

TIMBER LANE UTILITY DISTRICT
Minutes of Meeting of Board of Directors
January 12, 2023

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 12, 2023 in accordance with the duly posted notice of the meeting, with a quorum of Directors present, as follows:

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

and the following was absent:

Daniel M. Meacham, President

Also present were Bill Russell, Kayla Ray, Josh Maas, Rae Delk, Monica Peña, Mark Cervantes, Jeff Vogler, Greg Lentz, Perry Miller, Lt. Juan Flores, Sergeant Juvencio Ramos, Captain Vicente Medina, Sergeant Lindley, Eric O’Brien, Kurt Trauth, Paulette Scott, Jennifer B. Seipel, and Lori G. Aylett.

The Vice 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. The Vice President opened the floor for public comment. None was received.
3. The Board then considered the minutes of the meeting held on December 8, 2022. Upon motion duly made and seconded, the Board unanimously approved the minutes of the meeting as presented.
4. Sergeant Juvencio Ramos presented a law enforcement report, copy attached. The following crime statistics were reported: four burglaries of a habitation, five vehicle thefts, four assaults, 23 calls for family disturbances, 40 alarms, seven reported runaways, seven burglaries of a motor vehicle, nine other thefts, one sexual assault, zero juvenile disturbances, 66 suspicious vehicles, four phone harassments, zero thefts of a habitation, zero robberies, seven criminal mischief calls, 31 other disturbances, 14 suspicious persons, and 1,115 other calls. Upon unanimous vote, the Board approved the law enforcement report as presented.
5. Monica Peña presented a tax assessor-collector’s report, a copy of which is attached. The District’s 2021 taxes are 98.40% collected and 2022 taxes are 67.45% collected. Two wire transfers and eleven checks were presented for the Board’s review and approval. Upon unanimous vote, the Board approved the tax assessor-collector’s report as presented.

6. There was presented the attached Order Levying Additional Penalty for Delinquent Taxes. The order levies a 20% penalty on 2022 delinquent taxes for business personal property on April 1, 2023 and for real property on July 1, 2023. Upon motion duly made, seconded, and unanimously carried, the Order was adopted as presented.

7. There was presented the attached Order Adopting Residence Homestead Exemption for Persons Sixty-Five or Older or Disabled. Greg Lentz, the District's financial advisor, noted that last year the Board authorized an exemption of \$35,000 for each homestead of disabled or individuals at least 65 years old, which constituted a \$10,000 increase over the prior year's exemption. After a robust discussion with Mr. Lentz with regard to the District's ability to further increase this exemption offered, the Board unanimously voted to increase the above-referenced exemption to \$40,000 and adopted an Order reflecting such exemption.

8. The Board considered an engineer's report, copy attached. Mark Cervantes and Jeff Vogler reported on the status of several District engineering matters. Design is continuing of the wastewater treatment plant. The wastewater treatment plant permit renewal has been submitted, and the first required notice was published. Mr. Cervantes stated that his office is awaiting the draft permit. At water plant 5, the engineer reported that bids for the construction project were received, and he recommended that the District award the contract to the second lowest bidder, Principal Plant Services, in the amount of \$6,471,464.80. Mr. Vogler stated that, in his opinion, the low bidder lacked the requisite experience and references to warrant recommendation. After consideration of all facts and circumstances, the Board found and determined that award of the contract to Principal Plant Services would be most advantageous to the District and would result in the best and most economical completion of the District's plant. The Board voted unanimously to award the contract to Principal Plant Services.

The engineer then discussed the pedestrian bridge project at Schultz Gully, stating that Mr. Gessel is reviewing the various options for the project. Mr. Cervantes also confirmed circulation and execution of the contract with Source Point to perform phase 3 of the sanitary sewer television work at Aldine Westfield Road.

The engineer then discussed ongoing construction projects in the District. Mr. Cervantes presented and recommended payment of Pay Application No. 1 in the amount of \$50,751.00 to McDonald Municipal and Industrial for their work in connection with the observation tower project.

Mr. Cervantes provided an update on a variety of other matters. He presented the cost summary prepared in connection with Bond Issue No. 26. He confirmed that segment one of the Treaschwig Road expansion project still is scheduled to begin in 2023.

Upon unanimous vote, the Board approved the engineer's report and action items thereon as presented.

9. The Board considered the attached Order Authorizing Filing Application for Approval of Texas Commission on Environmental Quality and Issuance of \$7,600,000 in Bonds. After a review and discussion, the Board unanimously approved the Order as presented subject to finalization with certain information to be provided by the financial advisor.

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

11. There were no developers' reports.

12. Josh Maas presented an operator's report, a copy of which is attached. The District served 7,619 active connections. The District's total current billing was \$491,095.34, while total current collections were \$602,522.09. The District had 90.90% water accountability. There were no violations at the sewage treatment plant during the prior month.

The operator then reported on repairs and maintenance performed during the prior month, noting that the rental motor at booster pump 2 at water plant 2 has been installed while repairs are pending. Mr. Maas also stated that blower no. 2 at the wastewater treatment plant is back online, but blower no. 4 remains offline. He also confirmed the replacement of a module for the UV system at the wastewater treatment plant.

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

13. Perry Miller presented the Champions Hydro-Lawn report, a copy of which is attached. The report reflected that the District's facilities are in good condition. Mr. Miller also stated that he is going to bring a proposal for some de-silting work to next month's meeting.

14. There were no hearings on violations of the District's rules.

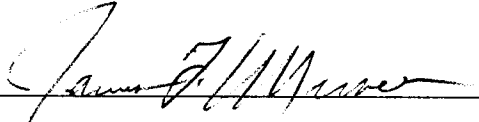
15. Director Bud Gessel presented a parks and recreational facilities report, a copy of which is attached. With regard to a metal District canopy that was stolen several months ago, Mr. Gessel presented a proposal from Division III + Constructors to replace the canopy in the amount of \$32,000. The Board unanimously approved the proposal as presented. In connection with that discussion, Mr. Gessel noted that the District's insurance provider paid \$27,500 on the claim for such stolen property. Mr. Gessel also showed several pictures of the observation tower recently constructed.

16. There were no rewards for citizen information.

17. The Board discussed Texas Tax Code Section 26.18 compliance. The attorney advised that pursuant to a law passed several years ago, 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.

18. No executive session was needed.

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



Secretary