

JACKRABBIT ROAD PUBLIC UTILITY DISTRICT
Minutes of Board of Directors Meeting
November 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 November 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
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: District resident Leslee Macygin; Jennifer Hanna of FORVIS, LLP ("FORVIS"); Aimee Ordeneaux-Raley of Texas Pride Disposal Solutions LLC ("TPDS"); Bear Oakley of Acclaim Energy, Ltd. ("Acclaim"); 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. Ms. Macygin introduced herself and requested the Board to consider an adjustment to her water bill for the months of March 2023 through June 2023, and requested the Board to review the matter and grant her adjustment request for the waiver of certain penalties.

MINUTES

As the next order of business, the Board considered approval of the draft minutes of the October 10, 2023, regular Board meeting, and the draft minutes of the October 20, 2023, special Board meeting. After review and discussion of the draft minutes presented, it was moved by Director Bell, seconded by Director Horn, and unanimously carried that said minutes be approved as written.

AUDIT REPORTS

Ms. Hanna presented to and reviewed with the Board drafts of the audit reports prepared by FORVIS for the fiscal year ended July 31, 2023, for the District and the Wastewater Treatment Plant (the "WWTP"), and FORVIS's draft Report to the Board of Directors and draft Internal Control

Communication, copies of which are attached hereto as **Exhibit A**. After discussion concerning the Audits presented, Director Horn moved that: (i) the audit reports for fiscal year ended July 31, 2023, be approved, subject to SPH's final review and comment, (ii) the President be authorized to execute the Annual Filing Affidavit on behalf of the Board and the District, and (iii) 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 Falknor seconded said motion, which unanimously carried.

Ms. Hanna exited the meeting at this time.

APPROVAL OF ENERGY MANAGEMENT AGREEMENT

Mr. Oakley next introduced himself and then addressed the Board concerning a proposed Energy Management Agreement by and between the District and Acclaim for consulting services with respect to procurement energy supply management, as well as other additional energy related services, as previously presented for the Board's consideration. In response to the Board's request at the last meeting for a reduction in Acclaim's fees for the additional services set forth in the proposed Energy Management Agreement, Mr. Oakley presented to and reviewed with the Board a revised Energy Management Agreement reflecting Acclaim's proposed fee reductions, a copy of which is attached hereto as **Exhibit B**. After discussion, it was moved by Director Falknor, seconded by Director Streit, and unanimously carried that the Energy Management Agreement be approved, that the President be authorized to execute same on behalf of the Board and the District, and that the Texas Ethics Commission ("TEC") Form 1295 submitted by Acclaim in connection therewith be accepted by the Board and the District.

Mr. Oakley exited the meeting at this time.

GARBAGE COLLECTION SERVICES REPORT

Ms. Raley presented to and reviewed with the Board the October 2023 Services Report, a copy of which is attached hereto as **Exhibit C**, and discussed the cart and lid replacement list, a copy of which is attached to the Services Report.

Ms. Ordeneaux-Raley exited the meeting at this time.

OPERATOR'S REPORT

Ms. Bonilla-Odums discussed Ms. Macygin's account and historical water usage. Ms. Macygin presented material for the Board's review, copies of which are included with the Operator's Report. Ms. Bonilla-Odums noted that Inframark visited the site, and performed all pertinent testing of the meter for accuracy on site, and that the results showed the meter was accurate. She noted that at the customer's request, Inframark pulled the meter and performed additional testing at Inframark's facility, and that the results showed the meter was accurate. Finally, at the continued request of the customer, Inframark replaced the meter. After discussion, Director Horn moved to grant an adjustment by calculating the average water usage for the twelve (12) months prior to the disputed period and adjust the bills for the disputed period to reflect that average usage. Director

Streit seconded said motion, and with Directors Horn, Bell and Streit voting "aye" and Director Falknor abstaining, the motion passed.

Ms. Macygin exited the meeting at this time.

BOOKKEEPER'S REPORT

Ms. Copper presented to and reviewed with the Board the Bookkeeper's Report, dated November 14, 2023, a copy of which is attached hereto as **Exhibit D**. After discussion, it was moved by Director Falknor, seconded by Director Streit, and unanimously carried that the Board approve the Bookkeeper's Report and authorize payment of the disbursements listed therein, with the exception of check number 15954, payable to Director Goings.

COMPLIANCE WITH TEXAS GOVERNMENT CODE CHAPTER 2265 RELATIVE TO ENERGY REPORTING

Mr. Barker advised the Board that, pursuant to the energy efficiency and reporting requirements set forth in Texas Government Code Chapter 2265, the District must (i) report its annual electricity usage and costs in an electronic format, and (ii) make that report publicly accessible. Ms. Cooper presented for the Board's review the Cost and Usage Report to satisfy the requirements of Texas Government Code Chapter 2265, a copy of which is attached to the Bookkeeping Report. She noted that no further action by the Board was required for compliance.

TAX ASSESSOR-COLLECTOR REPORT

Ms. Burkes presented to and reviewed with the Board the Tax Assessor-Collector Report dated October 31, 2023, and a Delinquent Collections Listings as of October 31, 2023, copies of which are attached hereto as **Exhibit E**. After discussion on the matter, it was moved by Director Falknor, seconded by Director Bell, 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 November 8, 2023, 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

The Board deferred consideration of the collection of sales tax revenue funds received by the District pursuant to the Strategic Partnership Agreement between the District and the City of Houston after noting that no report was submitted this month.

OPERATOR'S REPORT

Ms. Bonilla-Odums presented to and reviewed with the Board the Operator's Report for the

month of September 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 seven delinquent accounts totaling \$1,518.76 to Collections Unlimited ("CU") for collection, which accounts are reflected on the attached report. After discussion on the matter, it was moved by Director Horn, seconded by Director Bell, and unanimously carried that Inframark be authorized to transfer the seven delinquent accounts to CU for collection, as requested.

Mr. Bonilla-Odums then reported the receipt of correspondence from the West Harris County Water Authority advising the District that it has rescinded its implementation of Stage 1 of its Drought Contingency Plan. After discussion, the Board concurred to authorize Inframark to remove the District's water conservation signs. A copy of said correspondence is included with the Operator's Report.

Ms. Burkes 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 14, 2023, a copy of which is attached hereto as **Exhibit H**.

Mr. Miller next reported that the Clarifier No. 2 Repair Project will be advertised for bid on December 1, 2023.

Mr. Miller then requested the Board to consider the approval of an agreement from C&C Water Services to abandon Water well No. 2. After discussion, the Board deferred action at this time. Mr. Miller noted that he would forward the agreement to SPH for review and comment and will present the agreement at the December Board meeting.

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.

Mr. Miller next reported that a second inquiry has been made regarding 16301 Pine Forest

Lane, Houston, Texas 77084 by Mr. Rico, a developer, considering the tract for a proposed office complex development. Mr. Miller noted that SEC has provided Mr. Rico with information regarding the annexation process and costs.

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.

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 Horn, seconded by Director Streit 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 next considered the Attorney's Report. In connection therewith, Mr. Barker 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 I**. After discussion, the Board concurred to formally acknowledge receipt of said disclosure.

Mr. Barker next presented to and reviewed with the Board with a memorandum prepared by SPH regarding the DuPont and 3M Class Action Settlements (the "Settlements") relating to presence of PFAS (per and polyfluoroalkyl substances) in drinking water, copy of which memorandum is attached hereto as **Exhibit J**. After discussion, the Board concurred not to opt out of the Settlements at this time.

SECURITY PATROL REPORT

The Board considered the Security Patrol Report. Director Falknor presented to and reviewed with the Board an Invoice from Ronnie Silvio of LEO Security, LLC, the District's security service; a copy of the invoice is attached hereto as **Exhibit K**. He informed the Board of the recent discussions with the GlenCairn Homeowner's Association (the "GC HOA") pertaining to security coverage. After discussion, the Board concurred to schedule a special meeting between Mr. Silvio and the GC HOA to discuss security patrol matters.

Director Bell discussed with the Board the recent security related activities in the District.

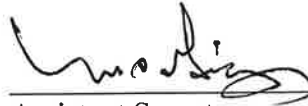
Ms. Cooper exited the meeting at this time.

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 Falknor, and unanimously carried that the meeting be adjourned.



Assistant Secretary
Board of Directors



LIST OF ATTACHMENTS TO MINUTES

- Exhibit A Draft Audit Reports for the District and Joint Wastewater Treatment Plant
- Exhibit B Energy Management Agreement
- Exhibit C Texas Pride Disposal October 2023 Services Report
- Exhibit D Bookkeeper's Report
- Exhibit E Tax Assessor-Collector Report
- Exhibit F Delinquent Tax Report
- Exhibit G Operator's Report
- Exhibit H Engineer's Report
- Exhibit I MSRB Rule G-10 Annual Disclosure from Masterson Advisors LLC dated November 1, 2023
- Exhibit J Memorandum Regarding the DuPont and 3M Class Action Settlements
- Exhibit K LEO Security, LLC Invoice