

**MINUTES OF MEETING
BOARD OF DIRECTORS
TOWN CENTER IMPROVEMENT DISTRICT
OF MONTGOMERY COUNTY, TEXAS
February 28, 2007**

**THE STATE OF TEXAS §
COUNTY OF MONTGOMERY §**

The Board of Directors of Town Center Improvement District (TCID) of Montgomery County, Texas, met in regular session, open to the public, on February 28, 2007, posted to begin at 7:30 a.m. The meeting was held in the Board Room at 10001 Woodloch Forest Dr., Suite 600, The Woodlands, Montgomery County, Texas, within the boundaries of the District. The roll was called of the duly elected and appointed members of the Board of Directors, to wit:

Edmund W. Robb III	Chairman
Vicki D. Richmond	Vice-Chairman
Fred R. O'Connor	Treasurer/Assistant Secretary
Lloyd W. Matthews	Secretary
Nelda Luce Blair	Director
Kemba D. DeGroot	Director
Peggy S. Hausman	Director
Robert C. Kinnear	Director
Ken Smith	Director
Alex Sutton III	Director
Les R. Tarrance, Sr.	Director

with all of said persons being present, excluding Director Smith, thus constituting a quorum. Also present for conducting business and assisting Board members were Frank Robinson, Brian Pate, Nick Wolda, Steve Sumner, Mike Page, Renee Williford, Kristin Freeman, Karen Hoylman, Angela Hosler, Lou Ann Tiger, Tom Sifferman, Marco Aguilar, and Steve Williams.

Prior to calling the meeting to order, Chairman Robb recognized Karen Hoylman, President, South Montgomery County Woodlands Chamber of Commerce. Ms. Hoylman then

introduced Angela Hosler, Director of Special Events, South Montgomery County Woodlands Chamber of Commerce and Lou Ann Tiger who made a special presentation to the Board of Directors for the District's support of "Taste of the Town." A copy of a handout recapping "Taste of the Town 2007" is attached hereto as Exhibit "A".

Chairman Robb called the meeting to order at 7:32 a.m. He announced that a quorum was present and that sufficient notice of this meeting had been duly posted as required by law.

Chairman Robb then requested a motion to adopt the agenda. Frank Robinson, President for the District, asked that agenda item #4 be deferred until the presenter's arrival. Director Blair moved that the agenda be adopted with the change. The motion was seconded by Treasurer O'Connor and carried by unanimous vote.

Chairman Robb then called on names from the Public Comment Roster. Tom Sifferman, a resident of Alden Bridge, addressed the Board. The Public Comment Roster is attached hereto as Exhibit "B".

Chairman Robb then asked the Board to consider and act upon approval of the minutes of the January 24, 2007 meeting of the Board of Directors of the District. Secretary Matthews moved to approve the minutes of the January 24, 2007 meeting. The motion was seconded by Treasurer O'Connor and passed unanimously. A copy of the January 24, 2007 meeting minutes is attached hereto as Exhibit "C".

Next, Chairman Robb asked the Board to receive and act upon the Financial Report as of and for the month ended January 31, 2007. The Chairman called on Brian Pate, Vice President of Finance & Administration for the District, to present the Financial Report. Following the presentation, Director Hausman moved to accept the Monthly Budget Variances Report as presented and the motion was seconded by Treasurer O'Connor. The motion carried unanimously and a copy of the January 31, 2007, Monthly Budget Variances Report is attached hereto as Exhibit "D".

Next, Chairman Robb asked the Board to receive a report on destination activities in Latin America. Nick Wolda, Vice President of Marketing & Public Affairs, was called to present this item. Following a few comments, Mr. Wolda introduced Mr. Marco Aguilar, President of Travel PIE-Mexico International Destination Marketing. Mr. Aguilar gave a report on a study conducted for TCID on the Mexican travel market. No action was required.

Chairman Robb then asked the Board to consider and act upon a recommendation from the Marketing Committee to authorize the President for the District to execute service agreements regarding 2007 marketing expenses. Mr. Wolda was called to present this item. Following comments to the Board, Secretary Matthews moved to authorize the President for the District to execute service agreements regarding 2007 marketing expenses. The motion was seconded by Director Sutton and passed by majority vote. A copy of the Executive Summary and Service Agreements are attached hereto as Exhibits "E", "F", "G", and "H", respectively.

Next, Chairman Robb asked the Board to consider and act upon a recommendation from the Special Projects Committee to authorize the President for the District to execute an Intergovernmental Agreement with the Houston-Galveston Area Council of Governments (H-GAC) as a recipient of federal transportation funds previously awarded to the District by H-GAC. He called on Secretary Matthews, Chairman of the Special Projects Committee, to present this item. After a brief introduction by Secretary Matthews, Steve Sumner, Vice President of Operations & Public Safety, was asked to explain in more detail the Intergovernmental Agreement. After discussion, Secretary Matthews moved to approve the Intergovernmental Agreement with the H-GAC and authorize the President for the District to execute the Intergovernmental Agreement. Director Blair seconded the motion and it passed unanimously. A copy of the Memorandum and Intergovernmental Agreement are attached hereto as Exhibits "I", and "J", respectively.

Chairman Robb then asked the Board to consider and act upon a recommendation from the Committee on Governance and Nominations to adopt a resolution in support of proposed legislation affecting the District. Director Kinnear, Chairman of the Committee on Governance and Nominations, was called on to present this item. Following a few comments to the Board, Director Kinnear then asked Mike Page, Legal Counsel for the District, to present features of the proposed legislation. After the presentation, Director Kinnear moved to adopt the proposed resolution in support of proposed legislation affecting the District as presented. The motion was seconded by Director Blair and passed unanimously. Resolution 002-07 Endorsing and Supporting Legislation to Authorize a Regional Participation Agreement and related documents are attached hereto as Exhibit "K".

Chairman Robb next returned to agenda item #4. He asked the Board to receive an award from the Government Finance Officers Association for Excellence in Financial Reporting. He called on Frank Robinson to present this item. Mr. Robinson asked Brian Pate to introduce the presenter. Steve Williams, President of the Government Finance Officers Association of Texas, was introduced to the Board. He presented the Certificate of Achievement for Excellence in Financial Reporting to Mr. Pate and commended him for attaining this award. No action was required.

The Board of Directors then recessed at 8:27 a.m. and reconvened at 8:37 a.m.

Next, Chairman Robb asked the Board to consider and act upon a recommendation to accept an offer of financial participation in the amount up to \$50,000 from the Community Associations of The Woodlands in connection with the District's hiring of HillCo Partners, LLC. Director Kinnear was called on to present this item. He distributed a letter from Don Norrell, General Manager of the Community Associations of The Woodlands. Following his presentation, Director Kinnear moved to accept the participation offer as presented. The motion

was seconded by Secretary Matthews and passed unanimously. A copy of the Executive Summary and letter from Mr. Norrell are attached hereto as Exhibit "L".

Chairman Robb then asked the Board to consider and act upon instructing the Committee on Governance and Nominations to review and recommend Board action on the formation of a transition team in anticipation of successful passage of proposed legislation. Director Kinnear was called on to present this item. Following his presentation, Director Kinnear moved to instruct the Committee on Governance and Nominations to review and recommend Board action on the formation of a transition team in anticipation of successful passage of proposed legislation. The motion was seconded by Director Blair and passed unanimously.

Chairman Robb then asked the Board to receive and consider the Administrative Reports. Frank Robinson congratulated Steve Sumner and Marian Leck for writing an article about public safety that was published in *International Events* magazine. A copy of the article is attached hereto as Exhibit "M". Mr. Robinson gave Board members a handout of an article published in the *Texas Meeting and Events* magazine wherein he made comments about convention business and how to attract it. A copy of the article is attached hereto as Exhibit "N". A map and handout of the North Houston Association Strategic Mobility Plan Priority Projects 2006-07 was distributed to Board members. The map and handout are attached hereto as Exhibit "O". Lastly, Mr. Robinson informed the Board of TCID's partnership in March with the University Center to showcase Sam Houston State University's Public Administration program.

Nick Wolda referred the Board to the Marketing statistics for January 2007 on page 27 of their Board books. He also recognized TCID Board members serving on the Executive Committee of The Woodlands Convention & Visitors Bureau. Mr. Wolda recognized Jenny Winkleman, Marketing Manager for TCID, on her last day of employment and thanked her for her service to TCID during the last two years.

Steve Sumner referred the Board to a flyer on page 20 of their Board books from the Montgomery County Sheriff's Department promoting public safety awareness. He also asked the Board to look at the list of international visitors on page 25 of the Ambassadors' monthly report. Mr. Sumner expressed appreciation to The Woodlands Operating Company for the temporary parking facility at the corner of Waterway Avenue and Timberloch.

The Board was then asked to consider and act upon any old or new business. Director Kinnear informed the Board that the Committee on Governance and Nominations is in the process of developing a slate of officers for the 2007-2008 calendar year. He asked that any Board member or incumbent officer interested in a position notify Frank Robinson by March 15, 2007 of their interest in serving as an officer.

Next, Chairman Robb asked if there were any other matters to come before the Board. As there were no further matters to come before the Board, the meeting was adjourned at 8:50 a.m.

(SEAL)

Lloyd W. Matthews
Secretary