

JACKRABBIT ROAD PUBLIC UTILITY DISTRICT  
Minutes of Board of Directors Meeting  
November 8, 2022

The Board of Directors (the "Board") of Jackrabbit Road Public Utility District (the "District") met in regular session, open to the public on November 8, 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, except Director Falknor, thus constituting a quorum.

Also attending the meeting were: Jennifer Hanna of FORVIS, LLP ("FORVIS"); District residents Jeremy Senegal, Marjorie Moreno and Dexter Brown; 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 Vice 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. Mr. Senegal addressed the Board regarding his water meter. He noted that he believes he is being billed for his neighbor's water usage. The Board noted that the matter will be discussed in detail during the Operator's Report.

MINUTES

As the next order of business, the Board considered approval of the draft minutes of the October 11, 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.

OPERATOR'S REPORT

A discussion ensued regarding the issues related to Mr. Senegal's water meter. For the convenience of the District residents in attendance, the Board concurred to cover the portion of the Operator's Report applicable to such customers at this time.

Ms. Bonilla-Odums report that Inframark has visited the site and investigated the matter and

found that: (i) Mr. Senegal's water meter is located side-by-side with his neighbor's water meter; (ii) the private lines connecting the meters to the residences are closed, the result being that each residence is being billed for the other resident's water usage. Ms. Bonilla-Odums stated that this "crossed connection" likely occurred when Inframark moved the meters in July. Ms. Bonilla-Odums presented pictures of the work showing the connections appeared proper. However, she noted that, due to the property line, Inframark is not able to expose the lines very far from the meters during such work. Accordingly, if the lines crossed further into the private property, there would be no way for Inframark to know. Mr. Senegal confirmed that, prior to July, he believes the meters were properly connected.

After discussion, Director Goings moved that the Board authorize and direct the following: (i) Inframark will correct the connections to the meters at no cost to the customers; (ii) the customers at both residences will pay their respective water bills as issued; however, any and all late fees or penalties for the applicable period will be waived; (iii) after the correction is made, and all water bills have been sent applicable to the period during which the connections were crossed, Inframark shall calculate a credit/debit for each customer based on the correct usage and apply such credit/debit to the subsequent water bill; and (iv) Inframark will communicate same to each customer.

The Board then concurred to move to the next item of business on the agenda.

Mr. Senegal, Ms. Moreno and Mr. Brown exited the meeting at this time.

## AUDIT REPORTS

Ms. Hanna presented to and reviewed with the Board drafts of the audit reports prepared by BKD for the fiscal year ended July 31, 2022, for the District and the Wastewater Treatment Plant (the "WWTP"), copies of which are attached hereto as **Exhibit A**. In connection with the District's audit reports, Ms. Hanna presented the Board with a draft Management Letter prepared by BKD, concerning the Board's internal controls over financial reporting (the "Management Letter"), a copy of which is attached hereto as **Exhibit B**. Mr. Barker advised that the Management Letter includes the District's proposed response as prepared by SPH. Ms. Hanna then presented for the Board's review correspondence from BKD, a copy of which is attached hereto as **Exhibit C**, summarizing information that BKD is required to communicate to the Board as part of its audit of the District's financial statements. After discussion concerning the Audits presented, Director Goings moved that: (i) the audit reports for fiscal year ended July 31, 2022, be approved, subject to SPH's final review and comment, (ii) the response to the Management Letter be approved, (iii) the Vice President be authorized to execute the Annual Filing Affidavit on behalf of the Board and the District, and (iv) such audit reports and Annual Filing Affidavit be filed with the appropriate governmental authorities, including the Texas Commission on Environmental Quality and the Texas Comptroller of Public Accounts (the "Comptroller"), by the applicable deadline, subject to final review and approval by SPH. Director Kopecky seconded said motion, which unanimously carried.

Ms. Hanna exited the meeting at this time.

## BOOKKEEPER'S REPORT

Ms. Castillo presented to and reviewed with the Board the Bookkeeper's Report, dated November 8, 2022, a copy of which is attached hereto as **Exhibit D**. 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.

## TAX ASSESSOR-COLLECTOR REPORT

Ms. Burks presented to and reviewed with the Board the Tax Assessor-Collector Report dated October 31, 2022, a copy of which is attached hereto as **Exhibit E**. 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.

## 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 November 2022 (the "Report"), 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 October 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 November 8, 2022, a copy of which is attached hereto as **Exhibit H**.

Mr. Miller next recommended the Board to stop all work on all aeration basins at the Waste Water Treatment Plant (the "WWTP Rehabilitation Project") for which a traditional bypass is possible, use traditional bypass methods and clean those basins under a separate project contract in order to keep the WWTP Rehabilitation Project at or near budget. After discussion, it was moved by Director Goings, seconded by Director Bell, and unanimously carried that the Board authorize SEC to proceed on the WWTP Rehabilitation Project as discussed.

Mr. Miller then requested the payment of Pay Estimate No. 4 in the amount of \$50,373.00 payable to C3 Constructors for work completed on the WWTP Flood Wall System Project, a copy of which is included with **Exhibit H**. After discussion, it was moved by Director Goings, seconded

by Director Bell, and unanimously carried to approve the payment of Pay Estimate No. 4 as discussed.

#### OPERATOR'S REPORT (continued)

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

Ms. Bonilla-Odums next requested authorization from the Board for Inframark to transfer four (4) delinquent accounts, totaling \$407.79, to Collections Unlimited for collections and to write off one (1) uncollectible account, totaling \$2.47. After discussion on the matter, Director Goings moved to authorize Inframark to transfer and write off the accounts as requested. Director Bell seconded said motion, which unanimously carried.

Ms. Bonilla-Odums then presented to and reviewed with the Board the Fire Hydrant Inspection and PM Report dated September 2022 (the "Fire Hydrant Report"), a copy of which Fire Hydrant Report is included in **Exhibit I**. Ms. Bonilla-Odums then presented to and reviewed with the Board a proposal prepared by Inframark for the: (i) landscaping or cap replacement of nineteen (19) fire hydrants in the amount of \$150.00 each; (ii) replacement of bolts at eleven fire hydrants in the amount of \$368.18 each; and the repair of two (2) fire hydrants in the amount of \$650.00 each, for a total of \$8,200.00. However, she noted that Inframark is recommending the full replacement of ten (10) fire hydrants within the District, and that such replacements should take priority over the recommended repairs at this time. After discussion, Director Goings moved to authorize Inframark to replace ten (10) fire hydrants for a total cost of \$85,500.00. Director Bell seconded said motion, which unanimously carried.

Ms. Bonilla-Odums next presented to and reviewed with the Board the Delinquent Letter Accounts Listing prepared by Inframark. A copy of the Delinquent Letter Accounts Listing is included in **Exhibit I**.

Ms. Bonilla-Odums next presented to and reviewed with the Board a proposal from Inframark to install a FleetZoom cellular monitoring system unit (the "Monitoring System") in the amount of \$9,100.00 to monitor LS levels at the WWTP. She noted that the system has an annual renewal fee of \$420.00 per year. After discussion, Director Goings moved to approve the purchase and installation of a Monitoring System in the amount of \$9,100.00 and to pay an annual renewal fee of \$420.00. Director Bell seconded said motion, which unanimously carried. A copy of the proposal is included in **Exhibit I**.

#### UTILITY COMMITMENT

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

#### APPROVAL OF ELECTRONIC LOCKBOX PAYMENT SERVICES

Ms. Bonilla-Odums next informed the Board that Inframark moving its Electronic Lock Box (ELB) payment program from AVR (its internal billing software company) to Central Bank and She

noted that: (i) Inframark will be retaining in place their existing agreements with T-Tech (for ACH payments) and Pace Payment Systems (for credit/debit card payments); (ii) the Central Bank ELB program will be adding an additional option for the customer to make a "checkless" payment using their own bank's online bill payment system; and (iii) there are no fees payable by the District under the Central Bank ELB program other than a \$7.50 returned payment/NSF fee which would be charged through by District to the customer under the District's Rate Order.

Ms. Bonilla-Odums then presented to and reviewed with the Board a Processing Agreement between Central Bank and the District, a Resolution Approving Central Bank's Electronic Lockbox Payment Services for District Customers, and Addendum to Operator Service Agreement by and between the District and Inframark (collectively, the "Program Enrollment Documents") and asked the Board to consider approving the Program Enrollment Documents, and authorizing the Vice President to execute same on behalf of the Board and the District. After discussion, Director Goings moved to approve the Program Enrollment Documents as presented, authorize the Vice President to execute same on behalf of the Board and the District that the Board and authorize SPH to accept and acknowledge the Texas Ethics Commission Form 1295 from Central Bank relative to the Processing Agreement and Inframark relative to the Addendum to Operator Service Agreement. Director Horn seconded the motion, which carried unanimously. Copies of the Program Enrollment Documents are attached hereto as **Exhibit J**.

#### EMINENT DOMAIN REPORT

Mr. Barker reminded the Board that all political subdivisions with the power of eminent domain, including the District, are required to file an annual eminent domain report by February 1 of each year with the Texas Comptroller. He explained that the report will contain the District's contact information as well as information related to the District's ability to exercise the power of eminent domain. After discussion, it was moved by Director Goings, seconded by Director Kopecky and unanimously carried, that the Board authorize SPH to file the annual eminent domain report with the Comptroller on behalf of the District.

#### ATTORNEY'S REPORT

The Board considered the Attorney's Report. Mr. Barker presented to and reviewed with the Board a draft Texas Utility Help Program Utility Provider Agreement from the Texas Utility Help Program. He advised that the program is intended to assist low income households with emergency assistance with their water bill payments. A copy of the Agreement is attached hereto as **Exhibit K**. After further discussion on the matter and the potential obligations placed on the District and Inframark by participating in the program, the Board concurred to decline to participate in the program at this time.

Mr. Barker next presented and reviewed with the Board correspondence from Masterson Advisors, LLC, relative to disclosure requirements imposed by the Municipal Securities Rulemaking Board ("MSRB") Rule G-10, a copy of which is attached hereto as **Exhibit L**. After discussion, the Board concurred to formally acknowledge receipt of said disclosure.

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 Director Bell presented to and reviewed with the Board an electricity usage report, a copy of which is attached hereto as **Exhibit M**. After discussion, the Board concurred that no action was necessary regarding this matter at this time.

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.



  
Secretary  
Board of Directors



LIST OF ATTACHMENTS TO MINUTES

- Exhibit A Draft Audit Reports for the District and Joint Wastewater Treatment Plant
- Exhibit B Draft Management Letter prepared by FORVIS, LLC
- Exhibit C FORVIS, LLC Correspondence
- Exhibit D Bookkeeper's Report
- Exhibit E Tax Assessor-Collector Report
- Exhibit F Delinquent Tax Report
- Exhibit G Sales and Use Tax Administration Report for October 2022
- Exhibit H Engineer's Report
- Exhibit I Operator's Report
- Exhibit J Central Bank ELB Program Enrollment Documents
- Exhibit K Draft Texas Utility Help Program Utility Provider Agreement
- Exhibit L MSRB Rule G-10 Annual Disclosure from Masterson Advisors LLC
- Exhibit M Electricity Usage Report