

MINUTES OF SPECIAL MEETING  
THE WOODLANDS ROAD UTILITY DISTRICT NO. 1  
October 31, 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 31<sup>st</sup> day of October, 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, thus constituting a quorum.

Also present were Miguel Medina and Kaye Townley-Trenary of Municipal Accounts & Consulting, L.P. ("MA&C"); 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 meeting held on September 19, 2022. Following review and discussion, Director Hannon moved that such minutes be approved, as presented. The motion was seconded by Director Sutton and carried by unanimous vote.

**ENGINEER'S REPORT**

The Board deferred consideration of the Engineer's Report, as there was no report to be presented at this time.

## **DEVELOPER'S REPORT**

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

## **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 working to identify acreage for annexation into the boundaries of the District that will adequately comply with the requirements of a simultaneous annexation/exclusion. No action was required of the Board in connection with this matter.

## **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 September, 2022. During such review, it was noted that, after adjustments, 99.64% of the District's 2021 taxes have been collected as of September 30, 2022. A copy of such report is attached hereto as **Exhibit A**.

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

Mr. Yeates advised the Board that he received notice from Ms. McRae, the District's Tax Assessor/Collector, that Alight Solutions, LLC ("Alight Solutions") and 8770 New Trails Holdings, LLC ("8770 New Trails Holdings") have been declared 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 that regard, Mr. Yeates requested that the Board consider authorizing SPH to prepare and transmit to 8770 New Trails Holdings, as owner, and Alight Solutions, as tenant, a Notice of Declaration of Default of Tax Abatement Agreement allowing 8770 New Trails Holdings and Alight Solutions thirty (30) days to cure the default. Following discussion of the matter, Director DeBone moved to authorize SPH to prepare and transmit to 8770 New Trails Holdings and Alight Solutions a Notice of Declaration of Default of Tax Abatement Agreement, as discussed, on behalf of the Board and the District. Director Sutton seconded the motion, which passed by a vote of six (6) in favor, and Director Snyder abstaining. Mr. Yeates advised the Board that, should 8770 New Trails Holdings and Alight Solutions fail to cure the

default within the thirty (30) day period, as previously mentioned, the District may terminate the Abatement Agreement and proceed with the recapture of any property taxes which are abated in accordance therewith.

### **BOOKKEEPER'S REPORT**

Mr. Medina presented to and reviewed with the Board a bookkeeping report, dated as of October 31, 2022, including a list of bills and charges to be paid, as prepared by MA&C. Following review and discussion, Director Debone moved to approve such report and authorize payment of the disbursements listed therein. The motion was seconded by Director Sutton and carried by unanimous vote. A copy of the bookkeeping report thus approved is attached hereto as **Exhibit B**.

### **AMENDED AND RESTATED AGREEMENT FOR BOOKKEEPING SERVICES**

Mr. Medina presented to and reviewed with the Board a proposed Amended and Restated Agreement for Bookkeeping Services (the "Amended Agreement") between the District and MA&C, which provides for, among other things, a revised rate structure for services performed. It was noted that implementation of MA&C's revised rate structure will increase the District's monthly fee for bookkeeping services. Following discussion, it was moved by Director Sutton, seconded by Director Snyder, and unanimously carried, that: (i) the Amended Agreement be approved; (ii) the Chairman be authorized to execute same on behalf of the Board and the District; and (iii) SPH be authorized to acknowledge the Texas Ethics Commission ("TEC") Form 1295 submitted by MA&C in connection therewith. A copy of the executed Amended Agreement is attached hereto as **Exhibit C**.

### **ANNUAL REVIEW OF ORDER ESTABLISHING POLICY FOR INVESTMENT OF DISTRICT FUNDS AND APPOINTING INVESTMENT OFFICER; ADOPTION OF RESOLUTION AND AMENDED ORDER IN CONNECTION THEREWITH**

The Board next considered the annual review of its Order Establishing Policy for Investment of District Funds and Appointing Investment Officer ("Investment Policy") and the adoption of a Resolution in connection therewith. In that regard, Mr. Yeates reviewed with the Board SPH's recommended changes to the District's Investment Policy and presented for the Board's approval an amended Investment Policy and a Resolution Regarding Declaring Results of Annual Review of Investment Policies and Strategies ("Resolution"), copies of which are attached hereto as **Exhibit D**. Following review and discussion, Director DeBone moved that the Board (i) approve the amended Investment Policy reflecting SPH's recommended changes, as discussed, (ii) adopt the Resolution in connection therewith, and (iii) authorize the Chairman and Secretary to execute the Investment Policy and the Resolution on behalf of the Board and the District. Director Hannon seconded said motion, which unanimously carried.

**CONSULTING SERVICES AGREEMENT BETWEEN THE DISTRICT AND BEGALA-MCGRATH, LLC**

The Board considered approval of a Consulting Services Agreement between the District and Begala-McGrath, LLC ("Begala-McGrath"). In connection therewith, Mr. Yeates reminded the Board that pursuant to the District's current agreement for public affairs consulting services with Begala-McGrath, the District has been paying a monthly fee of \$10,000. In that regard, Mr. Yeates presented to and reviewed with the Board a Consulting Services Agreement with Begala-McGrath, which proposes a reduction in the District's monthly fee for public affairs consulting services from \$10,000 to \$2,250. Following review and discussion, Director Keough moved to (i) approve the Consulting Services Agreement with Begala-McGrath reflecting the monthly fee of \$2,250 for public affairs consulting services, as discussed, and (ii) authorize SPH to acknowledge the TEC Form 1295 submitted by Begala-McGrath in connection therewith. Director Snyder seconded the motion, which unanimously carried. A copy of the Consulting Services Agreement thus approved is attached hereto as **Exhibit E**.

**CLOSED SESSION**

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

**OTHER MATTERS**

Mr. Yeates inquired whether the Board desired to reschedule its November meeting, which falls during the week of the Thanksgiving Holiday, for Monday, December 5, 2022, at 10:00 a.m. Following discussion, the Board concurred to reschedule its November meeting to Monday, December 5, 2022, at 10:00 a.m., subject to confirmation of availability to attend by the Board of Directors and District consultants.

**ADJOURNMENT**

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

650684.1

(SEAL)



  
Secretary, Board of Directors

List of Attachments to  
The Woodlands Road Utility District No. 1  
Minutes of Special Meeting of October 31, 2022

- Exhibit A – Tax Assessor/Collector's Report for September 2022
- Exhibit B – Bookkeeper's Report
- Exhibit C – Amended and Restated Agreement for Bookkeeping Services
- Exhibit D – Amended Investment Policy and Resolution Regarding Review of Investment Policy
- Exhibit E – Consulting Services Agreement with Begala-McGrath, LLC