

**MINUTES OF MEETING  
BOARD OF DIRECTORS  
REGULAR MEETING  
THE WOODLANDS TOWNSHIP  
JUNE 24, 2009**

**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 June 24, 2009, posted to begin at 9:00 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
Bruce Tough	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
Robert C. Kinnear	Director
Edmund W. Robb III	Director

with all of said persons being present, excluding Directors DeGroot, Kinnear, and Robb, thus constituting a quorum. Also present for conducting business and assisting Board

members were Don Norrell, Nick Wolda, Steve Sumner, Anjanette Sauers, Mike Page, Renee Williford, and Kristin Freeman.

Chairman Blair then called the meeting to order at 9:00 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 Secretary Sutton and passed unanimously.

Next, Chairman Blair recognized the following public officials attending the meeting:

- Rich Jakovac-Woodlands Community Associations (WCA) Director
- Joel Deretchin-President of The Woodlands Associations (TWA) and Woodlands Commercial Owners Association (WCOA)
- Anthony Fasone-TWA Director

A copy of the Public Official's Sign-In Sheet is attached hereto as Exhibit "A".

Chairman Blair then called on names from the Public Comment Roster. The following individuals addressed the Board:

- Anthony Fasone-law enforcement funds for other jurisdictions-handout
- Carol and Charles Sternau-Development Standards Committee (DSC)-handout
- Mark Morgan-Triathlon

Copies of the Public Comment Roster and handouts are attached hereto as Exhibits "B" and "C", respectively.

Next, Chairman Blair asked the Board to consider and act upon approval of the minutes of the May 27, 2009 regular meeting and the May 27, 2009 special meeting of the Board of Directors for The Woodlands Township. Director Hunter moved to approve the minutes. The motion was seconded by Director Campbell and passed unanimously. Copies of the May 27, 2009 regular meeting minutes and May 27, 2009 special meeting minutes are attached hereto as Exhibits "D" and "E", respectively.

Chairman Blair next asked the Board to receive and act upon the Financial Report as of and for the five months ended May 31, 2009. The Chair called on Anjanette Sauers, Financial Services Manager for The Woodlands Township, to present this item. Ms. Sauers referred the Board to the Financial Statements in their meeting books and then presented a brief update on the General Fund activity for the month of May 2009. Following Ms. Sauers' presentation, Vice-Chairman Matthews moved to accept the Financial Report as presented and the motion was seconded by Secretary Sutton. The motion passed unanimously. A copy of the Financial Report for the five months ended May 31, 2009 is attached hereto as Exhibit "F".

Board members were then asked to consider and act upon a recommendation from the Audit Committee to accept the 2008 Audit Report. Chairman Blair called on Vicki Richmond, Chair of the Audit Committee, to present this item. Ms. Richmond recognized Tom Campbell, Kemba DeGroot, and Don Norrell, members of the Audit Committee, and then referred Board members to a Financial Report package each

member had received. Ms. Richmond provided a few opening comments and then introduced Chuck Yapple of Null-Lairson who prepared the report. Mr. Yapple recognized Helen Duvall of Null-Lairson and then proceeded to highlight a few items included in the report. Within the report, Mr. Yapple pointed out the required communication, certificate of achievement, and Null-Lairson's opinion. Mr. Yapple then congratulated the Board, Audit Committee, and staff for placing such high importance on the Township's financial reporting. Following the presentations, Treasurer Richmond moved that the Board accept the 2008 Audit Report. Director Campbell seconded the motion. During discussion, Director Hunter asked that the 2008 Audit Report be posted on the Township's website. The Board then voted unanimously to accept the report. A copy of the Executive Summary is attached hereto as Exhibit "G".

Chairman Blair then asked Board members to consider and act upon a request from Board member Robb regarding residents' concerns with the VillaSport's complex. Don Norrell, President for The Woodlands Township, was called on to present this item. Following Mr. Norrell's comments, the following individuals were called on to make presentations:

- Karen Eckhart-report on neighborhood issues and concerns
- Tom Lyneis, President of VillaSports-PowerPoint presentation
- Joel Deretchin, Vice President of Public Affairs for The Woodlands Development Company-PowerPoint presentation
- John Powers, Interim Co-General Manager, WCA-report

Mr. Powers informed the Board that the WCA Ad Hoc Committee assigned to the VillaSport matter would present a report at the August 12, 2009 WCA Board meeting. Director Hunter moved to support the WCA and provide any help needed and recommend that The Woodlands Township not form its own committee related to the VillaSport matter. The motion was seconded by Vice-Chairman Tough and passed with Directors Blair, Campbell, Hunter, Matthews, Richmond, Tough, and Sutton voting "yes" and Director Hausman voting "no". Copies of a handout and PowerPoint presentation are attached hereto collectively as Exhibit "H".

Next, Chairman Blair asked Board members to receive and consider a report from the Community Associations of The Woodlands. John Powers, Co-Interim General Manager of the Woodlands Community Associations, presented the report. Packets of information containing a written summary of the Community Associations' Board agenda matters, Monthly Report for May 2009, and The Woodlands Community Policing Report for May 2009 were distributed to Board members. Additionally, a report on Media Coverage for the dates May 21-June 20, 2009 was presented. The Community Associations' reports are attached hereto collectively as Exhibit "I". No action was necessary on this item.

Next, the Board was asked to consider and act upon a Resolution in Support of the State Highway 242 Expansion Project. Chairman Blair called on Steve Sumner, Vice President of Operations and Public Safety, to present this item. Mr. Sumner provided

background information and then introduced Greg Parrent of CH2M Hill who made a presentation on behalf of the Texas Department of Transportation (TxDOT). Mr. Parrent updated the Board on the scope of the project and responded to public comments and requests. Following Mr. Parrent's presentation, Director Campbell moved to adopt the Resolution in Support of Widening SH 242 from SH 1488 with an amendment to include a study of the drainage issues related to the raising of the center section and additional paving material. The motion was seconded by Director Hunter. During discussion, Mr. Parrent informed the Board that the expansion project has not been funded and no construction date has been set. Mr. Parrent also informed the Board that a public hearing on the expansion project is not anticipated until sometime in 2011. Following discussion, Chairman Blair called for a vote. The motion passed unanimously. Copies of the Executive Summary and Resolution are attached hereto as Exhibits "J" and "K", respectively.

Chairman Blair then asked the Board to consider and act upon a Resolution concerning the Annual Report on Financial Information and Operating Data for the disclosure filing pertaining to the 2001 Bond and the 2009 Bond Series. The Chair called on Anjanette Sauers to present this item. Following Ms. Sauers' comments, Treasurer Richmond moved to approve the filing of the Annual Report on Financial Information and Operating Data as presented and adopt a Resolution in connection therewith. The motion was seconded by Vice-Chairman Matthews and passed unanimously. Copies of

the Executive Summary and Resolution are attached hereto as Exhibits "L" and "M", respectively.

Board members were then asked to consider and act upon a Resolution Removing The Woodlands Township from the Boundaries and Taxing Jurisdiction of the Metropolitan Transit Authority. Mike Page, legal counsel for The Township, was called on to present this item. Mr. Page referred the Board to the Executive Summary in their meeting book during his presentation. Following Mr. Page's comments, Vice-Chairman Tough moved to adopt the Resolution Removing The Woodlands Township from the Boundaries and Taxing Jurisdiction of the Metropolitan Transit Authority. The motion was seconded by Director Campbell and passed unanimously. Copies of the Executive Summary and Resolution are attached hereto as Exhibits "N" and "O", respectively.

Next, the Chair asked the Board to consider and act upon adopting an Order Calling a Public Hearing on the repeal of Resolution No. 007-08. Mike Page presented this item and informed the Board that a public hearing on the matter will be held on July 22, 2009 at 9:00 a.m. in The Woodlands Township's Executive Board Room. Following Mr. Page's presentation, Director Hunter moved to adopt an Order Calling a Public Hearing on the Repeal of Resolution 007-08. The motion was seconded by Vice-Chairman Matthews and passed unanimously. Copies of the Executive Summary and Order are attached hereto as Exhibits "P" and "Q", respectively.

Chairman Blair then asked the Board to consider and act upon a Resolution Revising/Extending the Terms of Office for The Woodlands Township Economic Development Zone Board of Directors to follow the election of Directors and the election of officers of The Woodlands Township Board of Directors beginning in May 2010. The Chair called on Mike Page to present this item. Mr. Page provided the Board with an overview of the Resolution as outlined in the Executive Summary. Following Mr. Page's remarks, Director Hunter moved to adopt a Resolution Revising/Extending the Terms of Office of Members of the Board of Directors of The Woodlands Township Economic Development Zone. The motion was seconded by Vice-Chairman Tough and passed unanimously. Copies of the Executive Summary and Resolution are attached hereto as Exhibits "R" and "S", respectively.

Board members were then asked to consider and act upon committee appointments to standing Board Committees for The Woodlands Township. A handout with Committee appointments, listed on the left hand side, was distributed to Board members. Chairman Blair proposed that the Board retain the current committees so as to maintain continuity and not disrupt work already in progress by these committees. Director Hunter moved to approve the Chairman's proposed Committee assignments and Vice-Chairman Matthews seconded the motion. During discussion, Director Hunter noted that a Parking Committee was missing and Chairman Blair suggested that Director Hunter place this item for consideration on the next Board agenda. Board



members were then asked to vote on the motion and it passed with Directors Blair, Campbell, Hunter, Matthews, Richmond, Sutton, and Tough voting "yes" and Director Hausman voting "no". Committee assignments are listed below:

**Project Planning and Development Committee**

Lloyd Matthew, Chairman  
Ed Robb  
Alex Sutton  
Bruce Tough  
Bob Kinnear

**Public Facilities Administration Committee**

Kemba DeGroot, Chairman  
Claude Hunter  
Alex Sutton

**Audit Committee**

Vicki Richmond, Chairman  
Kemba DeGroot  
Tom Campbell

**Museum Committee (Ad Hoc)**

Vicki Richmond, Chairman  
Ed Robb  
Bruce Tough  
Robert Heineman (Alex Sutton's designee)  
Community Members: David Gottlieb and Michael Richmond

**Vision Process Committee (Ad Hoc)**

Nelda Blair, Chairman  
Bob Kinnear  
Bruce Tough

**Water Taxi Committee (Ad Hoc)**

Nelda Blair, Chairman  
Peggy Hausman  
Kemba DeGroot

Copies of the Executive Summary and handout are attached hereto as Exhibits "T" and "U", respectively.

The Board was next asked to consider and act upon The Woodlands Township's appointments to The Woodlands Fire Department Board of Directors, The Woodlands Community Service Corporation Board of Directors, The Woodlands Recreation Center, Inc. Board of Directors, and The Woodlands Convention and Visitors Bureau Board of Directors in accordance with the Second Amendment to the Transition Agreement. Chairman Blair recommended appointments to the above Boards and then asked Directors to vote by written ballot on the recommended appointments or write-in a name from a list of eligible Township Board members. After signing their ballots, Directors turned them in to be tallied by Don Norrell. The following Township Directors were elected to the following:

**The Woodlands Fire Department Board of Directors**

Tom Campbell  
Claude Hunter  
Lloyd Matthews  
Bruce Tough

**The Woodlands Community Service Corporation Board of Directors**

Tom Campbell  
Claude Hunter  
Lloyd Matthews  
Bruce Tough

**The Woodlands Recreation Centers, Inc. Board of Directors**

Claude Hunter  
Bob Kinnear

Vicki Richmond

**The Woodlands Convention and Visitors Bureau Board of Directors**

Nelda Blair

Peggy Hausman

Claude Hunter

Lloyd Matthews

Copies of the Executive Summaries for items #15-#18 are attached hereto as Exhibits "V", "W", "X", and "Y", respectively. Copies of signed ballots for The Woodlands Township's appointments to The Woodlands Fire Department Board of Directors, The Woodlands Community Service Corporation Board of Directors, The Woodlands Recreation Centers, Inc. Board of Directors, and The Woodlands Convention and Visitors Bureau Board of Directors are attached hereto as Exhibits "Z-CC", respectively.

Chairman Blair then asked the Board to consider and act upon recommended member positions to The Woodlands Convention and Visitors Bureau (CVB). Nick Wolda, President of The Woodlands CVB, was called on to present this item. Mr. Wolda reviewed the list of recommended members including Kent Johnson, General Manager of The Woodlands Resort as an additional hotel property representative. Following Mr. Wolda's presentation, Vice-Chairman Tough moved to recommend the positions below be elected by The Woodlands CVB Board of Directors as members to serve from July 2009 through June 2010:

- The Woodlands Township President-currently Don Norrell
- South Montgomery County Woodlands Chamber of Commerce President-currently Karen Hoylman

- The Woodlands Waterway Marriott Hotel & Convention Center-currently Fred Domenick
- Other local hotel property (Woodlands Resort)-currently Kent Johnson

Director Campbell seconded the motion. Chairman Blair then called for discussion at which time Director Hausman asked Mr. Wolda if the other hotel properties had agreed or been consulted about the additional appointee. Mr. Wolda stated that he anticipated that the other hotel properties would be in agreement with the appointee. Following discussion, the Chair called for a vote on the motion and it passed unanimously. The Executive Summary is attached hereto as Exhibit "DD".

Chairman Blair then asked the Board to consider and act upon the recommended officers of The Woodlands Convention and Visitors Bureau. Nick Wolda presented this item. Following Mr. Wolda's comments, Vice-Chairman Tough moved to recommend that the officers listed below be elected as officers of The Woodlands CVB to serve from July 2009 through June 2010:

- President and Secretary, Nick Wolda
- General Manager, Casey Snyder

Director Hunter seconded the motion and it passed unanimously. The Executive Summary is attached hereto as Exhibit "EE".

Board members were then asked to consider and act upon future Town Hall meeting dates. Chairman Blair led the discussion on this item and then Vice-Chairman Matthews moved to recommend that July and January of each year be set as Town Hall

meeting dates with July 29, 2009 as the first Town Hall meeting to be held in the evening. Additional Town Hall meetings could be called on an as needed basis. The July Town Hall meeting would include discussion of the Operating Budget and other items of community interest. The January meeting would be dedicated to community issues and receiving public input and feedback. Vice-Chairman Tough seconded the motion. The Chair then called for discussion. Director Campbell asked that the motion be amended to also include discussion of Visioning information at the July 29, 2009. The amendment was accepted by Vice-Chairmen Matthews and Tough. Director Hausman voiced that she would like to see four Town Hall meetings per year set in stone rather than only two meetings per year. Additional comments were made by several Directors and then Chairman Blair commented that this particular item would probably undergo further review next year following the May 2010 Board of Directors election. Following discussion, the Chair called for a vote on the motion. The motion passed with Directors Blair, Campbell, Hunter, Matthews, Richmond, Sutton, and Tough voting "yes" and Director Hausman voting "no".

The Board was then asked to consider and act upon a request from Board member Hunter to establish a date for a second monthly meeting on an as needed basis. Director Hunter was called on to present this item. Director Hunter moved that this item be tabled until after August due to the large amount of work facing the Board

of Directors in the next couple of months. The motion was seconded by Secretary Sutton and passed unanimously.

Chairman Blair next asked the Board to receive and consider a 2009 legislative update. The Chair called on Mike Page to present this item. Mr. Page distributed a handout to Board members and asked Directors to follow along as he summarized the 2009 legislation that directly impacted The Woodlands Township. Following Mr. Page's presentation, members of the Township's lobbying team, consisting of Bob Stout, Mike Page, Miles McKinney, and HillCo Partners, were thanked for their efforts in getting this legislation passed. Director Hunter requested that the 2009 Legislative Update be posted on the Township's website as well as HB 875 regarding sign ordinance. Copies of the Executive Summary and handout are attached hereto as Exhibits "FF" and "GG", respectively. No action was necessary on this item.

The Board was then asked to receive and consider a quarterly update on the transition process of The Woodlands Township and The Community Associations of The Woodlands. Don Norrell was called on to present this item. Mr. Norrell used a PowerPoint presentation and briefly discussed the following topics:

- Debt Management Plan
- Budget and Long Range Plan
- Change from Assessments to a Property Tax Levy
- Combined Compensation/Benefit Plan Structure
- Long Term Law Enforcement Strategy
- Facilities Planning Process
- Community Planning and Visioning Process

- Public Information
- Employee Updates
- Transfer of Responsibilities and Assets
- Re-branding to The Woodlands Township
- Consolidation of Services and Functions

A period of question and answers followed and then Chairman Blair thanked Mr. Norrell for his presentation. A copy of Mr. Norrell's PowerPoint presentation is attached hereto as Exhibit "HH". No action was needed on this item.

Next, Chairman Blair asked the Board to consider and act upon a recommendation from the Executive Committee regarding a Waterway Programming Proposal and a budget amendment in connection therewith. Nick Wolda was called on to present this item. Mr. Wolda provided the Board with background information on the proposed plan for Public Space Programming along The Woodlands Waterway. Following Mr. Wolda's remarks, Don Norrell was called on to address the budget amendment portion of this item. Treasurer Richmond then moved to approve a Waterway Programming Proposal and a budget amendment in the amount of \$23,000, noting that the unbudgeted cost is proposed to be funded by budget savings realized by the Township in the economic development account. The motion was seconded by Vice-Chairman Matthews. Discussion followed with Director Campbell stating that he felt existing programming and existing staff should be utilized. Chairman Blair stated that the Township would not be going out to hire a new person and the position would not be permanent at this point in time. Following discussion, Chairman Blair called for a vote

on the motion. The motion passed with Directors Blair, Hunter, Matthews, Richmond, Sutton, and Tough voting "yes" and Directors Campbell and Hausman voting "no". A copy of the Executive Summary and a report presented to the Public Facilities Administration Committee (PFAC) on May 27, 2009 are attached hereto as Exhibits "I I" and "JJ", respectively.

The Board was then asked to consider and act upon revising Order No. 006-08, Section F, to change the hours of operation for Waterway Square. Chairman Blair called on Steve Sumner to present this item. Mr. Sumner made a few comments and then called on Secretary Sutton, a member of the PFAC, to provide additional background information. After a review of the item, Secretary Sutton moved to approve the recommendation from the Public Facilities Administration Committee to change the hours of operation for Waterway Square to open from 6:00 a.m. until midnight 12:00 a.m. and close from midnight 12:00 a.m. until 6:00 a.m. The motion was seconded by Director Hunter. Discussion followed and then the Chair called for a vote on the motion. The motion passed unanimously. Copies of the Executive Summary and Order, with revision, are attached hereto as Exhibits "KK" and "LL", respectively.

Chairman Blair next informed the Board that there was no need for Executive Session. The Administrative Reports were then given. Nick Wolda was called on to present the Marketing Report and highlighted the upcoming Red, Hot & Blue Festival to be held July 4, 2009. Steve Sumner gave the Operations & Public Safety Report and



informed the Board the a press release from the Montgomery County Fire Marshall's office states that the ban on fireworks does not affect professional and public fireworks displays.

Board members then were asked to consider items to be placed on the agenda for the next meeting. Director Hunter asked to discuss the potential of making appointments to a Parking Committee and after August discuss having at least one meeting per month in the evening. Director Hausman asked for more information on the fountains and music at Waterway Square, consideration and review of the DSC, DRC, CSC, and how Covenant Administration will transition. Director Hausman also asked that the Board discuss having two meetings per month. Don Norrell asked if these items could be placed on the September agenda and Directors Hausman and Hunter agreed to this request.

Chairman Blair next asked for Board announcements. The Chair announced that The Woodlands Swimming Coach, Kent Kirchner, had been named National High School Girls Swimming Coach of the Year by the National High School Coaches Association. Director Hausman wished a Happy Birthday to Director Lloyd Matthews and Kim Cogburn of The Woodlands Community Association.

As there were no further matters to come before the Board, the Chair called for a motion to adjourn. Treasurer Richmond moved to adjourn the meeting. The motion

was seconded by Secretary Sutton and passed unanimously. The meeting was adjourned at 11:58 a.m.

(SEAL)

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Alex Sutton III  
Secretary, Board of Directors

**EXHIBIT OMISSIONS\***

<b>EXHIBIT "A"</b>	<b>EXHIBIT "N "</b>	<b>EXHIBIT "AA"</b>
<b>EXHIBIT "B"</b>	<b>EXHIBIT "O"</b>	<b>EXHIBIT "BB"</b>
<b>EXHIBIT "C"</b>	<b>EXHIBIT "P"</b>	<b>EXHIBIT "CC"</b>
<b>EXHIBIT "D"</b>	<b>EXHIBIT "Q"</b>	<b>EXHIBIT "DD"</b>
<b>EXHIBIT "E"</b>	<b>EXHIBIT "R"</b>	<b>EXHIBIT "EE"</b>
<b>EXHIBIT "F"</b>	<b>EXHIBIT "S"</b>	<b>EXHIBIT "FF"</b>
<b>EXHIBIT "G"</b>	<b>EXHIBIT "T"</b>	<b>EXHIBIT "GG"</b>
<b>EXHIBIT "H"</b>	<b>EXHIBIT "U"</b>	<b>EXHIBIT "HH"</b>
<b>EXHIBIT "I"</b>	<b>EXHIBIT "V"</b>	<b>EXHIBIT "I I"</b>
<b>EXHIBIT "J"</b>	<b>EXHIBIT "W"</b>	<b>EXHIBIT "JJ"</b>
<b>EXHIBIT "K"</b>	<b>EXHIBIT "X"</b>	<b>EXHIBIT "KK"</b>
<b>EXHIBIT "L"</b>	<b>EXHIBIT "Y"</b>	<b>EXHIBIT "LL"</b>
<b>EXHIBIT "M"</b>	<b>EXHIBIT "Z"</b>	

**\*To view Exhibits, please contact the Record Management Officer at 281-363-2447.**