

TIMBER LANE UTILITY DISTRICT
Minutes of Meeting of Board of Directors
October 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 October 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 Mark Cervantes, Monica Peña, Bill Russell, Kayla Ray, Mark Ivy, Suzanne Maas, Lt. Juan Flores, Kurt Trauth, Howard Wilhite, Michelle Giacano, John Davis, Claude Humbert, Eric O’Brien, 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. Director Langstaff led the recital of the Pledge of Allegiance.
2. There was no public comment.
3. The Board then considered the minutes of the meetings held on September 6, and September 8, 2022. Upon motion duly made and seconded, the Board unanimously approved the minutes of the meeting as presented.
4. The Board reviewed a law enforcement report, copy attached. The following crime statistics were reported: one burglary of a habitation, three vehicle thefts, seven assaults, 31 calls for family disturbances, 60 alarms, seven reported runaways, five burglaries of a motor vehicle, 19 other thefts, two sexual assaults, zero juvenile disturbances, 61 suspicious vehicles, 18 thefts of others, three sexual assaults, three juvenile disturbances, 46 suspicious vehicles, one phone harassment, two thefts of a habitation, five criminal mischief calls, 15 other disturbances, 37 suspicious persons, and 1,063 other calls. Upon unanimous vote, the Board approved the law enforcement report as presented.
5. The Board discussed the Flock Safety contract. The attorney noted that she had reviewed the proposed contract and suggested several revisions to the contractor, most which were accepted. However, one pending item remains outstanding. The contract seeks to hold the District liable for all of the actions of the authorized end users of the Flock Safety system. The only authorized end users will be Precinct 4 Constables Office employees, and the District does not have supervision or control over the County employees. The Precinct 4 Constable has expressed a willingness to enter into a memorandum of understanding with the District that provides that they have reviewed the terms of the contract and that their employees

will abide by the restrictions provided therein. Accordingly, the Board approved the Flock Safety contract subject to receipt of an executed memorandum of understanding from Precinct 4.

6. Monica Peña presented a tax assessor-collector's report, a copy of which is attached. The District's 2021 taxes are 98.07% collected as of September 30, 2022. Upon unanimous vote, the Board approved the tax assessor/collector's report as presented.

7. The tax assessor-collector confirmed publication of a notice of hearing regarding a proposed tax rate. The proposed tax rate was \$0.84 per \$100 assessed valuation. The chair opened the meeting for public comment. A resident complained that taxes were getting higher, and the Board should charge the developer tap fees to cover infrastructure costs. Another property owner in the District stated that he owned rental property that was not subject to any tax exemptions, and he has experienced an increase in his taxes because of the increases in Harris County Appraisal District property valuation. He stated that he had reviewed the District's budget, and it appears that there will be a surplus. He requested that the Board remain mindful of the budget and try to do better than the projections. The Board members responded to the taxpayer comments and noted that the District has many amenities, such as parks and law enforcement. The Board noted that provision of water, sewer and drainage infrastructure and parks and recreational amenities and supplemental law enforcement was costly. The Board thanked the members of the public for their comments. At the conclusion of all comments, the Board closed the public hearing.

8. There was presented the attached Order Setting Tax Rate, Approving Tax Roll, and Levying Debt Service Tax and Maintenance and Operation Tax for the Year 2022. Upon unanimous vote, the Board approved said order, which reflects a tax rate of \$0.51 attributable to debt service and \$0.33 attributable to maintenance and operations.

9. There was then presented the Amendment to Statement of Directors Furnishing Information Required by Section 49.455(b), Texas Water Code, as Amended. The attorney noted that the Amendment to Statement of Directors is filed in the real property records of Harris County and informs property owners in the District that they are located in a water district and what the current tax rate is. Upon motion duly made, seconded and unanimously carried, the Board voted to adopt the amendment as presented, authorized its execution by all directors present, and authorized the attorney to file the document as required by law.

10. Lori Aylett noted the need to update the Tax Code Section 26.18 and Government Code 2051.202 compliance document, as the Board is adopting a new tax rate for 2022. The Board authorized the attorney to update the document as required by law.

11. Mark Cervantes presented the engineer's report, a copy of which is attached. Design of the final plant expansion is still underway. Plans for water plant no. 5 have been submitted to the agencies for approval. The fire tower at Cypress Creek Park is under construction. The engineer presented motor control replacement Pay Application No. 5 in the amount of \$147,490 and requested Board approval. The engineer presented Cypress Terrace detention Pay Application No. 1 in the amount of \$37,593 and requested Board approval.

The engineer reported that the District had very recently received an appraisal from Harris County regarding the Sandpiper detention facility that is the subject of an Interlocal Agreement with the District and the County. The attorney, engineer, and parks director are reviewing the appraisal.

The engineer reported that they had reviewed drainage plans for the Serrano tract. Provision of drainage to the Breckenridge channel was included in the overall drainage plan. The developer is planning construction of a trailer park and will do their own detention. The engineer and operator will need to review the plans at all stages of development to assure strict compliance with the District's legal requirements.

The engineer reported that the proposed developer a project on Otto Road had altered their annexation request. When the developer originally approached the Board, they were planning development of six lots, and the engineer performed a feasibility analysis for annexation based upon that request. The developer is now requesting 30 lots. The engineer would need to reevaluate the feasibility of the project based on the new request.

The engineer introduced John Davis with Lankford Engineering who approached the Board to discuss Cypress Creek drainage matters. He stated that Harris County had planned to build a detention pond north of Cypress Creek upstream of the Timber Lane Utility District. The construction of the detention is not slated to begin until 2029 and once constructed would drop flooding elevation by 1.9 feet. Harris County Flood Control District allocated \$163 million for partnership agreements, and \$6 million of that is still remaining. Mr. Davis requested that the District send correspondence expressing political support for the detention project. He stated that area districts were also asking for financial support. There will be a meeting at Lemm Elementary on October 26, 2022. The Board agreed to place the matter on an upcoming agenda to discuss financial support. The Board noted that they were generally supportive of the project and would provide a letter of political support. Upon unanimous vote, the Board approved the engineer's report and pay applications as presented.

12. The Board then considered a water line easement dedication. The District owns a large tract of land upon which water plant no. 5 will be located. During plan review, the District is being required to dedicate an easement to itself for the water line construction. Upon unanimous vote, the Board approved the water line easement as presented.

13. Bill Russell presented a bookkeeper's report, a copy of which is attached. He reported that he had analyzed H2O invoices from January 1 through the final invoice. The bookkeeper found some deductions to be applied to the final invoice. The bookkeeper recommended deduction of \$2,000 for the extra cost associated with the bookkeeper's analysis of duplicate deposit refunds that were submitted, \$150 reduction for consultant meetings, \$575 reduction for charges billed in error for Dana Bailey Guide, and \$377.50 in duplicate billings. The bookkeeper recommended payment of the final invoice amount to H2O in the amount of \$51,294.32 after adjustments, and the Board concurred. Upon unanimous vote, the Board approved the bookkeeper's report as presented and authorized payment of the checks listed thereon.

14. The Board tabled consideration of the bookkeeper's contract.

15. No developer's reports were given.

16. Mark Ivy presented an operator's report, a copy of which is attached. The District served 7,626 accounts. Total current billing was \$573,711.02, while total current collections were \$650,150.47. The District had 92% water accountability. The District experienced one permit violation for e-coli in August, but there were no permit violations in September.

Mr. Ivy reported on plant and facility conditions. He requested and received Board approval for installation of the “weir-wolf” brush system on the weirs at the wastewater treatment plant at a cost of \$20,420 each for two. He noted that EI Squared is working on the bar screen installation, and the actuator valves are being fabricated. The operator is running the ultraviolet system in manual mode. The system still does not work in automatic mode, but the operator is still evaluating it. The operator will be terminating its relationship with MC5, because the operator believes that there are better qualified maintenance personnel. The operator has scheduled a meeting between Vision and Neotech to discuss the manual operation of the ultraviolet system. The operator has streamlined sampling at the wastewater treatment plant, which hopefully will reduce the opportunity for sampling error.

The operator is still working to get water plant no. 3 back online. Generator repairs have all been made except for one. The operator is currently testing all the fire hydrants. They have found 30 that did not operate, and those are being repaired as soon as possible. The operator repaired two main line breaks on Hershfield that required overnight work.

Finally, the operator presented a delinquent list comprising over 500 accounts. He noted that all of the accounts in question have been continuing to receive water bills, some of them for a period of years. In all cases, the customer has moved out of the District, and the accounts will be turned over to a collection agency. From this point forward, the new operator will be bringing write-offs on a monthly basis. The 500 accounts proposed for write-off total \$92,831.50. Upon unanimous vote, the Board approved the write-offs and the operator’s report as presented.

17. Perry Miller appeared via telephone to give the Champions Hydro-Lawn report. Several downed trees were removed, and other routine repairs were made. Champions Hydro-Lawn presented a proposal for repair of a sinkhole in the Highland Glen detention pond, as well as other repairs totaling \$15,750. The Board approved the proposal as presented and approved Champions Hydro-Lawn’s report.

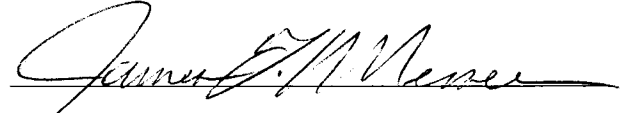
18. Director Bud Gessel presented a parks and recreational facilities report. Champions Hydro-Lawn repaired a window that was broken by their mowing contractor at the Timber Lane Community Center. Director Gessel was pleased to report that there are many community events taking place at the center, including voting for the upcoming elections. The District continues to work with Precinct 3 on trail projects. A honeybee hive was removed near a children’s playground in a park. Fish deliveries are scheduled with Texas Parks and Wildlife. Upon unanimous vote, the Board approved the parks report as presented.

19. The Board reviewed requests from the Highland Glen Homeowners Association for assumption of the street light account. The attorney reminded the Board that several years ago the Highland Glen HOA had requested that the District contract for electricity on the streetlights, with costs to be passed through to the homeowners association. The Timber Lane CIA has a similar arrangement. The District is able to obtain lower energy rates, and the relationship is mutually beneficial. The Board authorized legal counsel to work on securing an agreement with the homeowners association.

20. There was presented the attached Resolution Authorizing Use of Surplus Funds. The attorney noted that it would be appropriate to use surplus funds for the emergency repair of the 30-inch sewer trunk line performed by Wright Solutions LLC in the amount of \$87,371.85. Upon unanimous vote, the Board adopted the Resolution as presented.

21. There were now rewards for citizen information.

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


Secretary