

JACKRABBIT ROAD PUBLIC UTILITY DISTRICT
Minutes of Board of Directors Meeting
January 10, 2023

The Board of Directors (the "Board") of Jackrabbit Road Public Utility District (the "District") met in regular session, open to the public on January 10, 2023, at 16720 Pine Forest Lane, Houston, Texas, in accordance with the duly posted notice of public meeting, and the roll was called of the duly constituted officers and members of said Board, as follows:

Charles L. Falknor, President
Ross L. Bell, Vice-President
Michael Goings, Secretary
Michael Kopecky, Assistant Secretary
James Horn, Assistant Secretary

all of whom participated in the meeting, except Director Kopecky, thus constituting a quorum.

Also attending the meeting were: Mirna Bonilla-Odums of Inframark, LLC ("Inframark"); Miranda Burks of Wheeler & Associates, Inc. ("Wheeler"); Yaneth Castillo of Municipal Accounts & Consulting, L.P. ("MAC"); Erik Miller of Sander Engineering Corporation ("SEC"); Eric Worthington of Harris County Municipal Utility District No. 136 ("MUD No. 136"); and Rick Barker of Schwartz, Page & Harding, L.L.P. ("SPH").

The President called the meeting to order and declared it open for such business as might regularly come before the Board.

PUBLIC COMMENTS

The Board began by opening the meeting for public comments. There being no comments offered, the Board continued to the next item of business.

MINUTES

As the next order of business, the Board considered approval of the draft minutes of the December 13, 2022, Board meeting. After review and discussion of the draft minutes presented, it was moved by Director Goings, seconded by Director Bell, and unanimously carried that the said minutes be approved as written.

SOLID WASTE AND RECYCLING SERVICES

Director Falknor addressed the Board regarding complaints the District has received from residents regarding solid waste collection and recycling services provided to the District by Texas Pride Disposal Solutions, LLC. ("Texas Pride"). Following discussion, the Board concurred to authorize SPH to schedule a special meeting this month and to invite Kevin Atkinson of Texas Pride, and representatives of the Glencarin Homeowner's Association to discuss the issues and corrective actions required.

BOOKKEEPER'S REPORT

Ms. Castillo presented to and reviewed with the Board the Bookkeeper's Report, dated January 10, 2023, a copy of which is attached hereto as **Exhibit A**. After discussion, it was moved by Director Goings, seconded by Director Bell, and unanimously carried that the Board approve the Bookkeeper's Report and authorize payment of the disbursements listed therein, except for check number 15574 payable to Director Kopecky, which was voided.

Director Falknor next requested that Ms. Castillo and Ms. Burks email advance copies of the monthly Bookkeeper's Report and Tax Assessor-Collector Report to the Board on the Friday prior to each Tuesday Board meeting.

TAX ASSESSOR-COLLECTOR REPORT

Ms. Burks presented to and reviewed with the Board the Tax Assessor-Collector Report dated December 31, 2022, a copy of which is attached hereto as **Exhibit B**. After discussion, it was moved by Director Falknor, seconded by Director Horn, and unanimously carried that the Board approve the Tax Assessor-Collector Report and authorize payment of the disbursements identified therein.

RESOLUTION CONCERNING EXEMPTIONS FROM TAXATION

Mr. Barker outlined for the Board the various tax exemptions available for the District, including the exemptions provided for by Article VIII, Section 1-b of the Texas Constitution, and Section 11.13 of the Texas Tax Code, as amended. He advised that under said provisions, the District may provide for the exemption of up to 20% (but not less than \$5,000, if granted) of the market value of residential homestead improvements for the year 2023, and the District may also exempt residential homesteads of persons who are under a disability for purposes of payment of disability insurance benefits under the Federal Old Age, Survivors and Disability Insurance Act, or its successor, or persons sixty-five years of age or older from ad valorem taxes levied by the District during the calendar year 2023, and, if any such exemptions are granted, they must be for not less than \$3,000 of the market value of such homesteads. After further discussion of the matter, it was moved by Director Falknor, seconded by Director Goings, and unanimously carried that the District (a) grant a residential homestead exemption in the amount of twenty percent (20%), but not less than \$5,000, and (b) grant an exemption for persons under a disability or sixty-five years of age or older in the amount of \$10,000 from ad valorem taxes levied by the District during the calendar year 2023, and that the Resolution attached hereto as **Exhibit C** relative to same be approved and adopted by the Board and District.

RESOLUTION AUTHORIZING AND ADDITIONAL PENALTY ON DELINQUENT PERSONAL PROPERTY TAXES

The Board considered the adoption of a Resolution Authorizing an Additional Penalty on Delinquent Personal Property Taxes, a copy of which is attached hereto as **Exhibit D**. Mr. Barker advised that the Board is authorized pursuant to Section 33.11 of the Texas Tax Code, as amended, to impose, under certain conditions an additional penalty not to exceed twenty percent (20%) of the total taxes, penalty and interest due the District on personal property taxes that remain delinquent

for at least 60 days. After discussion, it was moved by Director Falknor, seconded by Director Goings, and unanimously carried that the attached Resolution Authorizing an Additional Penalty on Delinquent Personal Property Taxes be adopted by the Board, and that Cox be authorized to proceed with the collection of the District's 2022 delinquent personal property accounts following proper notice as provided in said Resolution, including the filing of lawsuits, as necessary.

RESOLUTION ADOPTING LIST OF QUALIFIED BROKERS

The Board considered adopting a list of qualified brokers authorized to engage in investment transactions with the District. Mr. Barker advised that pursuant to the Public Funds Investment Act, the Board is required to review such list at least annually. He presented to and reviewed with the Board the attached Resolution Adopting List of Qualified Brokers Authorized to Engage in Investment Transactions with the District, and a list of financial institutions, brokers and dealers attached thereto (the "Resolution"), together with a comparison of the list submitted and the list previously adopted by the Board, copies of which are attached hereto as **Exhibit E**. Mr. Barker further noted that the broker list presented is a list of institutions with which the District may engage in investment transactions compiled with the input of the District's Investment Officer, but it is ultimately the Board's decision as to where the District's funds are actually placed. After discussion, it was moved by Director Falknor, seconded by Director Goings, and unanimously carried that the Resolution be approved by the Board and the District, and that the President and Secretary be authorized to execute same.

TEXAS COMPTROLLER OF PUBLIC ACCOUNTS INFORMATION DATABASE

Mr. Barker informed the Board that, pursuant to provisions of Chapter 403, Government Code, and Chapter 203, Local Government Code, the District is required to submit information to the Texas Comptroller of Public Accounts (the "Comptroller") for inclusion in the Special Purpose District Public Information Database. Mr. Barker recommended that FORVIS, LLP ("FORVIS"), the District's auditor, be authorized to prepare and submit the information. After discussion on the matter, it was moved by Director Falknor, seconded by Director Goings, and unanimously carried that FORVIS be authorized to prepare the required information and submit same to the Comptroller for inclusion in the Special Purpose District Information Database.

DELINQUENT TAX REPORT

The Board considered the Delinquent Tax Report received from the District's delinquent tax collections attorney, Ted A. Cox, P.C, dated January 3, 2023, a copy of which is attached hereto as **Exhibit F**. Mr. Barker noted that there was no action required by the Board at this time with respect to any of the delinquent tax accounts listed in the report.

SALES AND USE TAX ADMINISTRATION REPORT

In connection with collection of sales tax revenue funds received by the District pursuant to the Strategic Partnership Agreement between the District and the City of Houston, Mr. Barker presented to and reviewed the Sales and Use Tax Administration Report dated December 2022, a copy of which is attached hereto as **Exhibit G**. It was noted that no action was required by the Board relative to this report.

Ms. Burks exited the meeting at this time.

ENGINEER'S REPORT

Mr. Miller presented to and reviewed with the Board a written Engineer's Report prepared by SEC dated January 10, 2023, a copy of which is attached hereto as **Exhibit H**.

Mr. Miller then requested the approval of Change Order No. 1 in the amount of \$15,701.75 payable to C3 Constructors for work completed on the Waste Water Treatment Plant Flood Wall System Project, a copy of which is included with **Exhibit H**. After discussion, it was moved by Director Falknor, seconded by Director Goings, and unanimously carried to approve the payment of Change Order No. 1 as discussed.

UTILITY COMMITMENT

Mr. Miller reported that SEC has received a request for services and annexation for a proposed Harmony School to be located on property west of the District along Clay Road. He presented to the Board an aerial photo of the proposed annexation tract. A copy of the aerial photo is attached to **Exhibit H**. After discussion, the Board authorized SEC to request additional information and a formal written request from the developer.

OPERATOR'S REPORT

Ms. Bonilla-Odums presented to and reviewed with the Board the Operator's Report for the month of December 2023, a copy of which is attached hereto as **Exhibit I**.

Ms. Bonilla-Odums next requested authorization from the Board for Inframark to transfer two (2) delinquent utility accounts, totaling \$453.54, to Collections Unlimited for collections. After discussion on the matter, Director Goings moved to authorize Inframark to transfer and write off the two accounts as requested. Director Horn seconded said motion, which unanimously carried.

WATER/SANITARY SEWER RATE ANALYSIS

The Board concurred to defer consideration of Inframark's water/sanitary sewer rate analysis at this time.

CONSUMER CONFIDENCE REPORTS

The Board considered authorizing Inframark to provide the required information to districts receiving water from the District relative to Consumer Confidence Reports. After discussion on the matter, it was moved by Director Bell, seconded by Director Horn, and unanimously carried that the Board authorize Inframark to provide the required information to districts receiving water from the District relative to Consumer Confidence Reports.

STATUS OF ELECTRONIC LOCKBOX PAYMENT SERVICES

The Board deferred a status report on Inframark's Electronic Lock Box payment program transfer from its internal billing software company to Central Bank at this time.

INSURANCE PROPOSALS

The Board discussed obtaining insurance proposals for the 2023-2024 term. Mr. Barker advised the Board that the District's current insurance coverages, through Arthur J. Gallagher & Co. ("AJG"), are set to expire on March 31, 2023. After discussion on the matter, the Board concurred to authorize SPH to solicit a written renewal proposal for the 2023-2024 term on behalf of the District from AJG to be considered at the Board's February meeting.

ATTORNEY'S REPORT

The Board next considered the Attorney's Report. In connection therewith, Mr. Barker advised the Board that he had nothing additional to discuss with the Board of a legal nature which was not covered under specific agenda items.

SECURITY PATROL REPORT

The Board considered the Security Patrol Report. In connection therewith, Director Bell discussed with the Board the recent security related activities in the District.

MATTERS FOR PLACEMENT ON FUTURE AGENDAS

The Board next considered matters to be placed on future agendas and noted that there were no additional items other than the items set forth hereinabove.

ADJOURNMENT OF MEETING

There being no further business to come before the Board, it was moved by Director Goings, seconded by Director Horn, and unanimously carried that the meeting be adjourned.

(SEAL)

Secretary
Board of Directors

LIST OF ATTACHMENTS TO MINUTES

- Exhibit A Bookkeeper's Report
- Exhibit B Tax Assessor-Collector Report
- Exhibit C Resolution Concerning Exemptions from Taxation
- Exhibit D Resolution Authorizing an Additional Penalty on Delinquent Personal Property Taxes
- Exhibit E Resolution Adopting List of Qualified Brokers Authorized to Engage in Investment Transactions, with lists of qualified brokers
- Exhibit F Delinquent Tax Report
- Exhibit G Sales and Use Tax Administration Report for December 2023
- Exhibit H Engineer's Report
- Exhibit I Operator's Report