

MINUTES OF REGULAR MEETING  
THE WOODLANDS ROAD UTILITY DISTRICT NO. 1  
August 17, 2020

The Board of Directors ("Board") of The Woodlands Road Utility District No. 1 ("District") met in regular session on August 17, 2020, 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, but 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

with all of said persons being present, thus constituting a quorum.

Also attending the meeting via telephone conference call were Dan Kolkhorst and Kelly Dietrich of The Howard Hughes Corporation ("Howard Hughes"), Mark Miller of Municipal Accounts & Consulting, L.P. ("MA&C"), Donnie Reed of LJA Engineering, Inc. ("LJA"), Julie Peak and Spencer Day of Masterson Advisors, LLC ("Masterson"), Todd Stephens of The Woodlands Township ("TWT"), Andrew Wilson, representative of Market Street, and Bryan Yeates, Gordon Cranner 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 comments from the members of the public present on the call, the Board continued to the next item of business.

## **MINUTES OF MEETING**

The Board reviewed the minutes of the meeting held on May 18, 2020. Following review and discussion, Director Davenport moved that such minutes be approved, as presented. The motion was seconded by Director Staley 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 deferred receiving the Oath of Office, Official Bond and Statement of Elected/Appointed Officer in connection with Mr. Bob Milner's appointment to the Board as The Woodlands Township appointee, as Mr. Milner was not present at the meeting.

## **RECOMMENDATION CONCERNING PROPOSED 2020 TAX RATE**

Ms. Peak reviewed with the Board the effective tax rate calculation prepared by the District's tax assessor/collector and advised that Masterson is recommending that the District adopt a 2020 debt service tax rate of \$0.17 per \$100 of assessed valuation, and a 2020 maintenance tax rate of \$0.02 per \$100 of assessed valuation. A copy of said calculation is attached hereto as **Exhibit A**. She then presented to and reviewed with the Board the District's Debt Profile as prepared by Masterson, a copy of which is included with **Exhibit A**. Following discussion, Director Keough moved that the Board declare its intention to levy a 2020 debt service tax rate of \$0.17 per \$100 of assessed valuation and a 2020 maintenance tax rate of \$0.02 per \$100 of assessed valuation. The motion was seconded by Director Matthews and carried by unanimous vote.

## **ACCEPTANCE OF CERTIFICATION OF EXCESS COLLECTIONS AND DEBT SERVICE COLLECTION RATE**

The Board of Directors next received and reviewed a certification of excess debt service tax collections prepared by Tammy McRae, the District's tax assessor-collector, for debt service taxes for 2019-2020. A copy of said certification is attached hereto as **Exhibit B**. Following review, Director Davenport moved that the Board of Directors accept the certification of excess debt service tax collections, as presented. The motion was seconded by Director Staley and carried by unanimous vote.

The Board of Directors then received and reviewed Ms. McRae's certification that the 2020-2021 anticipated debt service collection rate of 100% will be used in calculating the District's 2020 effective tax rate. A copy of said certification is included with **Exhibit B**.

Following review, Director Davenport moved that such certification be accepted, as presented. The motion was seconded by Director Staley and carried by unanimous vote.

### **ENGINEER'S REPORT**

The Board considered the Engineer's Report. In connection therewith, Mr. Reed advised the Board that LJA solicited bids for the landscaping beautification/reforestation construction project along Lake Woodlands Drive between Interstate Highway 45 and Six Pines Drive following the completion of the Montgomery County, Precinct 3 ("Precinct 3") construction project. He then presented to and reviewed with the Board the bid tabulation and recommendation of award letter, copies of which are attached hereto as **Exhibit C**, and recommended that the Board award the construction contract to Berkeley Outside Services, Inc. at a cost of \$222,519.30. Following discussion, director Matthews moved to award the construction contract to Berkley Outside Services, Inc. at a cost of \$222,519.30. Director Keough seconded the motion, which unanimously carried.

### **DEVELOPER'S REPORT**

Mr. Kolkhorst advised that he had nothing to report 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 July, 2020. A copy of such report is attached hereto as **Exhibit D**.

### **FINANCIAL ADVISOR'S REPORT**

Ms. Peak presented and reviewed with the Board preliminary numbers for a proposed issuance of the District's Unlimited Tax Road Refunding Bonds, Series 2020 (the "2020 Refunding Bonds"), a copy of which is attached hereto as **Exhibit E**, and the Bond Buyer Index, a copy of which is included with **Exhibit E**, relative to same. Ms. Peak discussed refunding portions of the District's Unlimited Tax Road Bonds, Series 2009A (the "2009A Bonds"), the District's Unlimited Tax Road Refunding Bonds, Series 2009 (the "2009 Refunding Bonds") and the District's Unlimited Tax Road Refunding Bonds, Series 2012 (the "2012 Refunding Bonds"), and advised that the District would realize a net present value savings of approximately \$186,591 or 3.56% in connection with the refunding of the 2009A Bonds, 2009 Refunding Bonds and 2012 Refunding Bonds. Following discussion, Director Davenport moved that Masterson be authorized to prepare a preliminary official statement ("POS") and notice of sale ("NOS") in order to proceed with the sale of the District's 2020 Refunding Bonds. The motion was seconded by Director Keough and carried by unanimous vote. The Board also requested that SPH coordinate a special meeting to be held on September 14, 2020, to approve the POS and NOS, followed by special meeting on October 4, 2020, to award the sale of the 2020 Refunding Bonds.

## **CYBERSECURITY TRAINING**

Mr. Yeates next reminded the Board that, at a previous meeting, it was provided with a memorandum prepared by SPH regarding Cybersecurity Training for Certain Local Government Employees and Elected Officials, as contemplated in House Bill No. 3834. He requested that any directors who have not completed the training to do so at their earliest convenience.

## **BOOKKEEPER'S REPORT**

Mr. Miller presented to and reviewed with the Board a bookkeeping report, dated as of August 17, 2020, including a list of bills and charges to be paid, as prepared by MA&C. Following discussion, Director Davenport moved to approve such report and pay the bills and charges listed therein. The motion was seconded by Director Matthews and carried by unanimous vote. A copy of the bookkeeping report thus approved is attached hereto as **Exhibit F**.

## **SUPPLEMENTAL AGENDA**

Mr. Yeates presented to the Board an Amended and Restated Order Calling Directors Election, which is attached hereto as **Exhibit G**. He advised that said Order amends and restates the District's order calling a Directors Election to be held May 2, 2020, which was subsequently postponed by order of the Board due to the COVID-19 pandemic, and sets the Directors Election to be held on November 3, 2020. He noted that said Order provides for the Directors Election to be conducted by jointly with Harris County and Montgomery County as part of a joint election, and that District voters will vote according to precinct. After discussion on the matter, Director Davenport moved that said Order be passed and adopted, that the Chairman and Secretary be authorized to execute the Order, and that the Election Agent be authorized and directed to make necessary arrangements for the Directors Election in accordance with the Order. Director Neill seconded said motion, which unanimously carried.

## **ELECTION SERVICES AGREEMENT AND JOINT ELECTION AGREEMENT WITH MONTGOMERY COUNTY**

The Board next considered the approval of an Election Services Agreement and a Joint Election Agreement between the District and Montgomery County in connection with the District's November 3, 2020, Directors Election. Following discussion, Director Davenport moved to approve the Election Services Agreement and Joint Election Agreement between the District and Montgomery County. Director Neill seconded said motion, which carried unanimously.

## **AGREEMENT BETWEEN HARRIS COUNTY AND THE DISTRICT RELATING TO JOINT ELECTION TO BE HELD NOVEMBER 3, 2020**

The Board next considered the approval of any necessary documentation and/or agreements, including the Agreement between Harris County and the District relating to Joint

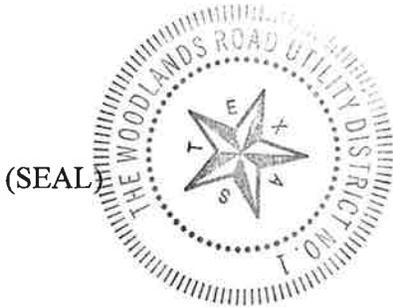
Elections to be held November 3, 2020, to facilitate the joint election with Harris County for November 3, 2020. Following discussion, Director Davenport moved that any necessary documentation and/or agreements between the District and Harris County associated with the joint election be approved, and that the Chairman be authorized to execute same on behalf of the Board and the District. Director Neill seconded the motion, which unanimously carried.

**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 Staley moved that the meeting be adjourned. The motion was seconded by Director Keough and carried by unanimous vote, and the meeting was adjourned.



  
Secretary, Board of Directors

List of Attachments to  
The Woodlands Road Utility District No. 1  
Minutes of Meeting of August 17, 2020

- Exhibit A - Tax Rate Analysis and District Debt Profile
- Exhibit B - Certification of Excess Debt Service Tax Collections and Certification of 2020-2021 Anticipated Debt Service Collection Rate
- Exhibit C - Bid Tabulation and Recommendation of Award
- Exhibit D - Tax Assessor-Collector Report
- Exhibit E - Preliminary Numbers and Bond Buyer Index
- Exhibit F - Bookkeeper's Report
- Exhibit G - Amended and Restated Order Calling Directors Election