

TIMBER LANE UTILITY DISTRICT
Minutes of Meeting of Board of Directors
October 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 October 12, 2023 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 Kayla Ray, Mark Ivy, Monica Pena, Jeff Vogler, Mark Cervantes, Josh Rambo, Perry Miller, Lt. Juan Flores, Sergeant Juvencio Ramos, Captain Vicente Medina, Sergeant Lindley, Sergeant Brian Norton, Larry Byrne, Eric O’Brien, Kurt Trauth, Paulette Scott, Claude Humbert, 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. Director Langstaff led the recital of the Pledge of Allegiance.
2. There were no public comments.
3. The Board then considered the minutes of the meetings held on September 14, 2023. 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: one burglary of a habitation, four vehicle thefts, five assaults, 23 calls for family disturbances, 56 alarms, four reported runaways, three burglaries of a motor vehicle, 15 other thefts, one sexual assault, four juvenile disturbances, 70 suspicious vehicles, three phone harassments, zero thefts of a habitation, zero robberies, three criminal mischief calls, 55 other disturbances, 45 suspicious persons, and 833 other calls. Upon unanimous vote, the Board approved the law enforcement report as presented.
5. Monica Pena presented a tax assessor-collector’s report, a copy of which is attached. The District’s 2022 taxes are 98.20% collected as of the date of the report. One wire transfer and 18 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. The tax assessor-collector confirmed publication of a notice of hearing regarding a proposed tax rate. The proposed tax rate was \$0.82 per \$100 assessed valuation. The chair opened the meeting for public comment. Claude Humbert asked the Board several questions regarding their budget and whether the District could lower the tax rate. The bookkeeper stated that she recommended that the Board follow the financial advisor's recommendation to levy a total tax rate of \$0.82. At the conclusion of all comments, the Board closed the public hearing.

7. 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 2023. Upon unanimous vote, the Board approved said order, which reflects a tax rate of \$0.51 attributable to debt service and \$0.31 attributable to maintenance and operations.

8. 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.

9. Josh Rambo gave an audit report for the fiscal year ended June 30, 2023. The auditor noted that his firm was issuing an unmodified or "clean" opinion; in other words, the financial statements present fairly, in all material respects, the respective financial position of the District's funds and governmental activities. The Board reviewed the audit in some detail. Upon unanimous vote, the Board approved the audit of the District's books and records for the fiscal year ended June 30, 2023 and authorized its filing, as required by law.

10. There was presented the attached Resolution Affirming Review of Investment Policy, Strategies and Objectives and broker list. The attorney noted that pursuant to the Public Funds Investment Act, the District is annually required to review its investment policy to assure its compliance with Texas law. The attorney recommended no revisions at this time to the investment policy, and the auditor's report noted no deficiencies with respect to how the District's investments are handled. Upon unanimous vote, the Board adopted the resolution as presented.

11. The Board noted the necessity to authorize preparation of continuing disclosure documents. The attorney noted that the District is required by federal securities law to update certain financial information that would be of interest to bondholders of the District. Upon unanimous vote, the Board authorized the consultants to prepare and file the necessary continuing disclosure.

12. The Board considered review of the District's investments for compliance with Senate Bill 253. The attorney reminded the Board that Senate Bill 253 prohibits the District from investing with entities that support terrorist organizations. The District's investment officer, Mary Jarmon, periodically reviews a list of such entities that is prepared by the Texas Comptroller of Public Accounts and made available on their website and confirmed that the District's investments are in compliance with the law.

13. Lori Aylett noted the need to update the Tax Code Section 26.18 and Government Code 2051.202 compliance document, as the Board has adopted a new tax rate for 2023 and approved its audit for the fiscal year ending on June 30, 2023. The Board authorized the attorney to update the document as required by law.

14. The Board then considered an engineer's report, copy attached. Mark Cervantes reported on the status of several District engineering matters. Design of the wastewater treatment plant expansion continues. With regard to the District's wastewater discharge permit, the engineer noted that his office has drafted the documentation for a major permit amendment that would remove copper, TDS, and other testing requirements, which they presented for signature. As for the Schultz Gulley pedestrian bridge, the engineer stated that the structural engineering design is complete, and the plans have been submitted to the appropriate agencies for review. Mr. Cervantes stated that the contractors for the lift station no. 1 and storm pump station no. 2 generator replacements have been submitted for execution, pending confirmation of bonds and insurance by the attorney.

Mr. Cervantes then presented and recommended payment of Pay Application No. 7 in the amount of \$32,784.61 from Division III + Constructors for their work in connection with the rehabilitation of the Cypress Terrace detention pond. Then, Mr. Cervantes presented and recommended payment of Pay Application No. 5 in the amount of \$565,226.91 and Change Order No. 1 in the amount of \$16,569.80 to Principal Services for their work in connection with water plant no. 5. The engineer noted that the change order was to add slats to the chain link fence around the plant, which the Board approved. Mr. Cervantes also presented paperwork to commence electricity to the new plant. Next, Mr. Cervantes presented and recommended payment of Pay Application No. 2 in the amount of \$166,644.00 from MM&I in connection with the generator projects at water plant no. 3 and lift station nos. 1 and 2.

The engineer also discussed a variety of other matters, including the Treaschwig Road expansion project and the need for a water meter easement for the Mercer Arboretum. Mr. Vogler also inquired as to whether the District would be interested in allowing for a contractor to test concrete coating at its water plant no. 1 at no cost to the District. The Board approved such request.

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

15. The Board then considered a Resolution Authorizing the Use of Surplus Funds, whereby the District would use \$553,727.25 in surplus construction funds from several prior bond sales to perform major repairs needed on District's water plant and lift stations. 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.

16. Kayla Ray 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.

17. Mark Ivy presented the operator's report, a copy of which is attached. The District served 7,628 active connections. The District's total current billing was \$689,042.02, while total current collections were \$655,895.80. The District had 93.5% water accountability. There were no excursions for the month of August.

Mark Ivy then reported on repairs and maintenance performed during the prior month.

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

18. The Board discussed the conveyance and assignment of a water meter easement in connection with service to the Mercer Arboretum. Upon motion made and seconded, the Board unanimously approved the easement as presented.

19. The Board then discussed the replacement of the playground equipment at Liberty Park, which recently was totally destroyed by fire. It was agreed that the Board would hold a special meeting in the near future to discuss such matter in greater detail. The Board agreed to hold that meeting on October 18, 2023.

20. Perry Miller presented the report from Champions Hydro-Lawn. He noted that the District's facilities are in good shape, particularly in light of the recent rain received in the District.

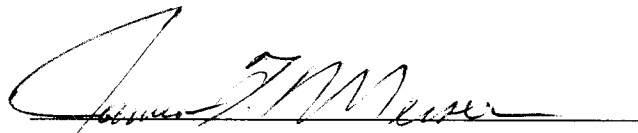
21. There were no developers' reports.

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

23. Director Bud Gessel presented a parks and recreational facilities report, a copy of which is attached. Director Gessel noted that the Timber Lane Community Center will be used as a polling location for this November's election. Director Gessel then presented photographs and other evidence related to a neighboring property owner on Casper Drive that continues to trespass upon and damage the portion of Herman Little Park that abuts his property. The Board requested that the attorney issue a notice of violation to this individual. The attorney agreed to do so.

24. There were no rewards for citizen information.

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


Secretary