

MINUTES OF REGULAR MEETING  
THE WOODLANDS ROAD UTILITY DISTRICT NO. 1  
January 18, 2021

The Board of Directors ("Board") of The Woodlands Road Utility District No. 1 ("District") met in regular session on January 18, 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 Keough, thus constituting a quorum.

Also present were Donnie Reed of LJA Engineering, Inc. ("LJA"), Todd Stephens of The Woodlands Township ("TWT"), John Knox of Knox Cox & Company, L.L.P. ("Knox Cox"), and Bryan Yeates 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.

## **MINUTES OF MEETING**

The Board reviewed the minutes of the meetings held on November 16, 2020, and November 17, 2020. Director Milner requested that the November 17, 2020, meeting minutes be revised to reflect his attendance at the meeting. Following review and discussion, Director Staley moved that such minutes be approved, as revised. The motion was seconded by Director Milner and carried by unanimous vote.

## **ACCEPTANCE OF QUALIFICATION STATEMENT, BOND, OATH OF OFFICE, AFFIDAVIT AND ELECTION NOT TO DISCLOSE CERTAIN INFORMATION**

The Board of Directors next received the Statements of Elected/Appointed Officer and Oaths of Office of Directors Neill, Davenport and Matthews, in connection with their election to the Board of Directors of the District. Following review, Director Milner moved that such Statements of Elected/Appointed Officer and Oaths of Office be approved as to form and accepted upon execution and receipt, and that the District's attorneys be directed to file the Oaths of Office with the Secretary of State, as required by law. The motion was seconded by Director Staley and carried by unanimous vote.

## **ACCEPTANCE OF ELECTIONS NOT TO DISCLOSE CERTAIN INFORMATION**

The Board considered the acceptance of Elections Not to Disclose Certain Information for all directors. Mr. Yeates advised the Board that they may elect to instruct the District to withhold public access to certain personal information in the custody of the District. Following discussion on the matter, it was moved by Director Milner, seconded by Director Staley, and unanimously carried that the Elections Not to Disclose Certain Information be accepted as executed by the Directors.

## **ORGANIZATION OF THE BOARD OF DIRECTORS**

The next business to come before the meeting was the organization of the Board of Directors by selecting a President, Vice-President, Secretary and Assistant Secretary as provided by law.

Following discussion, the Board concurred that no changes be made to the current slate of officers.

## **DISTRICT REGISTRATION FORM**

The Board considered approval of a District Registration Form as required by the Texas Commission on Environmental Quality (the "TCEQ"). Mr. Yeates explained that, in accordance with the Texas Water Code, municipal utility districts are required to file names, mailing addresses, officer positions and the terms of office of directors with the TCEQ within thirty (30) days after an election or appointment. He advised that with the Board's approval, SPH will complete the District Registration Form to reflect the updated terms of office for Directors Neill, Davenport and Matthews, and file same with the TCEQ. After further discussion of the matter,

Director Davenport moved that the Board authorize SPH to complete the District Registration Form as discussed and file same with the TCEQ. Director Staley seconded said motion, which unanimously carried.

### **ENGINEER'S REPORT**

The Board considered the Engineer's Report. Mr. Reed advised the Board that the landscaping project located at Lake Woodlands Drive is near completion. He further advised that Mr. Kolkhorst is working with a pipeline company to add planting along the District's pipeline easement.

### **DEVELOPER'S REPORT**

The Board deferred consideration of the developer's report, as there were no developer representatives present at the meeting.

### **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 December, 2020. During such review, it was noted that, after adjustments, 29.16% of the District's 2020 taxes have been collected as of December 31, 2020. A copy of such report is attached hereto as **Exhibit A**.

### **ATTORNEY'S REPORT**

The Board next considered the Attorney's Report. Mr. Yeates advised the Board that the legislative session has begun and that SPH will keep the Board apprised of any developments resulting from same.

### **BOOKKEEPER'S REPORT**

Mr. Yeates presented to and reviewed with the Board a bookkeeping report, dated as of January 18, 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 Davenport and carried by unanimous vote. A copy of the bookkeeping report thus approved is attached hereto as **Exhibit B**.

### **APPROVAL OF AUDIT FOR FISCAL YEAR ENDED SEPTEMBER 30, 2020**

Mr. Knox presented for the Board's review and approval a draft audit report from Knox Cox for the fiscal year ended September 30, 2020, and requested the Board's execution of a representation letter in connection with the same, copies of which are attached hereto as **Exhibit C**. Following review and discussion, Director Matthews moved to approve the audit report as presented, and authorize the Chairman to execute the representation letter on behalf of the Board and the District. The motion was seconded by Director Staley and carried by unanimous vote.

## **CONTINUING DISCLOSURE REPORT**

The Board next considered the filing of the District's Annual Financial and Operating (Continuing Disclosure) Report relative to the District's outstanding bonds. Mr. Yeates advised the Board that the annual report is in the process of being prepared and will be presented to the Board for review and approval once received.

## **SPECIAL PURPOSE DISTRICT PUBLIC INFORMATION DATABASE**

Mr. Yeates next informed the Board that, pursuant to provisions of Chapter 403, Texas Government Code, and Chapter 203, Texas Local Government Code, the District is required to annually submit information to the Comptroller for inclusion in the Special Purpose District Public Information Database no later than April 1<sup>st</sup> of each year. Mr. Yeates recommended that Knox Cox be authorized to prepare and submit the information for the 2021 reporting period. After discussion on the matter, it was moved by Director Davenport, seconded by Director DeBone and unanimously carried, that Knox Cox be authorized to prepare the required information for the 2021 reporting period and submit same to the Comptroller for inclusion in the Special Purpose District Public Information Database no later than April 1, 2021.

## **RENEWAL OF DISTRICT INSURANCE COVERAGES**

The Board next reviewed proposals submitted by McDonald & Wessendorff Insurance for the renewal of the District's insurance coverages. Following review and discussion, Director DeBone moved to approve and authorize execution and delivery of such proposals, as presented. The motion was seconded by Director Milner and carried by unanimous vote.

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

Mr. Yeates advised the Board that it is authorized pursuant to Section 33.07 of the Texas Tax Code to impose, under certain conditions, an additional penalty not to exceed twenty percent (20%) of the total taxes, penalty and interest due the District on personal property that become delinquent after February 1 of a year and that remain delinquent sixty (60) days after said date, to defray the costs of collection of said delinquent taxes, in accordance with Section 33.11 of the Texas Tax Code, as amended. The Board next considered the adoption of a resolution authorizing such additional penalty. Following discussion, Director Milner moved for the adoption of the Resolution Authorizing an Additional Penalty on Delinquent Personal Property Taxes, attached hereto as **Exhibit D**. The motion was seconded by Director Davenport and carried by unanimous vote.

## **2021 DIRECTORS ELECTION**

Mr. Yeates advised the Board that the terms of office of Directors DeBone and Staley will expire in May of this year and that the Board must consider calling an election for directors of the District for May 1, 2021. In connection with such election, the Board was advised of the necessity to appoint an election agent for the election. Following discussion, Director Matthews moved (i) that the Board of Directors appoint Peyton Ellis as the District's official election agent

for the May 1, 2021, election, and (ii) for the adoption of a written order calling such election. The motion was seconded by Director Milner and carried by unanimous vote. The Order thus adopted 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 Davenport moved that the meeting be adjourned. The motion was seconded by Director Milner 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 January 18, 2021

- Exhibit A - Tax Assessor/Collector's Report for December 2020
- Exhibit B - Bookkeeper's Report
- Exhibit C - Draft Audit for fiscal year ended September 30, 2020
- Exhibit D - Resolution Authorizing an Additional Penalty on Delinquent Personal Property Taxes
- Exhibit E - Order Calling Directors Election