

MINUTES OF REGULAR MEETING  
THE WOODLANDS ROAD UTILITY DISTRICT NO. 1  
April 19, 2021

The Board of Directors ("Board") of The Woodlands Road Utility District No. 1 ("District") met in regular session on April 19, 2021, in accordance with the duly posted notice of meeting. The meeting was held via telephone conference call pursuant to Texas Government Code, Section 551.125, as amended, and as modified by the temporary suspension of various provisions thereof effective March 16, 2020, by the Governor of Texas in accordance with the Texas Disaster Act of 1975, all as related to the Governor's proclamation on March 13, 2020, certifying that the COVID-19 pandemic poses an imminent threat of disaster and declaring a state of disaster for all counties in Texas. The roll was called of the duly constituted officers and members of the Board, as follows:

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

with all of said persons being present, with the exception of Director Davenport, thus constituting a quorum.

Also present were Donnie Reed of LJA Engineering, Inc. ("LJA"), Dan Kolkhorst of The Howard Hughes Corporation ("Howard Hughes"), Mark Miller of Municipal Accounts & Consulting, L.P. ("MA&C"), Todd Stephens of The Woodlands Township ("TWT"), Kevin Garrity and Lauro Porto of Exxon Mobil Corporation ("Exxon"), Nelda Blair, and Bryan Yeates and Peyton Ellis of Schwartz, Page & Harding, L.L.P. ("SPH").

**EXPLANATION OF TELEPHONE CONFERENCE MEETING PROCEDURES**

Mr. Yeates explained to the Board the procedures to be used during the telephone conference call meeting. In connection therewith, he informed the participants that the meeting would be recorded, and requested that participants clearly state his or her name before speaking, including when making or seconding a motion. Mr. Yeates further explained that he would conduct a roll call vote for all motions and that Board members should wait to vote on the motion until his or her name has been called. Similarly, Mr. Yeates stated that a full roll call of all participants will be conducted at the start of each telephone conference meeting for attendance purposes.

The Chairman called the meeting to order and declared it open for such business as may regularly come before the Board.

## **PUBLIC COMMENTS**

The Board began by opening the meeting for public comments. There being no members of the public present on the call, the Board continued to the next item of business.

## **RESIGNATION OF WINTON R. DAVENPORT, JR.**

Mr. Yeates next discussed the resignation of Winton R. Davenport, Jr. from the Board of Directors. Following discussion, Director Matthews moved to accept such resignation. The motion was seconded by Director Milner and carried by unanimous vote.

## **ACCEPTANCE OF OATH OF OFFICE, OFFICIAL BOND, STATEMENT OF ELECTED/APPOINTED OFFICER AND ELECTION NOT TO DISCLOSE PERSONAL INFORMATION**

The Board next received the Oath of Office, Official Bond and Statement of Elected/Appointed Officer of Ms. Nelda Blair, in connection with her appointment to the Board of Directors of the District. Following review, Director Matthews moved that such Oath of Office, Official Bond and Statement of Elected/Appointed Officer be approved and accepted and that SPH be directed to file the Oath of Office with the Texas Secretary of State, as required by law. The motion was seconded by Director Keough, and carried by unanimous vote. Director Blair participated in the remainder of the meeting.

Mr. Yeates then advised Director Blair that she may elect to instruct the District to withhold public access to information in the custody of the District relating to her home address, home telephone number, social security number and information indicative of whether she has family members pursuant to Section 552.024 of the Texas Government Code. He noted that such election must be made not later than the fourteenth (14<sup>th</sup>) day after the Director's appointment or election. He further noted that Director Blair had executed the necessary document electing not to disclose such information.

## **ELECTION OF OFFICERS**

The Board next considered the election of officers of the Board. Following discussion, Director Matthews moved that Director Blair be elected to fill the vacant position of Secretary/Treasurer of the Board. The motion was seconded by Director Keough and carried by unanimous vote.

## **LOCAL GOVERNMENT OFFICER LIST**

Mr. Yeates reminded the Board that, pursuant to amendments to Chapter 176 of the Texas Local Government Code, the District is required to and does maintain a list of Local Government Officers, which includes the members of the Board and the District's Investment Officers in connection with conflict of interest disclosure requirements. After discussion on the matter, Director Matthews moved that the District prepare and maintain a list of local government officers as required by law in connection with Director Blair's appointment to the Board. Director Keough seconded said motion, which unanimously carried.

## **OPEN GOVERNMENT TRAINING**

Mr. Yeates next advised Director Blair regarding the training requirements for public officials pursuant to the Texas Open Meetings Act ("OMA") and the Texas Public Information Act ("PIA"), and the procedures for compliance with same.

## **CONFLICTS DISCLOSURE STATEMENT REPORTING REQUIREMENTS**

Mr. Yeates next discussed with the Board the conflicts disclosure statement reporting requirements for officers of certain local governmental entities, including municipal utility district directors, pursuant to Chapter 176 of the Texas Local Government Code. Mr. Yeates then presented Director Blair with a Memorandum prepared by SPH which summarizes the conflicts disclosure requirements.

## **MINUTES OF MEETING**

The Board reviewed the minutes of the meeting held on March 15, 2021. Following review and discussion, Director Milner moved that such minutes be approved. The motion was seconded by Director Staley, which passed by a vote of six (6) in favor, and Director Blair abstaining.

## **TERMINATION OF HL CHAMPION HOLDING COMPANY, LLC ("HL CHAMPION") AND EXXON MOBIL CORPORATION ("EXXON") TAX ABATEMENT AGREEMENT**

The Board considered termination of the Tax Abatement Agreement between the District, HL Champion and Exxon (the "Agreement"). A copy of such Agreement is attached hereto as **Exhibit A**. In connection therewith, Mr. Yeates presented to and reviewed with the Board correspondence that was provided to Exxon on behalf of the District as of April 15, 2021, regarding the Notice of Declaration of Default of Tax Abatement Agreement by and among the District, HL Champion and Exxon (the "Agreement"), a copy of which is attached hereto as **Exhibit B**. Mr. Porto then addressed the Board regarding the default of the Agreement and advised that Exxon is in the process of transferring additional employees into Building B of Exxon's facilities in order to satisfy the terms of the Agreement. He stated that Exxon will provide proof of same to SPH prior to the default cure deadline set forth in the Agreement. No action was required of the Board in connection with this matter.

Mr. Garrity and Mr. Porto exited the meeting at this time.

## **ENGINEER'S REPORT**

The Board considered the Engineer's Report. Mr. Reed advised that he had nothing new to report to the Board at this time.

In connection with the landscaping improvement project located at Lake Woodlands Drive, Mr. Kolkhorst advised the Board that the majority of the project is complete, and that he

is in the process of communicating with a pipeline company to receive permission to plant landscaping on top of a currently existing pipeline easement.

### **DEVELOPER'S REPORT**

The Board considered the Developer's Report. Mr. Kolkhorst advised that he had nothing further to report to the Board 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 March, 2021. A copy of such report is attached hereto as **Exhibit C**.

### **ATTORNEY'S REPORT**

The Board next considered the Attorney's Report. Mr. Yeates advised that the Board will continue to hold meetings remotely until otherwise notified.

### **ADDITIONAL PENALTY ON DELINQUENT REAL PROPERTY TAXES**

The Board considered the adoption of a Resolution Authorizing an Additional Penalty on Delinquent Real Property Taxes. Mr. Yeates advised that the Board is authorized pursuant to Section 33.07 of the Texas Tax Code, as amended, to impose, under certain conditions, on July 1, an additional penalty not to exceed twenty percent (20%) of the total taxes, penalty and interest due the District on taxes that remain delinquent as of July 1 of the year in which they became delinquent. He noted that the additional penalty to be imposed by this Resolution will not apply to delinquent personal property taxes which have incurred an additional penalty pursuant to that certain Resolution Authorizing an Additional Penalty on Delinquent Personal Property Taxes, which was passed and approved by the District on January 18, 2021. Following discussion, Director Milner moved that the Resolution Authorizing an Additional Penalty on Delinquent Real Property Taxes, a copy of which is attached hereto as **Exhibit D**, be adopted, and that Perdue Brandon Fielder Collins & Mott, L.L.P. be authorized to proceed with the collection of the District's 2020 delinquent real property tax accounts on July 1, 2021, subject to proper notice having been given as provided in said Resolution, including the filing of lawsuits as necessary. The motion was seconded by Director Staley and carried by unanimous vote.

### **BOOKKEEPER'S REPORT**

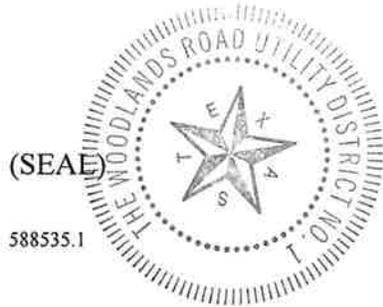
Mr. Miller presented to and reviewed with the Board a bookkeeping report, dated as of April 19, 2021, including a list of bills and charges to be paid, as prepared by Municipal Accounts & Consulting, L.P. Following discussion, Director Matthews moved to approve such report and pay the bills and charges listed therein. The motion was seconded by Director Milner and carried by unanimous vote. A copy of the bookkeeping report thus approved is attached hereto as **Exhibit E**.

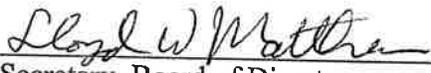
**CLOSED SESSION**

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

**ADJOURNMENT**

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



  
Asst. Secretary, Board of Directors

List of Attachments to  
The Woodlands Road Utility District No. 1  
Minutes of Meeting of April 19, 2021

- Exhibit A - Tax Abatement Agreement between the District, HL Champion Holding Company, LLC and Exxon Mobil Corporation
- Exhibit B - Correspondence regarding the Notice of Declaration of Default of Tax Abatement Agreement by and among the District, HL Champion Holding Company, LLC and Exxon Mobil Corporation
- Exhibit C - Tax Assessor/Collector's Report for March 2021
- Exhibit D - Resolution Authorizing an Additional Penalty on Delinquent Real Property Taxes
- Exhibit E - Bookkeeper's Report