

THE WOODLANDS ROAD UTILITY DISTRICT NO. 1

Minutes of Meeting of Board of Directors

August 19, 2024

The Board of Directors (the "Board") of The Woodlands Road Utility District No. 1 (the "District") met in regular session, open to the public, on the 19th day of August, 2024, 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
Alexander Sutton	Vice Chairman
Gil Staley	Secretary
Daniel T. Hannon	Assistant Secretary
Randolph V. Schulze	Assistant Secretary
Mark Keough	Director
Kyle Watson	Director

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

Also present were Miguel Medina of Municipal Accounts & Consulting, L.P. ("MA&C"); Micah Kreikemeier and Michael Keck of LJA Engineering, Inc. ("LJA"); Kelly Dietrich and Dan Kolkhorst of The Howard Hughes Corporation ("Howard Hughes"); Jonathan McMillan of LANDology, LLC ("LANDology"); Spencer Day of Masterson Advisors, LLC ("Masterson"); 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

The Board considered public comments. There being no members of the public in attendance, the Board continued to the next item of business.

MINUTES OF MEETING

The Board reviewed the minutes of its meeting held on June 17, 2024. Following review and discussion of the draft minutes presented, it was moved by Director Hannon, seconded by Director Sutton and unanimously carried, that the minutes of the June 17, 2024, meeting be approved, as written.

RECOMMENDATION CONCERNING PROPOSED 2024 TAX RATE

The Board next considered the Financial Advisor's recommendation concerning the District's proposed 2024 tax rate. Mr. Day presented to and reviewed with the Board documentation in connection with the District's proposed 2024 debt service and maintenance tax rates, including the effective tax rate calculation prepared by Ms. Tammy McRae, the District's Tax Assessor/Collector, copies of which are attached hereto as **Exhibit A**. Following discussion, Director Sutton moved that the Board declare its intention to levy a 2024 debt service tax rate of \$0.08 per \$100 of assessed valuation and a 2024 maintenance tax rate of \$0.02 per \$100 of assessed valuation, for a total of \$0.10 per \$100 of assessed valuation. The motion was seconded by Director Keough and carried by unanimous vote.

ACCEPTANCE OF CERTIFICATION OF EXCESS COLLECTIONS AND DEBT SERVICE COLLECTION RATE

The Board next received and reviewed a certification of the District's 2024-2025 anticipated debt service collection rate and the District's excess 2023 debt service tax collections, as prepared by Ms. Tammy McRae, the District's Tax Assessor/Collector, a copy of which is attached hereto as **Exhibit B**. Following review and discussion, Director Hannon 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. Mr. McMillan gave a presentation to the Board regarding the status of the construction of improvements to serve the intersection of Grogan's Mill Road at Woodlands Parkway (the "Intersection Project"), including updated site information and design progress in connection therewith. A copy of such presentation is attached hereto as **Exhibit C**.

In connection with the construction of improvements to serve the Intersection Project, Mr. Keck and Mr. McMillan presented to and reviewed with the Board a Notification of Additional Services Requested between the District and LANDology (the "Addition to Agreement"), a copy of which are attached hereto as **Exhibit D**. The Board was advised that per the terms of the proposed Addition to Agreement, LANDology will provide additional structural engineering services for the Intersection Project in the amount of \$28,750.00. Following review and discussion, it was moved by Director Schulze, seconded by Director Hannon, and unanimously carried, that the Board (i) approve the Addition to Agreement, and (ii) authorize the Chairman to execute the Addition to Agreement on behalf of the Board and the District.

DEVELOPER'S REPORT

The Board considered the Developer's Report. In connection therewith, Mr. Kolkhorst and Ms. Dietrich advised that they had nothing new 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 an update relative to the status of the proposed exclusion of 4.5210 acres from the boundaries of the District, and the simultaneous annexation of approximately 19.263 acres into the boundaries of the District. In that regard, Mr. Yeates advised the Board that the application for consent to annex the aforementioned acreage into the boundaries of the District was still under review with the City of Houston.

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 July, 2024. During such review, it was noted that after adjustments, 99.59% of the District's 2023 taxes have been collected as of July 31, 2024. A copy of such report is attached hereto as **Exhibit E**.

ARBITRAGE REBATE CALCULATIONS REPORT

Mr. Yeates presented to and reviewed with the Board an Arbitrage Rebate Calculations Report (the "Arbitrage Report"), as prepared by Arbitrage Compliance Specialists, Inc., in connection with the District's \$13,075,000 Unlimited Tax Road Refunding Bonds, Series 2016, a copy of which is attached hereto as **Exhibit F**.

BOOKKEEPER'S REPORT

Mr. Medina presented to and reviewed with the Board a Bookkeeper's Report dated August 19, 2024, including a list of bills and charges to be paid by the District, a copy of which is attached hereto as **Exhibit G**. Mr. Medina additionally presented and reviewed with the Board a Quarterly Investment Inventory Report for Period ending June 30, 2024, a copy of which is included in the Bookkeeper's Report. Following review and discussion of the report presented, it was moved by Director Keough, seconded by Director Staley and unanimously carried, that (i) the Bookkeeper's Report be approved and the checks identified therein be approved for payment, and (ii) the Quarterly Investment Inventory Report for Period Ending June 30, 2024, be approved and the District's Investment Officer be authorized to execute same.

RECORDS RETENTION

Mr. Yeates presented to and reviewed with the Board a memorandum from SPH, which is attached hereto as **Exhibit H**, regarding the legal requirements to electronically store District records and destroy the paper copies of such records. In this regard, he recommended that the Board approve the Resolution Adopting Records Retention Schedules and Policies and Procedures for Electronic Storage of District Records attached hereto as **Exhibit I** (the "Records Resolution"). After discussion, Director Sutton moved to approve the Records Resolution, and authorize the Records Management Officer to execute the related certifications, and that same be submitted to

the Texas State Library and Archives Commission for review and approval. Director Keough seconded the motion, which unanimously carried.

Mr. Yeates reported that the District's Records Retention Schedules adopted in connection with its Records Management Program require that records of the District be retained only for specific periods of time based on the type of record. As an example, he explained that notes taken during meetings and which are used to prepare the official minutes of Board meetings are to be retained for ninety days after approval of such minutes by the Board. He next presented a request from the Records Management Officer for approval to destroy certain records (which will not be scanned in and stored electronically) in accordance with the District's Records Retention Schedules, a copy of which request is attached hereto as **Exhibit J** (the "Request"). After discussion, Director Hannon moved that SPH be authorized to destroy the records described in the Request. Director Staley seconded said motion, which carried unanimously.

CLOSED SESSION

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

ADJOURNMENT

There being no further matters to come before the Board, upon motion made by Director Hannon, seconded by Director Keough and unanimously carried, the meeting was adjourned.

(SEAL)



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Secretary, Board of Directors

THE WOODLANDS ROAD UTILITY DISTRICT NO. 1

LIST OF ATTACHMENTS TO MINUTES

August 19, 2024

- Exhibit A** – Tax Rate Recommendation 2024
- Exhibit B** – Certification of 2024-2025 Anticipated Debt Service Collection Rate and Excess 2023 Debt Service Tax Collections
- Exhibit C** – Presentation on Intersection Project by LANDology, LLC
- Exhibit D** – LANDology, LLC Addition to Agreement
- Exhibit E** – Tax Assessor/Collector Report for August 2024
- Exhibit F** – Arbitrage Rebate Calculations Report by Arbitrage Compliance Specialists, Inc., for the District's \$13,075,000 Unlimited Tax Road Refunding Bonds, Series 2016
- Exhibit G** – Bookkeeper's Report
- Exhibit H** – Memorandum Regarding Electronic Storage of District Records
- Exhibit I** – Resolution Adopting Records Retention Schedules and Policies and Procedures for Electronic Storage of District Records
- Exhibit J** – Records Management Officer Request

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