

JACKRABBIT ROAD PUBLIC UTILITY DISTRICT
Minutes of Board of Directors Meeting
October 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 October 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
James Horn, Assistant Secretary
Gary Streit, Assistant Secretary

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

Also attending the meeting were: Tony Cinotta of Texas Pride Disposal Solutions LLC ("TPDS"); Mirna Bonilla-Odums of Inframark, LLC ("Inframark"); Eric Worthington of Harris County Municipal Utility District No. 136 ("MUD No. 136"); 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 September 12, 2023, Board meeting. After review and discussion of the draft minutes presented, it was moved by Director Horn, seconded by Director Bell, and unanimously carried that said minutes be approved as written.

TPDS MONTHLY SERVICE REPORT AND CONSIDER SERVICE ISSUES

Mr. Cinotta next presented to and reviewed with the Board the Texas Pride Monthly Service Report for September 2023, a Container Exchange List and a Sample Door Hanger in both English and Spanish, copies of which are attached hereto as **Exhibit A**.

Mr. Cinotta discussed various issues with the Board related to the trash collector services in the District. He noted that TPDS will be distributing the door tags at approximately 250 homes per week. Mr. Cinotta is currently ordering a different brand (Schaeffer) of cart, which they believe is sturdier material than the old carts.

Mr. Cinotta exited the meeting at this time.

PUBLIC HEARING REGARDING ADOPTION OF THE DISTRICT'S 2023 TAX RATE AND LEVY OF THE DISTRICT'S 2023 TAX RATE AND ADOPTION OF AN ORDER IN CONNECTION THEREWITH

The Board conducted a hearing regarding the imposition of a proposed maintenance tax rate for 2023. It was noted that no taxpayer appeared at the hearing. Upon motion made by Director Falknor, seconded by Director Horn and unanimously carried, the hearing was closed.

The Board then discussed the setting of the 2023 tax rate. Ms. Burkes confirmed that the notice had been published in *Houston Chronicle*, in accordance with all legal requirements and as directed at the previous meeting. After discussion on the matter, Director Falknor moved that: (1) the Board adopt the tax rate as proposed at the District's September 12, 2023, meeting, being a 2023 maintenance tax rate of \$0.2490 per \$100 of valuation, resulting in a total 2023 tax rate of \$0.2490 per \$100 of valuation; and (2) the Order Levying Taxes attached hereto as **Exhibit B** be adopted in connection therewith and the President be authorized to execute and the Assistant Secretary to attest same on behalf of the Board and the District. Director Horn seconded said motion, which unanimously carried.

AMENDMENT TO THE THIRD AMENDED AND RESTATED DISTRICT INFORMATION FORM

Mr. Barker presented and discussed with the Board an Amendment to the Third Amended and Restated District Information Form (the "DIF") relative to the District's 2023 tax rate. After discussion, Director Falknor moved that the amended DIF be approved and that the Board members present be authorized to execute same on behalf of the Board and the District. Director Horn seconded said motion, which carried unanimously.

BOOKKEEPER'S REPORT AND QUARTERLY INVESTMENT REPORT

Ms. Copper presented to and reviewed with the Board the Bookkeeper's Report, dated October 10, 2023, a copy of which is attached hereto as **Exhibit C**. After discussion, it was moved by Director Horn, seconded by Director Streit, and unanimously carried that the Board approve the Bookkeeper's Report and authorize payment of the disbursements listed therein.

Ms. Copper then presented to and reviewed with the Board the Quarterly Investment Report for the reporting period ending July 31, 2023, a copy of which Report is attached to the Bookkeeper's Report. After discussion, it was moved by Director Horn, seconded by Director Streit and unanimously carried, that the Quarterly Investment Report be approved, and that the District's Investment Officer be authorized to execute same on behalf of the Board and the District.

COMPLIANCE WITH TEXAS GOVERNMENT CODE CHAPTER 2265 RELATIVE TO ENERGY REPORTING

The Board deferred consideration of the District's electricity utility usage and expense report until next month at the request of Ms. Copper.

ANNUAL REVIEW OF ORDER ESTABLISHING POLICY FOR INVESTMENT OF DISTRICT FUNDS AND APPOINTING INVESTMENT OFFICER

The Board considered the annual review of its Order Establishing Policy for Investment of District Funds and Appointing Investment Officer (the "Investment Policy"), and the adoption of a Resolution in connection therewith. Mr. Barker reviewed with the Board the proposed changes to the Investment Policy, and then presented for the Board's adoption a Resolution Regarding Review of Order Establishing Policy for Investment of District Funds and Appointing Investment Officer (the "Resolution"). After discussion on the matter, Director Falknor moved that the revised Investment Policy be approved, that the Resolution attached hereto as **Exhibit D** be adopted, and that the President and Assistant Secretary be authorized to execute same. Director Bell seconded said motion, which unanimously carried.

TAX ASSESSOR-COLLECTOR REPORT

Ms. Burkes presented to and reviewed with the Board the Tax Assessor-Collector Report dated September 30, 2023, and a Delinquent Collections Listings as of September 30, 2023, copies of which are attached hereto as **Exhibit E**. After discussion on the matter, it was moved by Director Horn, 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. ("Cox"), dated September 5, 2023, a copy of which is attached hereto as **Exhibit F**. Mr. Barker requested Board authorization to terminate water service to seven delinquent tax accounts for non-payment of taxes. After discussion, Director Ross moved that the District authorize Cox proceed with termination of water service to seven delinquent tax accounts for non-payment of taxes. Director Streit seconded said motion, and with Directors Horn, Bell and Streit voting "aye" and Director Falknor abstaining, the motion passed.

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 September 2023 Allocation Report prepared by Sales Revenue Inc. ("SRI"), a copy of which is attached hereto as **Exhibit G**, 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 August 2023, a copy of which is attached hereto as **Exhibit H**.

Ms. Bonilla-Odums next discussed the delinquent list of water accounts and requested that the Board consider authorizing Inframark to transfer six delinquent accounts totaling \$1,897.73 to Collections Unlimited ("CU") for collection and to write off one delinquent account in the amount of \$9.82, 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 six delinquent accounts to CU for collection and write off the one delinquent account, as requested.

Ms. Bonilla-Odums then presented to and reviewed with the Board a proposal from Inframark to repair and replace a four-inch air release valve on a well header at Water Plant No. 3 in the amount of \$8,093.00; and a proposal from Texas Hydrant Services ("THS") for fire hydrant water blasting and painting. Copies of both proposals are attached to the Operator's Report. After discussion, it was moved by Director Falknor, seconded by Director Horn, and unanimously carried that the Board approve Inframark's proposal in the amount of \$8,093.00 for repair of the air release valve; and THS's proposal for fire hydrant water blasting and painting (one color barrel and color-coded bonnet) of 138 fire hydrants in the amount of \$52.00 each and totaling \$7,176.00.

Ms. Bonilla-Odums next presented the well test report, noted that all wells are functioning properly. She noted that no action is required by the Board at this time.

Ms. Bonilla-Odums then presented to the Board Harris County's request to conduct water sampling at the District's water plant/water well(s). Mr. Barker advised the Board that , if the Board is amenable, Harris County will provide an agreement between the District and Harris County to conduct a water sample testing at the District's Water Plant and water wells(s). After discussion on the matter, it was moved by Director Falknor, seconded by Director Streit, and unanimously carried that the Board authorize and direct Inframark to communicate to Harris County that the District is in favor of Harris County's request to conduct water sampling at the District's Water Plant and water well(s), subject to review of the written agreement related to same.

ENGINEER'S REPORT

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

Mr. Miller next presented to and reviewed with the Board three Preliminary Estimates for the proposed repairs to Clarifier No. 2 submitted by Ovivo, a consultant that specializes in traveling bridge clarifiers. Preliminary Estimate No. 1 in the amount of \$1,531,576.21 does not utilize any Ovivo equipment; Preliminary Estimate No. 2 in the amount of \$1,910,209.80 utilizes only Ovivo equipment; and Preliminary Estimate No. 3 in the amount of \$1,751,571.90 deducts the Sychr drive and power bar. Copies of the Preliminary Estimates are attached to the Engineer's Report. Mr. Miller noted that SEC is recommending the approval of Preliminary Estimate No. 3 in the

amount of \$1,751,571.90. After discussion, it was moved by Director Falknor, seconded by Director Horn, and unanimously carried to authorize SEC to advertise the Clarifier No. 2 Repairs Project for Bid using Preliminary Estimate No. 3, as recommended.

Mr. Miller then presented to and reviewed with the Board proposals for the Plugging and Abandonment of Water well No. 2 from: (i) C&C Water Services ("CWS") in the amount of \$58,800.00; (ii) Alsay Incorporated in the amount of \$59,600; and (iii) Weisinger Incorporated in the amount of \$78,634.00, copies of the proposals are attached to the Engineer's Report. Mr. Miller noted that SEC is recommending the approval of CWS's Proposal in the amount of \$58,800.00. After discussion, it was moved by Director Falknor, seconded by Director Bell, and unanimously carried to accept the proposal from CWS in the amount of \$58,800.00.

UTILITY COMMITMENT

In connection with the utility commitment request by the Shiva Durga Krishna Church (the "Church"), Mr. Miller reported the receipt of the check for the tap-exempt fee in the amount of \$32,108.87 has been received by SEC. 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 to receive water and sanitary sewer services to serve a proposed RV Park. Mr. Miller reported Mr. Chung has not been in contact with SEC since the last meeting and reminded the Board that the preparation of a feasibility study for the proposed project is subject to the receipt of a \$15,000 deposit and the submission of all documentation requested by SEC.

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 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 reported that the HOA has advised that it plans to terminate its agreement with Harris County for security services. Mr. Baker noted that the District funds a portion of the security costs, and that such contributions will end on the date of the termination of the contract.

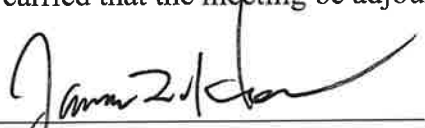
MATTERS FOR PLACEMENT ON FUTURE AGENDAS

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




Assistant Secretary
Board of Directors

LIST OF ATTACHMENTS TO MINUTES

- Exhibit A Texas Pride Monthly Service Report for September 2023, Container Exchange List and Sample Door Hanger
- Exhibit B Order Levying Taxes
- Exhibit C Bookkeeper's Report and Quarterly Investment Report
- Exhibit D Resolution Regarding Review of Investment Policy
- Exhibit E Tax Assessor-Collector Report
- Exhibit F Delinquent Tax Report
- Exhibit G Sales and Use Tax Administration Report prepared by SRI
- Exhibit H Operator's Report
- Exhibit I Engineer's Report