

TIMBER LANE UTILITY DISTRICT
Minutes of Meeting of Board of Directors
January 13, 2022

The Board of Directors (“Board”) of Timber Lane Utility District (“District”) met at 1904 NapleCHASE Crest Drive, Spring, Harris County, Texas in the District, on January 13, 2022 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 Jeff Vogler, Mark Cervantes, Tammy Carby, Bill Russell, Greg Lentz, Mike Potter, Michelle Blevins, Kayla Ray, Sergeant Brian Norton, Lt. Juan Flores, Sergeant Juvencio Ramos, Paulette Scott, Perry Miller, Eric O’Brien, 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. The meeting commenced with a recital of the Pledge of Allegiance.
2. There were no public comments.
3. The Board considered the minutes of the meeting held on December 9, 2021. Upon motion duly made and seconded, the Board unanimously approved the minutes of the meeting as presented.
4. Harris County Precinct No. 4 Sergeant Juvencio Ramos presented a law enforcement report, copy attached. He presented the following crime statistics: three burglaries of a habitation, two vehicle thefts, one assault, 22 calls for family disturbances, 49 alarms, two reported runaways, five burglaries of a motor vehicle, 14 other thefts, two sexual assaults, two juvenile disturbances, 73 suspicious vehicles, zero phone harassments, one theft of a habitation, zero robberies, seven criminal mischief calls, one other disturbance, 36 suspicious persons, and 1,346 other calls. Upon unanimous vote, the Board approved the law enforcement report as presented.
5. The Board then considered renewal of its law enforcement contract with the constables for Harris County Precinct No. 4. The Board requested that, given all of the new development within the District during the prior year, the agreement be amended to include an additional deputy. Ms. Aylett confirmed that she would make such request, and the Board

approved the Interlocal Agreement contingent upon its revision to include 12 deputies and two sergeants.

6. Tammy Carby presented a tax assessor/collector's report, copy attached. The District's 2020 taxes are 98.12% collected, and its 2021 taxes are 63.34% collected. There were 22 checks and two wire transfers presented for approval. Upon unanimous vote, the Board approved the tax assessor/collector's report as presented.

7. 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. After a robust discussion with Greg Lentz, the District's financial advisor, regarding the District's ability to increase the exemption offered, the Board unanimously voted to increase the above-referenced exemption to \$35,000 and adopted an Order reflecting such exemption.

8. There was presented the attached Order Levying Additional Penalty for Delinquent Taxes. The order levies a 20% penalty on 2021 delinquent taxes for business personal property on April 1, 2022 and for real property on July 1, 2022. Upon motion duly made, seconded, and unanimously carried, the Order was adopted as presented.

9. Jeff Vogler and Mark Cervantes presented the engineer's report, copy attached. With regard to the sanitary sewer rehabilitation project at Aldine Westfield and Ciderwood, Mr. Vogler reported that he is soliciting bids for the repairs noted in the TV work provided by Source Point.

As for the wastewater treatment facility expansion project, the engineer noted that the Board must make a decision as to whether it should continue use of its current ultraviolet disinfection system or modify the system to use chlorination and dechlorination methodology.

With regard to the site for Water Plant No. 5, Mr. Vogler stated that a public hearing on the plat is scheduled for February 3, 2022.

The engineer requested authorization to proceed with a traffic signal warrant study for the trail crossing Hirschfield Road at Sandpiper Trails.

As for the fire tower at Cypress Creek Park, the engineer stated that they are investigating possible structural engineering issues.

In connection with the repairs to well no. 3 at Water Plant No. 3, the engineer presented and recommended approval of Pay Application No. 2 and Final in the amount of \$246,561.00 to C-C Water Well Services.

The engineer also discussed with the Board a variety of other pending matters, including the potential annexations of a tract off of Otto Road and at 3610 Treaschwig. After some discussion, the Board stated that it was unlikely that either of the annexations would be feasible.

Lastly, the engineer presented a letter inquiring as to whether the District had any objections to a new plat filed for the Serano tract. The Board confirmed that it did not object to the plat and requested that the engineer submit a letter stating same.

After discussion, upon unanimous vote, the Board approved the engineer's report, including all pay applications and requests for authorization, as presented.

10. The Board then considered the conveyance of an aerial easement to Centerpoint Energy for the operation and maintenance of electrical facilities within the District. After a brief discussion, the Board unanimously approved the easement as presented.

11. The Board then considered a Resolution Authorizing the Use of Surplus Funds, whereby the District would use \$246,561.00 in surplus construction funds from its Series 2015A and 2016 bond sales to perform certain rehabilitation work at water well no. 3. The Board discussed that such use of surplus funds under these circumstances is authorized by the Texas Administrative Code. Accordingly, upon motion duly made, seconded, and unanimously carried, the Board approved the resolution as presented.

12. Bill Russell presented a bookkeeper's report, copy attached. Upon unanimous vote, the Board approved the bookkeeper's report as presented and authorized payment of the checks listed thereon.

13. The auditor presented a Supplemental Developer Reimbursement Agreed Upon Procedures Report, whereby D.R. Horton is entitled to \$107,430.85 in reimbursement. After discussion, the Board approved the report as presented and authorized payment to the developer.

14. There was no developer's report.

15. Mike Potter presented an operator's report, copy attached. The District served 7,455 connections and had water accountability of 92.51%.

Mr. Potter reported that twenty-five bacteriological samples were taken, and all were acceptable. He noted that the District's wastewater treatment plant experienced elevated levels of E. Coli and copper, as were present in its samples in December.

Mr. Potter then discussed the Board engaging a third party to assist with the maintenance of the District's ultraviolet light system at its wastewater treatment plant. He stated that his company would operate the system but does not have the personnel qualified to maintain it.

Mr. Potter reported that employees for D.R. Horton have damaged some District facilities during construction. His office is tracking the cost of the damage caused and will bill D.R. Horton.

Mr. Potter reported on routine maintenance for the previous month.

There were no requests for payment plans.

Upon unanimous vote, the Board approved the operator's report as presented.

16. The operator requested that consideration of the operator's contract be tabled until next month.

17. Perry Miller presented a report on behalf of Champions Hydro-Lawn, noting that most of the District's drainage and detention facilities are in good shape. He stated that he will bring proposals for a few small repairs to next month's meeting.

18. There were no hearings on violations of District rules.

19. Director Gessel presented a report on the District's parks and recreational facilities, copy attached. He noted that a birding class was held on January 29, 2022 at the Timber Lane Community Center. He also stated that the District received a parks award from the Association of Water Board Directors. Subject to that discussion, the Board approved the parks report as presented.

20. The Board discussed a Joint Participation Interlocal Agreement, whereby the District would convey certain property to Harris County in exchange for compensation and certain improvements to the culvert crossing at Casper Drive. After discussion, the Board approved the agreement as discussed.

21. The Board considered the attached Order Authorizing Filing Application for Approval of Texas Commission on Environmental Quality and Issuance of \$15,800,000 in Bonds. Greg Lentz reviewed with the Board a cash flow analysis showing that the District's taxable value is such that it can support issuance of the bonds being discussed. After a review and discussion, the Board unanimously approved the Order as presented.

22. There were no rewards for citizen information.

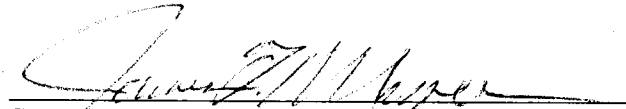
23. The Board discussed Texas Tax Code Section 26.18 compliance. The attorney advised that pursuant to recently enacted Senate Bill 2, the District is required to make certain information about the District available on a publicly accessible website. The information includes names and contact information 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 be amended several times of the year after the adoption of the budget, proposal and levy of the tax rate, and approval of the audit. Since the District has begun a new tax year, the document must be amended. 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.

24. There was presented the attached Order for Election of Directors. The attorney noted that if an election were required to be held, it would be held on the uniform election date of Saturday, May 7, 2022. Upon unanimous vote, the Board adopted the Order as

presented. The Board also approved a Joint Election Agreement and an Election Services Agreement with Harris County to conduct such election.

25. There was no need for an executive session.

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


Secretary