

THE WOODLANDS ROAD UTILITY DISTRICT NO. 1

Minutes of Special Meeting of Board of Directors
December 5, 2022

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 5th day of December, 2022, 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:

Nelda Blair	Chairman
Richard A. DeBone	Vice Chairman
Gil Staley	Secretary
Alexander Sutton	Assistant Secretary
Daniel T. Hannon	Assistant Secretary
Mark Keough	Director
Ann K. Snyder	Director

with all of said persons being present, with the exception of Directors Keough and Snyder, thus constituting a quorum. Director Snyder entered the meeting after it was called to order, as noted herein.

Also present were Miguel Mædina of Municipal Accounts & Consulting, L.P. ("MA&C"); Michael Keck of LJA Engineering, Inc. ("LJA"); Dan Kolkhorst of The Howard Hughes Corporation ("Howard Hughes"); Todd Stephens of The Woodlands Township ("TWT"); Jenny Taylor, representative of Market Street; and Bryan Yeates of Schwartz, Page & Harding, L.L.P. ("SPH").

The meeting was called to order and it was announced that a quorum was present, declaring the meeting 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 special meeting held on October 31, 2022. Following review and discussion, Director Sutton moved that such minutes be approved, as presented. The motion was seconded by Director Hannon and carried by unanimous vote.

DEVELOPER'S REPORT

The Board considered the Developer's Report. In connection therewith, Mr. Kolkhorst advised the Board that he had nothing further to report to the Board at this time.

ANNEXATION OF LANDS TO AND/OR EXCLUSION OF LANDS FROM THE BOUNDARIES OF THE DISTRICT

Mr. Yeates provided the Board with a general update relative to the status of the proposed exclusion of 4.5210 acres from the boundaries of the District, and the simultaneous annexation of certain acreage into the boundaries of the District. In that regard, Mr. Yeates advised the Board that the District's engineer and developer are continuing to work to identify acreage for annexation into the boundaries of the District.

ATTORNEY'S REPORT

The Board next considered the Attorney's Report. In connection therewith, Mr. Yeates presented to and reviewed with the Board correspondence received from Masterson Advisors, LLC, relative to disclosure requirements imposed by Municipal Securities Rulemaking Board Rule G-10, a copy of which is attached hereto as **Exhibit A**. Following discussion, the Board concurred to formally acknowledge receipt of said annual disclosure.

TAX ASSESSOR/COLLECTOR REPORT

The Board 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 October, 2022. During such review, it was noted that after adjustments, 0.46% of the District's 2022 taxes have been collected as of October 31, 2022. A copy of such report is attached hereto as **Exhibit B**.

TAX ABATEMENT AGREEMENT BETWEEN THE DISTRICT, ALIGHT SOLUTIONS, LLC AND THE WOODLANDS LAND DEVELOPMENT COMPANY, L.P.

Mr. Yeates reminded the Board that the District declared Alight Solutions, LLC ("Alight Solutions") and 8770 New Trails Holdings, LLC ("8770 New Trails Holdings") to be in default of the Tax Abatement Agreement by and among the District, The Woodlands Land Development Company, L.P. ("TWLDC") and Alight Solutions, as assigned by TWLDC to 8770 New Trails Holdings (the "Abatement Agreement"), due to failure by Alight Solutions to employ at the Facility (as defined in the Abatement Agreement) the minimum number of full-time employees required to be physically present at the Facility for a period in excess of thirty (30) days. In connection therewith, Mr. Yeates advised the Board that SPH prepared and transmitted to 8770 New Trails Holdings and Alight Solutions a Notice of Declaration of Default of Tax Abatement Agreement, as previously authorized by the Board, and that such Notice allowed 8770 New Trails Holdings and Alight Solutions thirty (30) days to cure the default. He further advised that 8770 New Trails Holdings and Alight Solutions have failed to cure the default within the aforementioned thirty (30) day period and that the District is now entitled to terminate the Abatement Agreement and proceed with recapture of any property tax that was abated because of the Abatement Agreement. Following discussion, Director Hannon made a motion to (i) terminate the Abatement Agreement and proceed with the recapture of any property tax that was

abated because of the Abatement Agreement, and (ii) authorize SPH to prepare and transmit to 8770 New Trails Holdings and Alight Solutions a Final Notice of Declaration of Default of Tax Abatement Agreement on behalf of the Board and the District. The motion was seconded by Director Staley and carried by unanimous vote.

BOOKKEEPER'S REPORT

Mr. Medina presented to and reviewed with the Board a Bookkeeper's Report dated December 5, 2022, as prepared by MA&C, including a list of bills and charges to be paid by the District. Mr. Medina additionally presented and reviewed with the Board a Quarterly Investment Inventory Report for Period Ending September 30, 2022, a copy of which report is included in the Bookkeeper's Report. Following review and discussion of the reports presented, it was moved by Director Sutton, seconded by Director DeBone, and unanimously carried, that (i) the Bookkeeper's Report be approved and the checks identified therein be approved for payment, with the exception of check no. 3085, which was voided, and (ii) the Quarterly Investment Inventory Report for Period Ending September 30, 2022, be approved and the District's Investment Officer be authorized to execute same. A copy of the Bookkeeper's Report thus approved is attached hereto as **Exhibit C**.

A discussion next ensued regarding the issuance of blank checks to cover anticipated expenses that the District has not yet received an invoice for. Following discussion, the Board concurred not to approve the issuance of blank checks moving forward.

Director Snyder entered the meeting at this time.

ENGINEER'S REPORT

The Board considered the Engineer's Report. In connection therewith, Mr. Keck and Mr. Kolkhorst presented to and reviewed with the Board a list of Potential Projects for Road Utility District Funding. Upon review of the list presented, the Board provided Mr. Keck and Mr. Kolkhorst with its comments and requested that the list be revised to incorporate said comments. Following discussion, 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.

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 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 Special Meeting of December 5, 2022

- Exhibit A – Masterson Advisors, LLC correspondence regarding Municipal Securities Rulemaking Board Rule G-10
- Exhibit B – Tax Assessor/Collector's Report for October 2022
- Exhibit C – Bookkeeper's Report

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