

**MINUTES OF MEETING
BOARD OF DIRECTORS
REGULAR MEETING
THE WOODLANDS TOWNSHIP
JULY 23, 2008**

**THE STATE OF TEXAS §
COUNTIES OF HARRIS & MONTGOMERY §**

The Board of Directors of The Woodlands Township, met in regular session, open to the public, on July 23, 2008, posted to begin at 7:30 a.m. The meeting was held in the Meeting Room at the Township's Office, 10001 Woodloch Forest Dr., Suite 600, The Woodlands, Texas, within the boundaries of the Township. The roll was called of the duly elected and appointed members of the Board of Directors, to wit:

Nelda Luce Blair	Chairman
Lloyd W. Matthews	Vice-Chairman
Vicki D. Richmond	Treasurer/Assistant Secretary
Alex Sutton III	Secretary
Thomas Campbell	Director
Kemba DeGroot	Director
Peggy S. Hausman	Director
Claude Hunter	Director
Edmund W. Robb III	Director
Bruce Tough	Director

with all of said persons being present, thus constituting a quorum. Also present for conducting business and assisting Board members were Nick Wolda, Steve Sumner, Brian Pate, Mike Page, Robin Fadal, Monique Sharp, Tony Rogers, Ph.D., Gail Wise, Ph.D., Renee Williford, and Kristin Freeman.

Chairman Blair called the meeting to order at 7:33 a.m. She announced that a quorum was present and that sufficient notice of this meeting had been duly posted as required by law. Chairman Blair then requested a motion to adopt the agenda. Director Hunter moved to adopt the agenda. The motion was seconded by Director Campbell and passed unanimously.

Next, Chairman Blair called on names from the Public Comment Roster. The following residents addressed the Board: Marti Meerscheidt, Tom Sifferman, Everett Ison, Steve Leakey, Paul Gebolys, Bruce Cunningham, and Gail Carney. The Public Comment Roster is attached hereto as Exhibit "A".

Chairman Blair then asked the Board to consider and act upon approval of the minutes of the June 25, 2008, regular meeting of the

Board of Directors of The Woodlands Township. Director Campbell moved to approve the minutes as written. Director Hunter seconded the motion and it passed unanimously. A copy of the June 25, 2008 meeting minutes is attached hereto as Exhibit "B".

Chairman Blair next asked the Board to receive and act upon the Financial Report as of and for the six months ended June 30, 2008. The Chairman called on Brian Pate, financial consultant, to present the Financial Report on behalf of the Township. Following the presentation, Treasurer Richmond moved to accept the Financial Report as presented. The motion was seconded by Vice-Chairman Matthews and carried unanimously. A copy of the Financial Report as of and for the six months ended June 30, 2008 is attached hereto as Exhibit "C".

The Board was then asked to receive and consider a report from the Community Associations of The Woodlands. Chairman Blair introduced Monique Sharp, Assistant General Manager of Finance and Administration for The Woodlands Community Associations, who addressed the Board. Ms. Sharp handed out a packet of information containing a written summary of the Associations' Board agenda matters for the past month, the Community Associations' Monthly Report for

June 2008, and Community Policing Report for June 2008. Following the presentation, Chairman Blair thanked Ms. Sharp for her report. The Community Association reports are attached collectively as Exhibit "D". No action was necessary.

Next, the Board was asked to consider and act upon approving the form of the Oath of Office, Official Bond and Statement of Elected/Appointed Officer for newly appointed Director Robert Kinnear. Mike Page, legal counsel for The Woodlands Township, presented this item. Following Mr. Page's presentation, Secretary Sutton moved to approve the Oath of Office, Official Bond and Statement of Elected/Appointed Officer. The motion was seconded by Director DeGroot and passed unanimously.

Chairman Blair informed the Board that the ceremonial administration of the Oath of Office could be dispensed with and that newly appointed Director Kinnear would execute the previously mentioned documents before the Notary Public for The Woodlands Township.

The Board was then asked to receive and consider a report from Right Management concerning management positions for The Woodlands

Township. Chairman Blair provided opening comments to the Board that addressed the proper timing for questions followed by brief discussion of the content of the report. The Chairman then introduced Tony Rogers, Ph.D. and Gail Wise, Ph.D., Right Management consultants. Mr. Rogers and Ms. Wise used a PowerPoint presentation and reported on their recommendations for the organizational strategy for The Woodlands Township. Board members were also provided a handout of the PowerPoint presentation. The report focused on the following topics:

- Approach
- Interview Findings
- Organizational Strategy Recommendations
- Role Profiles and Selection Process and
- Action Plan

At this juncture, the presenters paused to entertain questions from the Board. Some concerns addressed by the Board centered on the concept of acceleration and the integration timelines for merging The Woodlands Township and The Woodlands Community Associations. Additional concerns were related to contractual responsibilities outlined in the Transition Agreement and how to meet commitments with the City of Houston and the City of Conroe.

The next segment of Right Management's report focused primarily

on the proposed roles of two key positions: the General Manager and Director of Economic Development. Ms. Wise profiled the duties and responsibilities of each position and discussed the selection process criteria. Mr. Rogers wrapped up the report by speaking about the next steps needed to implement an action plan as well as an immediate action plan of activities.

Following the presentation, Chairman Blair urged the Board to take the time to ask questions about the content of the report. A few additional questions were brought up by the Board and were addressed by the consultants.

The Board then took a brief recess at 9:41 a.m. and reconvened at 9:53 a.m. Board members continued to discuss the content of Right Management's report. Vice-Chairman Matthews observed that the main issue seemed to be one of timing and suggested a joint special meeting be held with The Woodlands Township Board and the Community Association Boards to review the report. Director Kinnear concurred and further stated that there were no major hurdles to overcome in the transition process, rather timeline issues that needed to be worked out. No action was required on this item. Chairman Blair then thanked the

Board for their feedback and directed the Board's attention to the next agenda item. A copy of Right Management's report is attached hereto as Exhibit "E".

The Board was next asked to receive and consider a quarterly report from The Woodlands Convention and Visitors Bureau. Chairman Blair called on Nick Wolda, President of the Convention and Visitors Bureau (CVB), to present this item. Mr. Wolda used a PowerPoint presentation as he highlighted some of the programs and statistics of the CVB during the second quarter. A handout of the CVB's quarterly financial statements was also provided to the Board. No action was required on this item. Copies of the Executive Summary and PowerPoint presentation are attached hereto as Exhibits "F" and "G", respectively. The June 30, 2008 quarterly financial statements for the CVB are attached hereto as Exhibit "H".

Chairman Blair then asked the Board to consider and act upon a recommendation from the Executive Committee concerning funding of an Express Shuttle Service involving The Woodlands Township and Sam Houston State University, approve a budget amendment in connection therewith, and authorize the Co-Managers to execute the contract. Steve

Sumner, Vice President of Operations & Public Safety for The Woodlands Township, was called on to present this item. Mr. Sumner started by providing background information on the critical success factor contained in The Woodlands Township Visioning 2020 document pertaining to transportation and how the proposed program was in alignment with the Visioning Plan. A brief overview of the shuttle service was also provided to the Board. Following Mr. Sumner's presentation, Vice-Chairman Matthews moved to approve the recommendation from the Executive Committee to fund an Express Shuttle Service in the amount of \$33,000, a budget amendment in connection therewith, and authorize the Co-Managers to execute the contract. The motion was seconded by Director Sutton. Chairman Blair then called for discussion. Secretary Richmond commented that the Executive Committee discussed the need to obtain and track ridership information so that the program could be monitored on a monthly basis. Director Campbell questioned why the Township should supplement the colleges for transportation and Director Hunter felt communication to residents would be a key factor to the success of the shuttle program. At the conclusion of the discussion period, Chairman

Blair called for a vote. The motion passed with Directors Blair, DeGroot, Hausman, Hunter, Kinnear, Matthews, Richmond, Rob, Sutton, and Tough voting in favor and Director Campbell opposed. A copy of the Executive Summary is attached hereto as Exhibit "I".

Next, the Board was asked to consider and act upon an appointment to the Booking and Blocking Committee. Nick Wolda, Vice President of Marketing & Public Affairs for The Woodlands Township, presented this item and provided background information related to the Booking and Blocking Agreement between The Woodlands Waterway Hotel owner and the former Town Center Improvement District. Following Mr. Wolda's presentation, Director Campbell moved to recommend Sheron Jones, Director of Sales and Marketing for The Woodlands Waterway Marriott Hotel & Convention Center, fill the remaining term of the hotel representative on the Booking and Blocking Committee. Director Hunter seconded the motion and it passed unanimously. A copy of the Executive Summary is attached hereto as Exhibit "J".

Chairman Blair then asked the Board to consider and act upon a recommendation from the Project Planning and Development Committee

to contract with the Goodman Corporation for transportation consulting services, approve a budget amendment in connection therewith, and authorize the Co-Managers to execute the contract. Steve Sumner presented this item. Mr. Sumner referred the Board to the Executive Summary in their meeting book which detailed the various tasks to be performed by the Goodman Corporation as part of the contract. Chairman Blair then called on Vice-Chairman Matthews, Chair of the Project Planning and Development Committee, for additional comments. Vice-Chairman Matthews stated that the Committee supports using the consulting services of the Goodman Corporation as an important aspect toward facilitating funding for transportation programs. Vice-Chairman Matthews then moved to approve the recommendation from the Project Planning and Development Committee to contract with the Goodman Corporation for transportation consulting services not to exceed \$100,000, approve a budget amendment in connection therewith, and authorize the Co-Managers to execute the contract. The motion was seconded by Director Robb. Discussion followed with Director Campbell expressing his concern about an aspect of the contract related to lobbying services to be provided by the Goodman Corporation. Chairman Blair then called

for a vote. The motion passed with Directors Blair, DeGroot, Hausman, Kinnear, Matthews, Richmond, Robb, Sutton, and Tough voting in favor, Director Campbell opposed, and Director Hunter abstained. A copy of the Executive Summary is attached hereto as Exhibit "K".

The Board then was asked to discuss time and location of future meetings of The Woodlands Township Board of Directors. Chairman Blair led the discussion and stated that current Board operational protocol calls for major decisions to be made through Committees. The Chairman explained that the Committees receive information, study it, and then come back to the Board with a recommendation. Therefore, the determination of a time and location for future meetings of The Woodlands Township Board of Directors was referred to the Committee on Governance & Nominations for a recommendation to be brought back to The Woodlands Township Board of Directors.

At 10:45 a.m. the Board recessed to Executive Session to discuss matters relating to real property pursuant to §551.072, Texas Government Code; and to discuss personnel matters pursuant to §551.074, Texas Government Code.

The Board reconvened in Public Session at 11:43 a.m. Chairman Blair announced that it would not be necessary to take action at this time on personnel and real estate matters.

Chairman Blair then called for the Administrative Reports. Nick Wolda introduced Suzannah Napier as the new Event Manager for The Woodlands Township. Steve Sumner reported on safety, new signage, and trolley ridership for the month of June which was over 10,000 riders.

The Board was then asked to consider items to be placed on the agenda for the next meeting. Director Hunter asked that the Board make a decision on a time and place for future meetings at the next Board meeting. Chairman Blair stated that this item would be placed on the next agenda only if the Committee on Governance and Nominations was ready to make a recommendation.

As there were no further matters to come before the Board, Chairman Blair called for a motion to adjourn. Director Hausman moved to adjourn the meeting. The motion was seconded by Director DeGroot and passed unanimously. The meeting was adjourned at 11:48 a.m.

(SEAL)
Directors

Alex Sutton III
Secretary, Board of