

JACKRABBIT ROAD PUBLIC UTILITY DISTRICT
Minutes of Board of Directors Meeting
September 12, 2023

The Board of Directors (the "Board") of Jackrabbit Road Public Utility District (the "District") met in regular session, open to the public on September 12, 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
James Horn, Assistant Secretary
Gary Streit, Assistant Secretary

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

Also attending the meeting were: Tony Cinotta and Aimee Ordeneaux-Raley of Texas Pride Disposal Solutions LLC ("TPDS"); Debbie Shelton of Masterson Advisors LLC ("Masterson"); Mirna Bonilla-Odums of Inframark, LLC ("Inframark"); Miranda Burkes of Wheeler & Associates, Inc. ("Wheeler"); Yaneth Copper 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 8, 2023, Board meeting. After review and discussion of the draft minutes presented, it was moved by Director Goings, seconded by Director Horn, and unanimously carried that said minutes be approved as written.

2023 TAX RATE RECOMMENDATION

Ms. Shelton presented to and reviewed with the Board Masterson's recommendation regarding the proposed 2023 tax rate, a copy of which is attached hereto as **Exhibit A**. She noted that Masterson is recommending that the Board approve no 2023 debt service tax and then discussed the 2023 maintenance tax rate.

Mr. Barker then discussed the requirements for notice of the District's intention to adopt a 2023 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 Goings moved that the Board: (i) accept the financial advisor's recommendation of adopting no 2023 debt service tax, and propose a maintenance tax rate of \$0.24917 per \$100 of assessed valuation; and for a total 2023 tax rate of \$0.24917 per \$100 of assessed valuation, and (ii) authorize and direct Wheeler to publish the notice of the District's intention to adopt a 2023 tax rate at its next meeting in the form and at the time required by law. Director Horn seconded said motion, which unanimously carried. The Board concurred to publish such notice in the *This Week* section of the Houston Chronicle.

TPDS MONTHLY SERVICE REPORT AND CONSIDER SERVICE ISSUES

The Board next considered the Texas Pride Monthly Service Report for August 2023, a copy of the report is attached hereto as **Exhibit B**.

Mr. Cinotta and Ms. Ordeneaux-Raley discussed recent service issues with the Board. Mr. Barker then presented to and reviewed with the Board a proposed Notice to Residents drafted by Director Falknor, a copy of which is attached to **Exhibit B**. After discussion, TPDS agreed to: track requests repair or replacement of trash cans in its monthly reports; review and provide comments on the Board's Notice to the Residents; provide options for communicating with District residents via monthly notifications, trash can tags, door hangers, and/or mailers in English and Spanish; look into the possibility of ordering sturdier cans; and attend the next Board meeting.

Mr. Cinotta and Ms. Ordeneaux-Raley exited the meeting at this time.

BOOKKEEPER'S REPORT

Ms. Castillo presented to and reviewed with the Board the Bookkeeper's Report, dated September 12, 2023, a copy of which is attached hereto as **Exhibit C**. After discussion, it was moved by Director Goings, seconded by Director Streit, and unanimously carried that the Board approve the Bookkeeper's Report and authorize payment of the disbursements listed therein.

TAX ASSESSOR-COLLECTOR REPORT

Ms. Burkes presented to and reviewed with the Board the Tax Assessor-Collector Report dated August 31, 2023, and a Delinquent Collections Listings as of August 31, 2023. Copies of which are attached hereto as **Exhibit D**. After discussion on the matter, it was moved by Director

Goings, seconded by Director Streit, and unanimously carried that the Board approve the Tax Assessor-Collector Report.

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 September 5, 2023, a copy of which is attached hereto as **Exhibit E**. 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 with the City of Houston, Mr. Barker presented to and reviewed with the Board the August 2023 Allocation Report prepared by Sales Revenue Inc. ("SRI"), a copy of which is attached hereto as **Exhibit F**, and noted that there is no action required by the Board at this time.

Ms. Burkes exited the meeting at this time.

OPERATOR'S REPORT

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

Ms. Bonilla-Odums next discussed the delinquent list of water accounts and requested that the Board consider authorizing Inframark to transfer eight (8) delinquent accounts totaling \$802.11 to Collections Unlimited ("CU") for collection and to write off one delinquent account in the amount of \$16.72, which accounts are reflected on the attached report. After discussion on the matter, it was moved by Director Falknor, seconded by Director Horn, and unanimously carried that Inframark be authorized to transfer the eight delinquent accounts to CU for collection and write off the one delinquent account, as requested.

Ms. Bonilla-Odums reported that the West Harris County Regional Water Authority (the "WHCRWA") initiated Stage 2 Drought Conditions, a copy of the WHCRWA Notice is attached hereto as **Exhibit G**. She noted that the District has already initiated Stage 1 of the District's Drought Contingency Plan (the "DCP"). Ms. Bonilla-Odums noted further that the restrictions in Stage 1 of the District's DCP are as restrictive as those in Stage 2 of the WHCRWA's DCP. As such, the District will remain in Stage 1. Ms. Bonilla-Odums noted further that Inframark will place signage in the District and will send an alert regarding same.

ENGINEER'S REPORT

Mr. Miller presented to and reviewed with the Board a written Engineer's Report prepared by SEC dated September 12, 2023, a copy of which is attached hereto as **Exhibit H**.

Mr. Miller presented to and reviewed with the Board three cost estimates for the proposed Clarifier No. 2 Repairs project (prepared by a consultant that specializes in traveling bridge clarifiers): the manufacturer's representative) for the: (i) historical method repairs at an estimated cost of \$1,352,000; (ii) specialist recommended method, with completion of only some of the recommended repairs for an estimated cost of \$1,550,000; and (iii) specialist recommended method, completion of all of the recommended repairs for an estimated cost of \$1,690,000, he noted that all options include a 10% contingency, and \$45,000 in extra unit price items which range from approximately \$170,000 to \$200,000, depending on the option. He noted that, because of the project size, SEC recommends that the Board wait for completion of the Capital Improvement Plan analysis before taking action on the project. After discussion, the Board concurred to defer on the matter at this time.

Mr. Miller reported the completion of the flood wall and noted that the manufacturer will be sponsoring an Open House to invite everyone to see the floodwall on Friday, October 20, 2023, from 11:00 a.m. to 1:00 p.m. Mr. Miller noted that he would need to know who will be attending prior to the event.

UTILITY COMMITMENT

In connection with the utility commitment request by the Shiva Durga Krishna Church (the "Church"), Mr. Miller discussed the revised tax-exempt tap fee. He noted that the original request was to provide 39 ESFCs for water and 34 ESFCs for sanitary sewer resulting in a tap fee of \$170,524.18. The new request reduced the request to 9 ESFCs for water and 5 ESFCs for sanitary sewer, resulting in a revised tap fee of \$32,108.87. He noted that the revised tap fee will be sent to the Church, and that the associated Utility Commitment is being prepared. There was no Board action taken on this matter.

PROPOSED ANNEXATION REQUEST

Mr. Miller presented to and reviewed with the Board an informal annexation request from developer Eugene Chong requesting the annexation of 16301 Pine Forest Lane, Houston, Texas 77084 into the boundaries of the District in order to receive water and sanitary sewer services to serve a proposed RV Park. A copy of the request is attached hereto as **Exhibit H**. Mr. Miller reported that Mr. Chung has been told that if annexed he will be responsible for costs associated with the annexation which includes a deposit for the preparation of a feasibility study, and the extension of water and sanitary lines. After discussion, it was moved by Director Goings, seconded by Director Streit, and unanimously carried that the Board authorize the preparation of a feasibility study, subject to the receipt of a \$15,000 deposit and all documentation requested by SEC from Mr. Chong.

WATER/SANITARY SEWER RATE ANALYSIS

Mr. Miller reported that SEC and Inframark are continuing to work on the preparation of the water/sanitary sewer rate analysis for the Board's review.

ATTORNEY'S REPORT

The Board next considered the Attorney's Report. In connection therewith, Mr. Barker reported the receipt of correspondence from the Harris Central Appraisal District ("HCAD") regarding the Selection of Appraisal District Board Members, a copy of which is attached hereto as **Exhibit I**. Mr. Barker noted that the deadline for the District to submit its nomination is October 15, 2023. After discussion, the Board concurred to decline to submit a nomination.

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. There was no Board action taken on this matter.

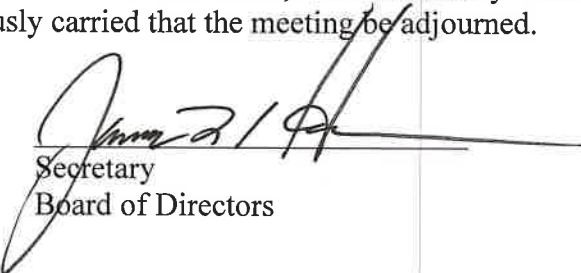
MATTERS FOR PLACEMENT ON FUTURE AGENDAS

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 Falknor, seconded by Director Horn, and unanimously carried that the meeting be adjourned.




Secretary
Board of Directors

LIST OF ATTACHMENTS TO MINUTES

- Exhibit A 2023 Tax Rate Recommendation
- Exhibit B Texas Pride Monthly Service Report for August 2023
- Exhibit C Bookkeeper's Report
- Exhibit D Tax Assessor-Collector Report
- Exhibit E Delinquent Tax Report
- Exhibit F Sales and Use Tax Administration Report prepared by SRI
- Exhibit G Operator's Report
- Exhibit H Engineer's Report
- Exhibit I Harris Central Appraisal District Correspondence