

JACKRABBIT ROAD PUBLIC UTILITY DISTRICT  
Minutes of Board of Directors Meeting  
September 13, 2022

The Board of Directors (the "Board") of Jackrabbit Road Public Utility District (the "District") met in regular session, open to the public on September 13, 2022, 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, 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"); 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 August 9, 2022, Board meeting. After review and discussion of the draft minutes presented, it was moved by Director Falknor, seconded by Director Goings, and unanimously carried that the said minutes be approved as written.

#### 2022 TAX RATE RECOMMENDATION

Mr. Barker presented the Board with Masterson's recommendation regarding the proposed 2022 tax rate, a copy of which is attached hereto as **Exhibit A**. He noted that Masterson is recommending that the Board approve no 2022 debt service tax and discussed the 2022 maintenance tax rate.

Mr. Barker then discussed the requirements for notice of the District's intention to adopt a 2022 tax rate. He advised that, pursuant to Section 49.236 of the Texas Water Code, as amended, the District is required to provide a notice containing certain tax-related information in connection

with each meeting at which the adoption of a tax rate will be considered. Mr. Barker further advised that the information to be included in the notice is set forth in the Water Code and includes the proposed tax rate to be adopted. He advised that the District must provide the notice by either (1) publishing it at least once in a newspaper having general circulation in the District at least seven days before the date of the meeting at which the tax rate will be adopted, or (2) mailing it to each owner of taxable property in the District, at the address shown on the most recently certified tax roll of the District, at least ten days before the date of the meeting.

After further discussion on the matter, Director Falknor moved that the Board: (i) accept the financial advisor's recommendation of adopting no 2022 debt service tax, and propose a maintenance tax rate of \$0.2665 per \$100 of assessed valuation; and for a total 2022 tax rate of \$0.2665 per \$100 of assessed valuation, and (ii) authorize and direct Wheeler to publish the notice of the District's intention to adopt a 2022 tax rate at its next meeting in the form and at the time required by law. Director Bell seconded said motion, which unanimously carried. The Board concurred to publish such notice in the *This Week* section of the Houston Chronicle.

#### BOOKKEEPER'S REPORT AND QUARTERLY INVESTMENT INVENTORY REPORT

Ms. Castillo presented to and reviewed with the Board the Bookkeeper's Report, dated September 13, 2022, a copy of which is attached hereto as **Exhibit B**. After discussion, it was moved by Director Goings, seconded by Director Kopecky, and unanimously carried that the Board approve the Bookkeeper's Report and authorize payment of the disbursements listed therein.

Ms. Castillo next presented to and reviewed with the Board the Quarterly Investment Report for the reporting period ending July 31, 2022, a copy of which Report is attached to the Bookkeeper's Report. After discussion, it was moved by Director Goings, seconded by Director Kopecky and unanimously carried, that the Quarterly Investment Inventory Report be approved, and that the District's Investment Officer be authorized to execute same on behalf of the Board and the District.

#### TAX ASSESSOR-COLLECTOR REPORT

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

#### TRANSFER OF DISTRICT'S TAX ACCOUNT

The Board deferred discussion of the transfer of the District's tax account to Frost Bank until the terms of the Collateral Security Agreement have been agreed upon between Wheeler, the District and the bank.

#### DELINQUENT TAX REPORT

The Board considered the Delinquent Tax Report received from the District's delinquent tax collections attorney, Ted A. Cox, P.C. ("Cox"), dated September 6, 2022 (the "Report"), a copy of

which is attached hereto as **Exhibit D**. Mr. Barker informed the Board that Cox is requesting the Board's approval to terminate water service to four delinquent tax accounts as identified on Page 1 of the Report. After discussion, Director Goings moved to authorize water service termination of the four delinquent tax accounts identified in the Report. Director Horn seconded said motion, and with Directors Goings, Horn, Kopecky and Bell voting "aye" and Director Falknor abstaining, the motion passed.

#### SALES AND USE TAX ADMINISTRATION REPORT

The Board deferred consideration of the Sales and Use Tax Administration Report after noting that no report was received this month.

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 September 13, 2022, a copy of which is attached hereto as **Exhibit E**. The Board noted that there were no action items in the Engineer's Report.

Mr. Miller next presented to and reviewed with the Board a revised proposal from Magna Flow Environmental to clean the aeration basins at the Waste Water Treatment Plant (the "WWTP") in the approximate amount of \$478,500 to \$551,000, a copy of which is included with **Exhibit E**. After discussion, the Board concurred to defer the matter at this time

Mr. Miller then reported an air pipe leak over the walkway of the WWTP. He reported that SEC received three proposals for the repairs and that SEC recommends the Board accept the lowest proposal submitted by Rage Industrial Solutions ("Rage") (the "Rage Proposal") in the amount of \$26,895, a copy of which is included with **Exhibit E**. Mr. Miller noted that a similar repair is needed at a second location but it is not included in the Rage Proposal. After discussion, it was moved by Director Falknor, seconded by Director Bell, and unanimously carried to approve the Rage Proposal.

Mr. Miller next reported that the weir supports in Clarifier No. 2 need to be replaced. Inframark obtained one initial proposal which exceeded \$75,000.00. After discussion the Board authorized SEC to prepare a bid package for the project.

Mr. Miller then requested the payment of Pay Estimate No. 1 in the amount of \$100,413.00 and No. 2 in the amount of \$2,700.00 payable to C3 Constructors for work completed on the WWTP Flood Wall System Project, a copy of which is included with **Exhibit E**. After discussion, it was moved by Director Falknor, seconded by Director Bell, and unanimously carried to approve the payment of Pay Estimates No. 1 and No. 2 as discussed.

#### UTILITY COMMITMENT

Messrs. Barker and Miller noted that there were no requests for utility commitments this month.

## OPERATOR'S REPORT

Ms. Bonilla-Odums presented to and reviewed with the Board the Operator's Report for the month of August 2022, a copy of which is attached hereto as **Exhibit F**.

Ms. Bonilla-Odums next discussed the delinquent list of water accounts and requested that the Board consider authorizing Inframark to transfer four delinquent accounts in the amount of \$575.65, which accounts are reflected on the attached report, to Collections Unlimited ("CU") for collection.

Ms. Bonilla-Odums then presented to and reviewed with the Board a proposal from North Side Electric Motors ("NSEM") to either repair or replace the motor for Blower No. 5 at the WWTP. Noting that some costs were not reflected in the proposal, she reported that the cost to repair would be approximately \$1,100.00, and the cost to replace would be approximately \$22,200.00. Mr. Miller noted that SEC recommends the motor be repaired.

Ms. Bonilla-Odums next presented to and reviewed with the Board two proposals for the repair of the bleach tank at the WWTP. The first proposal was from Napco in the amount of \$21,250 and the second proposal was from AOS Treatment Solutions, LLC ("AOS") in the amount of \$18,038. She noted that Inframark recommends the Board accept the proposal from AOS.

After discussion, it was moved by Director Goings, seconded by Director Kopecky, and unanimously carried: (i) that Inframark be authorized to transfer said delinquent accounts to CU for collection; (ii) to follow SEC's recommendation to authorize Inframark to accept the proposal from NSEM for the repair of Blower No. 5 at a cost of approximately \$11,000; (iii) to follow Inframark's recommendation to authorize Inframark to accept AOS's proposal for the repair of the Bleach Tank in the amount of \$18,038.00.

Ms. Bonilla-Odums presented to and reviewed with the Board a request from a District resident to have her utility account reinstated. Ms. Bonilla-Odums informed the Board that the resident was approved for a payment plan but prior to paying off the debt, the resident was arrested and her utility account was closed. After discussion, the Board concurred to authorize Inframark to re-instate the resident's payment plan if and when she is able to reactivate the utility account.

## 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.

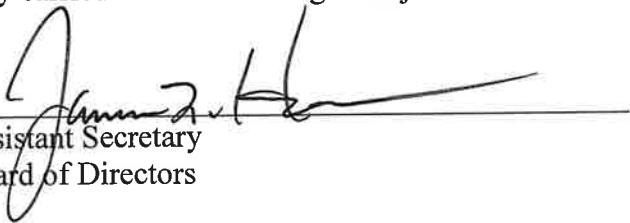
MATTERS FOR PLACEMENT ON FUTURE AGENDAS

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 Kopecky, and unanimously carried that the meeting be adjourned.



  
Assistant Secretary  
Board of Directors

LIST OF ATTACHMENTS TO MINUTES

- Exhibit A 2022 Tax Rate Recommendation
- Exhibit B Bookkeeper's Report and Quarterly Investment Report
- Exhibit C Tax Assessor-Collector Report
- Exhibit D Delinquent Tax Report
- Exhibit E Engineer's Report
- Exhibit F Operator's Report