

MINUTES OF REGULAR MEETING
THE WOODLANDS ROAD UTILITY DISTRICT NO. 1
September 16, 2019

The Board of Directors (the "Board") of The Woodlands Road Utility District No. 1 (the "District") met in Regular Session, open to the public, on the 16th day of September, 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 Director Rieser, thus constituting a quorum.

Also present were Donnie Reed of LJA Engineering, Inc. ("LJA"), Mark Miller of Municipal Accounts & Consulting, L.P. ("MA&C"), Dan Kolkhorst of The Howard Hughes Corporation ("Howard Hughes"), Jim McGrath of Begala-McGrath, LLC ("Begala-McGrath"), Jenny Taylor, representative of Market Street, Jason Millsaps, representative of Montgomery County, and Bryan Yeates of Schwartz, Page & Harding, L.L.P. ("SPH"). John Knox of Knox Cox & Company, L.L.P. ("Knox Cox") later entered the meeting, 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 com 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 August 19, 2019. Following review and discussion, Director Davenport moved that such minutes be approved, as presented. The motion was seconded by Director Matthews and carried by unanimous vote.

LEVY OF DISTRICT'S 2019 DEBT SERVICE AND MAINTENANCE TAX RATES

The Board next considered adopting a 2019 tax rate, and Mr. Yeates advised that the District's financial advisor has recommended that the District adopt a debt service tax rate of \$0.18 per \$100 of assessed valuation, and a maintenance tax rate of \$0.02 per \$100 of assessed valuation. Following discussion on the recommendation of the District's financial advisor, Director Davenport moved for the adoption of the attached order levying a 2019 ad valorem debt

service tax rate of \$0.18 per \$100 of assessed valuation and a maintenance tax rate of \$0.02 per \$100 of assessed valuation. The motion was seconded by Director Staley and carried by unanimous vote. The order thus adopted is attached hereto as **Exhibit A**.

AMENDED DISTRICT INFORMATION FORM

The Board next considered an Amended District Information Form reflecting the District's 2019 tax rate. Following discussion, Director DeBone moved that such Amended District Information Form be approved, executed and recorded in accordance with applicable law. The motion was seconded by Director Matthews 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.

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 August, 2019. During such review, it was noted that, after adjustments, 99.70% of the District's 2018 taxes have been collected as of August 31, 2019. A copy of such report is attached hereto as **Exhibit B**.

Mr. Knox entered the meeting at this time.

BOOKKEEPER'S REPORT

Mr. Miller presented to and reviewed with the Board a bookkeeping report, dated as of September 16, 2019, including a list of bills and charges to be paid, as prepared by MA&C. Following discussion, Director DeBone moved to approve such report and pay the bills and charges listed therein. The motion was seconded by Director Davenport and carried by unanimous vote. A copy of the bookkeeping report thus approved is attached hereto as **Exhibit C**.

ENGAGEMENT OF AUDITOR

Mr. Knox presented to the Board a proposal from Knox Cox, for preparation of the District's audit report, and the House Bill 1378 financial report for fiscal year ending September 30, 2019, along with the required Texas Ethics Commission ("TEC") Form 1295 to accompany said proposal. Following review and discussion, Director DeBone moved to (i) accept such proposal as presented, (ii) authorize the Chairman of the Board of Directors to execute same on behalf of the Board and the District, and (iii) authorize SPH to acknowledge the TEC Form 1295 received in connection with same. The motion was seconded by Director Davenport and carried by unanimous vote. A copy of such proposal is attached hereto as **Exhibit D**.

DISTRICT WEBSITE

Mr. McGrath presented to and reviewed with the Board an updated draft of the proposed District website. No action was taken by the Board in connection with this matter.

CLOSED SESSION

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

APPROVAL OF BUDGET FOR FISCAL YEAR ENDING SEPTEMBER 30, 2020

Mr. Miller presented and reviewed with the Board a proposed budget for fiscal year ending September 30, 2020, as prepared by MC&C. Following review and discussion, Director Matthews moved to approve such budget. The motion was seconded by Director DeBone and carried by unanimous vote. A copy of the approved budget is attached hereto as **Exhibit E**.

ADJOURNMENT

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

533316.1 (SEAL)




Secretary, Board of Directors

List of Attachments to
The Woodlands Road Utility District No. 1
Minutes of Meeting of September 16, 2019

- Exhibit A – Order Levying Taxes
- Exhibit B – Tax Assessor/Collector's Report for August 2019
- Exhibit C – Bookkeeper's Report
- Exhibit D – Knox Cox Proposal
- Exhibit E – 2020 Budget