptable or if they would rather reschedule the meeting to another date. After further discussion, it was moved by Director Ortega and seconded by Director Spence, that the Board reschedule the next Board meeting to Tuesday, January 9, 2024 at 12:00 p.m., which motion carried unanimously.

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

Passed and approved this 9th day of January, 2024.



(DISTRICT SEAL)


Secretary, Board of Directors