

JACKRABBIT ROAD PUBLIC UTILITY DISTRICT
Minutes of Board of Directors Meeting
February 14, 2023

The Board of Directors (the "Board") of Jackrabbit Road Public Utility District (the "District") met in regular session, open to the public on February 14, 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"); Derek Michael of Sales Revenue Inc. ("SRI"); 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 January 10, 2023, regular Board meeting and the February 2, 2023, special 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") and the discussion held on February 2, 2023 with representatives from Texas Pride.

Following discussion, the Board concurred that no action was required at this time.

BOOKKEEPER'S REPORT

Ms. Castillo presented to and reviewed with the Board the Bookkeeper's Report, dated February 14, 2023, a copy of which is attached hereto as **Exhibit A**. After discussion, it was moved by Director Falknor, seconded by Director Bell, and unanimously carried that the Board approve the Bookkeeper's Report and authorize payment of the disbursements listed therein.

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 January 31, 2023, a copy of which is attached hereto as **Exhibit B**. After discussion, it was moved by Director Falknor, seconded by Director Goings, and unanimously carried that the Board approve the Tax Assessor-Collector Report and authorize payment of the disbursements identified therein.

RESOLUTION CONCERNING DEVELOPED DISTRICT STATUS FOR 2023 TAX YEAR

Mr. Barker reminded the Board that the procedures applicable to the adoption of the District's tax rate will depend, in part, upon whether it is determined to be a "Developed District" under Texas Water Code Section 49.23602. Mr. Barker reviewed with the Board a worksheet completed by SEC to assist the Board in making this determination, along with a Resolution Concerning Developed District Status for the 2023 Tax Year (the "Resolution"). Following discussion, it was moved by Director Falknor, seconded by Director Goings, and unanimously carried that the Resolution Concerning Developed District Status for 2023 Tax Year, which is attached hereto as **Exhibit C**, be adopted by the Board and the District.

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 February 7, 2023, a copy of which is attached hereto as **Exhibit D**. 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.

Ms. Burks exited the meeting at this time.

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. Michael presented to and reviewed the Sales and Use Tax Administration Report dated February 2023, and the 2022 City of Houston Business List; copies of which are attached hereto as **Exhibit E**. It was noted that no action was required by the Board relative to this report.

ENGINEER'S REPORT

Mr. Miller presented to and reviewed with the Board a written Engineer's Report prepared by SEC dated February 14, 2023, a copy of which is attached hereto as **Exhibit F**.

Mr. Miller then requested: (i) the approval of Pay Application No. 6 in the amount of \$285,102 to C3 Constructors ("C3") for work completed on the Wastewater Treatment Plant ("WWTP") Flood Wall System; (ii) authorization for SEC to begin the design for the decommissioning of Water Plant No. 2 ("WP No. 2"); and (iii) authorization for SEC to prepare a cost summary and Masterson Financial Advisors, LLC ("Masterson") to prepare a cash flow analysis for a possible bond issue. After discussion, it was moved by Director Falknor, seconded by Director Goings, and unanimously carried to: (i) approve Pay Application No. 6 in the amount of \$285,102 to C3; (ii) authorize SEC to begin the design for the decommissioning of WP No. 2; and (iii) authorize SEC to prepare a cost summary and authorize Masterson to prepare a cash flow analysis for a possible bond issue, as discussed.

SEC'S 2023 SCHEDULE OF FEES ADJUSTMENT

Mr. Miller discussed SEC's schedule of fees for engineering services which were effective as of January 1, 2023. Mr. Miller noted that the changes reflect an average increase of approximately 3%, and that these fees are permitted to be adjusted in accordance with SEC's contract with the District. Following discussion, there was no action taken by the Board at this time.

ANNUAL REVIEW OF SURVEY OF WAGE RATE SCALES

The Board deferred consideration of an annual survey of prevailing wage rates for construction projects and the adoption of a Resolution in connection therewith until the March Board meeting.

UTILITY COMMITMENT

Mr. Miller reported on the status of a request for services and annexation for a proposed Harmony School to be located on property west of the District along Clay Road, a copy of an aerial photo of the proposed annexation tract is attached to the Engineer's Report.

OPERATOR'S REPORT

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

Ms. Bonilla-Odums next requested authorization from the Board for Inframark to transfer five (5) delinquent utility accounts, totaling \$681.65, 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.

STATUS OF ELECTRONIC LOCKBOX PAYMENT SERVICES

Mr. Barker informed the Board that SPH has received all the completed contract documents from Central Bank regarding Inframark's Electronic Lock Box payment program transfer to Central Bank.

INSURANCE PROPOSALS

The Board reviewed a renewal proposal for the District's insurance coverages expiring March 31, 2023, received from the District's current insurance carrier, McDonald & Wessendorff Insurance ("MW"), a copy of which is attached hereto as **Exhibit H**. After discussion on the matter, it was moved by Director Falknor, seconded by Director Bell, and unanimously carried that the proposal from MW be accepted by the Board and that the President be authorized to execute such proposal on behalf of the Board and the District.

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 Kopecky, seconded by Director Goings, and unanimously carried that the meeting be adjourned.




Secretary
Board of Directors

LIST OF ATTACHMENTS TO MINUTES

- Exhibit A Bookkeeper's Report
- Exhibit B Tax Assessor-Collector Report
- Exhibit C Resolution Concerning Developed District Status for 2023 Tax Year
- Exhibit D Delinquent Tax Report
- Exhibit E Sales and Use Tax Administration Report for February 2023 and City of Houston Business List
- Exhibit F Engineer's Report
- Exhibit G Operator's Report
- Exhibit H MW Insurance Proposal