

MINUTES OF SPECIAL MEETING
THE WOODLANDS ROAD UTILITY DISTRICT NO. 1
June 10, 2019

The Board of Directors (the "Board") of The Woodlands Road Utility District No. 1 (the "District") met in Special Session, open to the public, on the 10th day of June, 2019, at 10:00 a.m., at the regular meeting place of the Board at 2455 Lake Robbins Drive, The Woodlands, Montgomery County, Texas, outside the boundaries of the District, and the roll was called of the duly constituted officers and members of the Board, to-wit:

Bill A. Neill	Chairman
Richard A. DeBone	Vice Chairman
Winton R. Davenport, Jr.	Secretary
Gil Staley	Assistant Secretary
Lloyd W. Matthews	Assistant Secretary
Bruce Rieser	Director
Mark Keough	Director

with all of said persons being present, with the exception of Directors DeBone and Rieser, thus constituting a quorum.

Also present were Mark Miller of Municipal Accounts & Consulting, L.P. ("MA&C"), Donnie Reed of LJA Engineering, Inc. ("LJA"), Chris Begala and Jim McGrath of Begala-McGrath, LLC ("Begala-McGrath"), Bryan Yeates of Schwartz, Page & Harding, L.L.P. ("SPH") and Julie Peak of Masterson Advisors, LLC ("Masterson"), who entered the meeting after it was called to order, as reflected in these minutes.

The Chairman called the meeting to order and announced that a quorum was present and declared it open for such business as might regularly come before the Board.

PUBLIC COMMENT

There were no comments received from the public.

MINUTES OF MEETING

The Board reviewed the minutes of the meeting held on May 20, 2019. Following review and discussion, Director Matthews moved that such minutes be approved, as presented. The motion was seconded by Director Staley and carried by unanimous vote.

ENGINEER'S REPORT

Mr. Reed advised that he had nothing new to report to the Board at this time.

DEVELOPER'S REPORT

There was no report to be presented at this time.

CONSENT TO ASSIGNMENT OF TAX ABATEMENT AGREEMENT

Mr. Yeates presented the Board with a request for consent to the assignment of the Tax Abatement Agreement between the District, The Woodlands Land Development Company, L.P. ("TWLDC") and Alight Solutions, LLC ("Alight") for transfer in ownership of property from Alight to 8770 New Trails Holding, LLC. A copy of said assignment is attached hereto as **Exhibit A**. Following discussion, Director Matthews moved to approve the assignment and authorize the Chairman to execute same on behalf of the Board and the District. Director Staley seconded the motion, which unanimously carried.

TAX ASSESSOR/COLLECTOR REPORT

The Board next reviewed a written report prepared by Ms. Tammy McRae, the District's tax assessor/collector, concerning the accounting for and disbursement of tax collections for the month of May, 2019. During such review, it was noted that, after adjustments, 99.44% of the District's 2018 taxes have been collected as of May 31, 2019. A copy of such report is attached hereto as **Exhibit B**.

BOOKKEEPER'S REPORT AND QUARTERLY INVESTMENT REPORT

The Board reviewed a bookkeeping report, dated as of June 10, 2019, including a list of bills and charges to be paid, as prepared by Municipal Accounts & Consulting, L.P. Following discussion, Director Matthews moved to approve such report and pay the bills and charges listed therein, with the addition of check no. 3025 to the District's tax assessor/collector in the amount of \$88,222.65, which was not included in the report. The motion was seconded by Director Staley and carried by unanimous vote. A copy of the bookkeeping report thus approved is attached hereto as **Exhibit C**.

Ms. Peak entered the meeting at this time.

PROPOSED DISTRICT WEBSITE

The Board next considered the proposed District website. Mr. Begala and Mr. McGrath presented to and reviewed with the Board an updated version of the draft website, to which the Board provided comments. Mr. Yeates then discussed various legislative changes that will impact the information that must be included on the final website. Following discussion, the Board concurred to defer the activation date of the website from July 8, 2019, to October 1, 2019, to address such legislative changes and the adoption of the District's 2019 tax rate.

ISSUANCE OF THE DISTRICT'S UNLIMITED TAX ROAD REFUNDING BONDS, SERIES 2019 ("SERIES 2019 REFUNDING BONDS")

Ms. Peak presented and discussed with the Board a Regulatory Disclosure Regarding Municipal Advisory Agreement required to be made by Masterson, as the District's financial advisor, to the District pursuant to MSRB Rule G-42 (the "G-42 Disclosure"), a copy of which is attached hereto as **Exhibit D**. Following discussion, Director Davenport moved that the

Chairman be authorized to acknowledge receipt of said G-42 Disclosure on behalf of the Board and the District. The motion was seconded by Director Staley and carried by unanimous vote.

Ms. Peak next presented to the Board bids and proposals for the purchase of the District's Series 2019 Refunding Bonds. She reported that a total of five (5) bids had been received, that an underlying rating on the Series 2019 Refunding Bonds had been applied for, and that Moody's Rating Services had issued a rating of "Aa3". After reviewing the bids, the Chairman declared that the apparent low bidder was SAMCO Capital Markets, Inc. ("SAMCO") and requested that the District's financial advisor review and verify the mathematical accuracy of the bid and its compliance with the terms and conditions of the Official Notice of Sale for the Series 2019 Refunding Bonds. Ms. Peak then reported to the Board that the mathematical accuracy of the bid submitted for the Series 2019 Refunding Bonds had been verified, that the low bid complied with the terms and specifications of the Official Notice of Sale, and that the low bid was submitted by SAMCO for a principal amount of bonds of \$14,640,000, with a net present value savings of 8.404782%, or approximately \$1,191,377.78. Following discussion, Director Davenport moved to award sale of the Series 2019 Refunding Bonds to SAMCO, in the principal amount of \$14,640,000, in accordance with the terms of their low bid. The motion was seconded by Director Staley and carried by unanimous vote. A copy of the winning bid thus accepted is attached hereto as **Exhibit E**.

ORDER AUTHORIZING ISSUANCE OF THE SERIES 2019 REFUNDING BONDS

The Board next reviewed and considered the terms and provisions of a proposed order authorizing the issuance, sale and delivery of the Series 2019 Refunding Bonds. Mr. Yeates reviewed with the Board the principal terms, covenants and provisions of the bond order and answered questions with respect thereto. Following discussion, Director Davenport moved for the adoption of such order. The motion was seconded by Director Staley and carried by unanimous vote. The order thus adopted is attached hereto as **Exhibit F**.

APPROVAL OF PAYING AGENT/REGISTRAR AGREEMENT

The Board next considered entering into an agreement with The Bank of New York Mellon Trust Company, N.A. ("BONY"), Dallas, Texas, to act as Paying Agent/Registrar in connection with the Series 2019 Refunding Bonds. Mr. Yeates reviewed the general terms and provisions of such proposed agreement with the Board. Following discussion, Director Davenport moved (i) to approve and authorize the Chairman of the Board to execute the Paying Agent/Registrar Agreement ("PAR Agreement") on behalf of the Board and the District, and (ii) to authorize SPH to acknowledge receipt of TEC Form 1295 from BONY in connection with said PAR Agreement. The motion was seconded by Director Staley and carried by unanimous vote. A copy of the Paying Agent/Registrar Agreement thus approved is attached hereto as **Exhibit G**.

APPROVAL OF ESCROW AGREEMENT

The Board next considered an Escrow Agreement between the District and BONY with respect to the Series 2019 Refunding Bonds. Following discussion, Director Davenport moved (i) to approve and authorize the Chairman of the Board to execute the Escrow Agreement on

behalf of the Board and the District, and (ii) to authorize SPH to acknowledge receipt of TEC Form 1295 from BONY in connection with said Escrow Agreement. The motion was seconded by Director Staley and carried by unanimous vote. A copy of the Escrow Agreement thus approved is attached hereto as **Exhibit H**.

AUTHORIZE COMPLETION AND DISTRIBUTION OF FINAL OFFICIAL STATEMENT

Ms. Peak then advised the Board that it would be necessary to supplement and amend the District's Preliminary Official Statement to include the terms of the winning bid, the name and identification of the winning bidder, the principal amount and final maturity schedule for the Series 2019 Refunding Bonds, and certain other terms and provisions relating to such Series 2019 Refunding Bonds. Following discussion, Director Davenport moved to authorize the District's financial advisors to revise, amend, supplement, print and distribute a final Official Statement in connection with the Series 2019 Refunding Bonds. The motion was seconded by Director Staley and carried by unanimous vote.

DESIGNATION OF VERIFICATION AGENT

Director Davenport then moved to authorize the employment of Public Finance Partners LLC ("PFP") as verification agent in connection with the Series 2019 Refunding Bonds, pending receipt of TEC Form 1295 from PFP. The motion was seconded by Director Staley and carried by unanimous vote.

PURCHASE OF OPEN MARKET SECURITIES

The Board considered the subscription for and purchase of open market securities in connection with the Series 2019 Refunding Bonds. Following discussion, Director Davenport moved that the Board authorize the subscription for and the purchase of open market securities necessary to defease and accomplish the refunding of a portion of the District's outstanding bonds, as described in the plan of financing for the District included in the final Official Statement. The motion was seconded by Director Staley and carried by unanimous vote.

DISBURSEMENT OF PROCEEDS

Mr. Yeates advised the Board that the closing on the Series 2019 Refunding Bonds is currently scheduled for July 17, 2019, and that certain disbursements would need to be made from the proceeds of the Series 2019 Refunding Bonds at the time of closing, as set forth in the Final Numbers prepared by the Masterson. Following discussion, Director Davenport moved to authorize the Chairman of the Board to execute any documents, including wire transfer payments of any of such expenses. The motion was seconded by Director Staley and carried by unanimous vote.

REQUEST OF RECORDS MANAGEMENT OFFICER

The Board then considered a request from the District's Records Management Officer to destroy SPH's handwritten notes of Board meetings from April 23, 2018 to February 25, 2019.

Mr. Yeates described the annual procedure based on the fact that the District's records retention policy and the Rules of the Texas State Library and Archives Commission only require retention of such handwritten notes for 90 days. Although such notes could be maintained by the District beyond 90 days, the minutes produced from such notes are maintained indefinitely and are considered to be the official, permanent record of District meetings. Following discussion, Director Davenport moved to authorize the Records Management Officer to destroy the records referred to in such request. The motion was seconded by Director Matthews and passed by unanimous vote.

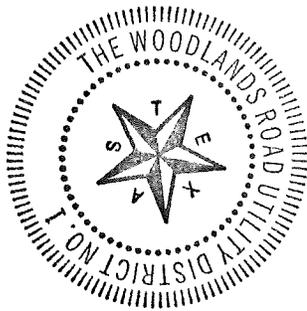
CLOSED SESSION

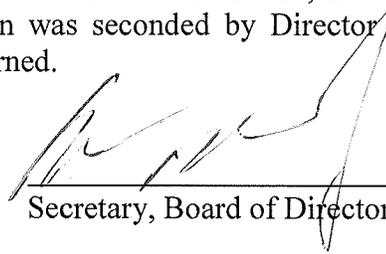
The Chairman announced that a closed session would not be necessary.

ADJOURNMENT

There being no further matters to come before the Board, Director Davenport moved that the meeting be adjourned. The motion was seconded by Director Staley and carried by unanimous vote, and the meeting was adjourned.

(SEAL)




Secretary, Board of Directors

List of Attachments to
The Woodlands Road Utility District No. 1
Minutes of Meeting of June 10, 2019

- Exhibit A – Assignment of Tax Abatement Agreement
- Exhibit B – Tax Assessor/Collector Report for May 2019
- Exhibit C – Bookkeeper's Report dated June 10, 2019
- Exhibit D – Regulatory Disclosure Regarding Municipal Advisory Agreement
- Exhibit E – Original Bid for Bonds
- Exhibit F – Bond Order
- Exhibit G – Paying Agent/Registrar Agreement
- Exhibit H – Escrow Agreement