

**MINUTES OF MEETING
BOARD OF DIRECTORS
REGULAR MEETING
THE WOODLANDS TOWNSHIP
OCTOBER 28, 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 October 28, 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 Director DeGroot, thus constituting a quorum. Also present for conducting business and assisting Board members were Don

Norrell, Nick Wolda, Monique Sharp, 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 regular and supplemental agendas. Secretary Sutton moved to adopt the agendas. The motion was seconded by Director Hunter and passed unanimously.

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

- Garry Watts-Mayor of Shenandoah
- Joel Deretchin-TWA and WCOA President
- Bruce Cunningham-Grogan's Mill Village Association
- Ted Stanley-TWA Board of Directors

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 individual addressed the Board:

- Biff Picone-Montgomery County Appraisal District Election

A copy of the Public Comment Roster is attached hereto as Exhibit "B".

The Board was then asked to consider and act upon approval of the minutes of the September 23, 2009 regular 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. A copy of the September 23, 2009 minutes is attached hereto as Exhibits "C".

Chairman Blair next asked the Board to receive and act upon the Financial Report as of and for the nine months ended September 30, 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. Following Ms. Sauers' presentation, Vice-Chairman Matthews moved to accept the Financial Report as presented. The motion was seconded by Treasurer Richmond and passed unanimously. A copy of the Financial Report as of and for the nine months ended September 30, 2009 is attached hereto as Exhibit "D".

The Board was then asked to receive and consider a presentation from Jace Houston, Deputy General Manager for the San Jacinto River Authority, regarding the surface water issue. Mr. Houston used a PowerPoint presentation and provided the Board with background information on the water shortage issue and also good information about steps the River Authority is taking to help Montgomery County residents achieve a 30% conversion from ground water usage to surface water usage. Following Mr. Houston's presentation, a period of discussion followed. After the question and answer period, Chairman Blair thanked Mr. Houston for his time and his very informative presentation. Mr. Houston's PowerPoint presentation can be found on The Woodlands Township's web site at: <http://www.thewoodlandstowship-tx.gov>

under public documents for October 28, 2009. This item was for information sharing only.

Next, Chairman Blair asked Board members to receive and consider a presentation from Jim Stinson, General Manager of The Woodlands Joint Powers Agency, regarding the FEMA flood plain re-mapping. Mr. Stinson reviewed the chronological history related to this matter and provided the Board with the most current information available. Following Mr. Stinson's report, the Board asked questions and briefly discussed the matter. Chairman Blair then thanked Mr. Stinson for his presentation. This item was for information sharing only.

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

Chairman Blair next asked the Board to receive and consider a report on 2009-2010 Convention Center activities. The Chair called on Fred Domenick, General

Manager of The Woodlands Marriott Hotel and Convention Center, to give the report. Mr. Domenick used a PowerPoint presentation and provided the Board with an update on where the hotel industry is in The Woodlands. Additionally, Mr. Domenick highlighted Convention Center activities including catering, wedding, and other social events. As there were no questions from the Board, the Chair thanked Mr. Domenick for his report. This item was for information only.

Board members were next asked to consider a list of Strategic Partnerships for The Woodlands Township. Chairman Blair called on Don Norrell, President for The Woodlands Township, to present this item. Mr. Norrell referred the Board to the Executive Summary in their meeting book and an attached list of events the Township participates in through strategic partnerships. It was noted that the list of events was not a complete list and that all organizations go through a thorough review. Following Mr. Norrell's comments, Board discussion followed. This item was for information sharing only. Copies of the Executive Summary and list of Strategic Partner Events are attached hereto as Exhibit "F".

Chairman Blair then asked the Board to consider and act upon a recommendation from the Executive Committee regarding advance funding in 2009 for the purchase of law enforcement vehicles, and a budget amendment in connection therewith. Mr. Norrell was called on to present this item and provide information regarding an enhanced law enforcement contract with Montgomery County. Following

Mr. Norrell's presentation, Director Campbell moved to authorize a 2009 budget amendment in the amount of \$564,000 to fund the acquisition of twelve (12) law enforcement vehicles with related emergency equipment. In addition, Director Campbell moved to authorize staff to notify the Presidents of the Community Association Boards that any funds the Association Boards choose to transfer to the Township after meeting all outstanding obligations existing at the end of 2009, or any funds remaining from The Woodlands Community Service Corporation operations, will be used to fund vehicles and major equipment for the new District #6 in The Woodlands. The motion was seconded by Director Hunter. Chairman Blair next called for discussion and then a vote on the motion. The motion passed unanimously. A copy of the Executive Summary is attached hereto as Exhibit "G".

The Chair then asked the Board to move to the Supplemental Agenda on page three of their meeting book. Board members were asked to consider and act upon the renewal of a public safety inter-local agreement with the Montgomery County Sheriff's Office for the year 2010. Mr. Norrell presented this item and referred the Board to pages 33 and 34 in their meeting book. Mr. Norrell provided the Board with background information related to the service contract and then Vice-Chairman Matthews moved to approve the renewal of the public safety inter-local agreement with the Montgomery County Sheriff's Office for 2010. The motion was seconded by Director Hunter. Board members then engaged in discussion. Following discussion, Chairman

Blair called for a vote. The motion passed unanimously. A copy of the Executive Summary is attached hereto as Exhibit "H".

The Board then returned to items found on the Regular Agenda. Chairman Blair asked members to consider and act upon the proposed process for appointments to the Development Standards Committee (DSC). The Chairman called on Don Norrell to present this item. Mr. Norrell provided background information related to the appointments to the DSC and also discussed the procedures for soliciting, screening and making recommendations for appointments. Following Mr. Norrell's comments, Chairman Blair asked for a motion and second to direct the Committee on Governance and Nominations to bring forth recommendations to the Board for appointments to the DSC utilizing the general process as established by the Woodlands Community Association (WCA). Director Hunter moved to modify this motion by having the Chairman of the Board appoint members to a Committee from at-large-elected WCA Board members rather than having the Committee on Governance and Nominations bring forth recommendations for appointment to the DSC. Director Hausman seconded the motion. Discussion followed and then a vote was taken. The motion failed with Directors Campbell, Hausman, and Hunter voting "yes" and Directors Blair, Kinnear, Matthews, Richmond, Robb, Sutton, and Tough voting "no". The Chair then asked for a motion and second on the item as it was originally presented. Director Kinnear moved to direct the Committee on Governance and Nominations to bring forth

recommendations to the Board for appointments to the DSC utilizing the general process as established by the WCA. The motion was seconded by Treasurer Richmond. As there was no further discussion, the Chair called for a vote. The motion passed with Directors Blair, Kinnear, Matthews, Richmond, Robb, Sutton, and Tough voting "yes" and Directors Campbell, Hausman, and Hunter voting "no". A copy of the Executive Summary is attached hereto as Exhibit "I".

Next, the Chairman asked the Board to consider and act upon proposed implementation of Residential Design Review Committee (RDRC) and Village Association election procedures and processes. Chairman Blair called on Karen Dempsey, Management Analyst for the Community Association of The Woodlands, to present this item. Ms. Dempsey used a PowerPoint presentation as she reviewed historical data from previous RDRC and Village Association elections as well as some of the pros and cons for using an online voting process. Discussion followed Ms. Dempsey's presentation and then Bret Strong, The Strong Firm, P.C., was called on to provide additional clarification related to voting requirements. Director Hunter moved to approve the voter registration process and implementation of a preferred online voting system for the 2010 Residential Design Review Committee election and, by agreement, the Village Association elections. The motion was seconded by Director Hausman. Further discussion continued with concerns expressed about security, costs, and voter turn-out. Director Hunter asked that Mike Page, legal counsel for The Woodlands Township,

comment on the election process. After lengthy discussion, the Chair called for a vote on the motion. The motion failed with Directors Blair, Hunter, Matthews, and Tough voting "yes" and Directors Campbell, Hausman, Kinnear, Richmond, Robb, and Sutton voting "no". A copy of the Executive Summary is attached hereto as Exhibit "J". Ms. Dempsey's PowerPoint presentation is attached hereto as Exhibit "K".

Director Hausman then moved to consolidate items 15, 16, and 17 under one motion as stated below:

Item 15: authorize a fee of \$75 to be collected from property owners for the preparation of an updated resale certificate from The Woodlands Township;

Item 16: authorize a transfer fee in the amount of \$100 to be collected from property owners upon the purchase of taxable property within The Woodlands Township; and

Item 17: authorize a fee in the amount of \$250 to be collected from persons or entities requesting the preparation of an estoppels letter from The Woodlands Township.

The motion was seconded by Director Hunter. Chairman Blair then called for discussion. Secretary Sutton asked that the motion related to item 16 be modified by renaming "transfer fee" to "document preparation fee". The Chair stated that this change could be made internally rather than amending the motion. Following discussion, Chairman Blair called for a vote. All three motions passed unanimously. Copies of the Executive Summaries for items 15, 16, and 17 are attached hereto as Exhibit "L", respectively.

The Chair then called a brief recess at 11:20 a.m. The Board reconvened at 11:30 a.m.

Next, Board members were asked to consider and act upon approval of expenditures related to the accounting software consolidation to include software licensing and professional services at an amount not to exceed \$45,000 from the transition budget. Chairman Blair called on Monique Sharp, Finance Director for The Woodlands Township, to present this item. Ms. Sharp provided background information on this item and then Director Kinnear moved to approve expenditures related to the accounting software consolidation to include software licensing and professional services at an amount not to exceed \$45,000 from the 2009 transition budget. The motion was seconded by Treasurer Richmond. The Chair then called for discussion after which a vote was taken. The motion passed unanimously. Copies of the Executive Summary and supporting documents are attached hereto as Exhibit "M".

Board members then were asked to consider and act upon taking official action declaring intent to reimburse certain expenditures from tax-exempt bond proceeds. Mr. Page presented this item and referred the Board to the Executive Summary in their meeting book for review and questions. Treasurer Richmond moved to take official action declaring intent to reimburse certain expenditures from tax-exempt bond proceeds, and approve a resolution in connection therewith. The motion was seconded by Vice-Chairman Matthews. As there was no discussion on this item, the Chair called

for a vote. The motion passed unanimously. A copy of the Executive Summary is attached hereto as Exhibit "N". A copy of a Resolution Expressing Official Intent to Reimburse General Fund is attached hereto as Exhibit "O".

Next, the Board was asked to receive and consider a quarterly update from The Woodlands Convention and Visitors Bureau (CVB). Nick Wolda, President of The Woodlands CVB, presented this item. Mr. Wolda updated the Board on CVB activities. Additionally, a quarterly financial report was given to the Board. Copies of the Executive Summary and CVB's Financial Statements for September 30, 2009 are attached hereto as Exhibits "P" and "Q", respectively. No action was necessary on this item.

Chairman Blair then asked Board members 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. Using a PowerPoint presentation, Mr. Norrell reviewed action items completed year to date, action items for Board consideration in the fourth quarter of 2009, and then reviewed action items for consideration in 2010. A copy of Mr. Norrell's presentation is attached hereto as Exhibit "R". No action was necessary on this item.

Next, the Board was asked to receive and consider a presentation from the President for The Woodlands Township, regarding the November 3, 2009, bond authorization election. Mr. Norrell presented this item using a PowerPoint presentation. It was mentioned that this same presentation was presented at numerous forums

throughout The Woodlands in an effort to educate voters on the three propositions on the November 3, 2009 ballot. A copy of Mr. Norrell's PowerPoint presentation is attached hereto as Exhibit "S". No action was necessary on this item.

Chairman Blair then announced that there was no need for Executive Session. There were no Administrative Reports given at this time.

Board members were next asked to consider items to be placed on the agenda for the next meeting. Director Hausman requested that the Board discuss debt matters. Mr. Page recommended that Drew Masterson, The Woodlands Township's financial advisor, make a presentation to the Board.

Next, Chairman Blair asked for Board announcements. Director Robb recognized that Mike Page had recently received the George Mitchell Award for outstanding community service. Chairman Blair urged everyone to vote during early voting or on Election Day, November 3, 2009.

As there were no further announcements, the Chair called for a motion to adjourn. Secretary Sutton moved to adjourn the meeting. The motion was seconded by Director Hunter and passed unanimously. The meeting was adjourned at 12:10 p.m.

(SEAL)

Alex Sutton III
Secretary, Board of Directors

EXHIBIT OMISSIONS*

EXHIBIT "A"	EXHIBIT "K"
EXHIBIT "B"	EXHIBIT "L"
EXHIBIT "C"	EXHIBIT "M"
EXHIBIT "D"	EXHIBIT "N"
EXHIBIT "E"	EXHIBIT "O"
EXHIBIT "F"	EXHIBIT "P"
EXHIBIT "G"	EXHIBIT "Q"
EXHIBIT "H"	EXHIBIT "R"
EXHIBIT "I"	EXHIBIT "S"
EXHIBIT "J"	

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