

TIMBER LANE UTILITY DISTRICT
Minutes of Meeting of Board of Directors
January 9, 2020

The Board of Directors (“Board”) of Timber Lane Utility District (“District”) met at 2615 Ciderwood, Spring, Harris County, Texas in the District, on January 9, 2020 in accordance with the duly posted notice of the meeting, with a quorum of Directors present, as follows:

Daniel M. Meacham, President
Robert B. Schenck, Vice President
James F. Messer, Secretary
A. F. “Bud” Gessel, Assistant Secretary
Eric Langstaff, Director

and the following was absent:

None.

Also present were Mike Potter, Michelle Blevins, Tammy Carby, Mark Cervantes, Bill Russell, Jeff Vogler, Greg Lentz, Katie Golzarri, Harris County Precinct 4 Deputy Flores and Deputy Norton, Kenny Ocheltree, Paulette Scott, Curt Trauth, Jennifer B. Seipel and Lori G. Aylett.

The President called the meeting to order and declared it open for such business as might properly come before it.

1. Under public comments, Paulette Scott reported that the metes and bounds for the property being sold by the District to the Timber Lane CIA is nearing completion.

2. The Board considered the minutes of the meeting held on December 12, 2019. Upon motion duly made and seconded, the Board unanimously approved the minutes of the meeting as presented.

3. Harris County Precinct No. 4 Deputy Flores presented a law enforcement report, copy attached. He reported the following crime statistics: zero burglaries of a habitation, six vehicle thefts, no assaults, 15 calls for family disturbances, 55 alarms, three reported runaways, ten burglaries of a motor vehicle, seven other thefts, one sexual assault, five calls for juvenile disturbance, 61 suspicious vehicles, one phone harassment, two thefts of a habitation, two robberies, eight criminal mischief calls, 92 other disturbances, 44 suspicious persons and 1,131 other calls. After discussion, upon motion duly made and seconded, the Board approved the law enforcement report as presented.

4. The Board considered an Interlocal Contract for Law Enforcement with Harris County. After a brief discussion about modifications needed to the agreement following completion of several new neighborhoods currently under construction, upon motion duly made and seconded, the Board unanimously approved the contract as presented.

5. There was presented the attached Order Adopting Residence Homestead Exemption for Persons Sixty-Five or Older or Disabled. The attorney noted that, in previous years, the Board authorized an exemption of \$25,000 for each homestead of disabled or individuals at least 65 years old. The Board affirmed their decision to maintain the same exemption, and the Order reflected same. Upon motion duly made, seconded, and unanimously carried, the Board adopted the Order as presented.

6. There was presented the attached Order Levying Additional Penalty for Delinquent Taxes. The order levies a 20% penalty on 2019 delinquent taxes for business personal property on April 1, 2020 and for real property on July 1, 2020. Upon motion duly made, seconded, and unanimously carried, the Order was adopted as presented.

7. The Board discussed Texas Tax Code Section 26.18 compliance. The attorney advised that pursuant to recently enacted Senate Bill 2, the District is required to make certain information about the District available on a publicly accessible website. The information includes names and contact information for directors of the District, the current budget and prior two years' budgets, a comparison by dollar amount and percentage of the current budget to the prior year's budget, the current and prior two years' debt service and maintenance tax rates, the proposed current year tax rate, and the current audit. The document will be required to amended several times of the year after the adoption of the budget, proposal and levy of the tax rate, and approval of the audit. Upon unanimous vote, the Board approved the Tax Code 26.18 compliance document and authorized the attorney to make it available on the District's website as required by law.

8. Tammy Carby presented a tax assessor/collector's report, copy attached. The District's 2019 taxes are 64% collected. Upon unanimous vote, the Board approved the tax assessor's report as presented.

9. Jeff Vogler presented the engineer's report, copy attached. The engineer presented bids for the Breckenridge West Sections 3 and 5 and recommended that the contract be awarded to Fellers & Clark in the amount of \$1,127,000.00. He noted that bids for Section 4 are due in January.

With regard to the eight-inch sanitary sewer force main to serve Breckenridge West, the engineer presented the bids received and recommended award of the contract to Underground Construction Solutions, LLC in the amount of \$123,530.00.

Mark Cervantes then reported on matters related to Cypress Creek Park and the Cypress Creek bridge to Cypress Creek Park pedestrian bridge. He stated that the plans have been resubmitted for approval.

Construction of the Community Center continues. The engineer noted that no pay applications have been presented for payment and that they are monitoring liens associated with the project. The engineer confirmed that the contractor had made significant progress, and the District could expect a pay application of approximately \$250,000. After discussion, the Board authorized payment for pay applications received prior to the next meeting provided that they do not to exceed \$250,000.00 and provided that the engineer confirmed that all liens have been released.

As for the sanitary sewer rehabilitation project for Sections 2, 3, and 5 of Timber Lane, the engineer stated that construction continues.

With regard to the trail and canopy structures adjacent to the Union Pacific Railroad property, the engineer stated that construction continues.

In connection with the auxiliary power for facilities at various locations, the engineer presented Pay Application No. 3 in the amount of \$238,385.70 to McDonald Electric and recommended its payment.

In connection with the clearing of Breckenridge West, the engineer stated that no pay application was submitted for approval.

As for the Breckenridge West outfall channel and detention, the engineer stated that no pay application was submitted for approval.

With regard to Breckenridge West, Section 2, the engineer presented Pay Application No. 3 in the amount of \$27,420.80 to Clearwater Utilities, Inc. and recommended its payment.

With regard to Highland Glen, Section 5, the engineer presented Pay Application No. 1 in the amount of \$219,612.87 to Hyland Construction and recommended its payment.

After discussion, upon unanimous vote, the Board approved the engineer's report, including all contract awards, pay applications and requests to advertise listed thereon.

10. Bill Russell presented a bookkeeper's report, copy attached. The District's debt service fund balance is \$5,390,234.55, and the capital projects fund balance is \$6,390,742.24. The capital projects park fund balance is \$1,188,973.01, and the operating fund balance is \$10,308,976.71. Upon unanimous vote, the Board approved the bookkeeper's report as presented.

11. There were no developers present.

12. Mike Potter presented an operator's report, copy attached. The District billed 6,173 accounts and had water accountability of 90.12%. The operator mailed 1,147 delinquent notices and terminated services to 45 accounts. The operator took 22 bacteriological tests, and all were acceptable.

Michelle Blevins noted that she received and processed four requests for routine payment plans. Upon unanimous vote, the Board approved the operator's report as presented.

13. There was no report from Champions Hydro-Lawn.

14. Greg Lentz approached the Board and reported that the District advertised for bids for sale of the \$2,200,000 Unlimited Tax Bonds, Series 2020. The District received several bids with the lowest bid from Robert W. Baird & Co., Inc. with a net effective interest rate of 2.447%. Mr. Lentz recommended that the bonds be sold to Robert W. Baird & Co., Inc. Mr. Lentz also reported that the District qualified for bond insurance, and the underwriter elected

to procure such insurance. Upon unanimous vote, the Board adopted the Order Awarding Sale of Series 2020 Bonds to Robert W. Baird & Co., Inc., which Order is attached to the minutes. Lori Aylett described the bond order for the Series 2020 Bonds. Upon unanimous vote, the Board adopted the Bond Order for Series 2020 Bonds, which Order is attached to the minutes. It was mentioned that a Paying Agent/Registrar Agreement is required for each issuance of District bonds. Upon unanimous vote, the Board approved and authorized execution of a Paying Agent/Registrar Agreement with Amegy Bank for the Series 2020 Bonds. Greg Lentz described actions that will be taken to prepare and distribute the Official Statement for the Series 2020 Bonds. After discussion, upon unanimous vote, the Board approved the Official Statement for the Series 2020 Bonds and authorized issuance and distribution of the Official Statement as required by law. The attorney noted that there would be a number of certificates, resolutions, orders and documents necessary to secure the approval, registration and delivery of the Series 2020 Bonds. Upon unanimous vote, the Board authorized the President, Secretary and consultants to take all such actions necessary to secure approval, registration and delivery of the Series 2020 Bonds.

15. There was no hearing on violation of District rules.

16. Director Gessel presented a report on the District's parks and recreational facilities, a copy attached. Director Gessel reported that the survey of the Liberty Building site is pending. Director Gessel mentioned that the pond at Herman Little Park is being restocked with rainbow trout. He also reported that the purchase of the UPRR property is scheduled to close on January 21, 2020. Upon unanimous vote, the Board approved Mr. Gessel's report as presented.

17. Katie Golzarri presented a proposal for architectural services associated with the construction of a veterans memorial at the Timber Lane Community Center site. She reviewed various options with the Board and fielded questions from the Board regarding the cost, timeline, and feasibility of the options presented. After a lengthy discussion, the Board requested that Ms. Golzarri bring to their February meeting additional information regarding the cost and feasibility of the different proposals.

18. There were no Eagle Scout projects for the Board's consideration.

19. There were no rewards for citizen information.

20. In connection with the sale of property located at 2806 Trailing Vine to Timber Lane CIA, it was again noted that the survey is nearing completion.

There being no further business to come before the Board, the meeting was adjourned.


Secretary