

**MINUTES OF MEETING  
BOARD OF DIRECTORS  
TOWN CENTER IMPROVEMENT DISTRICT  
OF MONTGOMERY COUNTY, TEXAS  
March 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 March 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 Chairman Robb and Director Blair, thus constituting a quorum. Also present for conducting business and assisting Board members were Frank Robinson, Brian Pate, Nick Wolda, Steve Sumner, Robin Fadal, Marian Leck, Renee Williford, and Kristin Freeman.

Vice-Chairman Richmond chaired the meeting and called it to order at 7:30 a.m. She announced that a quorum was present and that sufficient notice of this meeting had been duly posted as required by law. Vice-Chairman Richmond then requested a motion to adopt the agenda. Director Sutton moved that the agenda be adopted. The motion was seconded by Treasurer O'Connor and carried by unanimous vote.

Vice-Chairman Richmond then called on names from the Public Comment Roster. Tom Sifferman, a resident of The Woodlands, addressed the Board. The Public Comment Roster is attached hereto as Exhibit "A".

Vice-Chairman Richmond next asked the Board to consider and act upon approval of the minutes of the February 28, 2007 meeting of the Board of Directors of the District. Secretary Matthews moved to approve the minutes of the February 28, 2007 meeting. The motion was seconded by Director Tarrance and passed unanimously. A copy of the February 28, 2007 meeting minutes is attached hereto as Exhibit "B".

Next, Vice-Chairman Richmond asked the Board to receive and act upon the Financial Report as of and for the two months ended February 28, 2007. The Vice-Chairman called on Brian Pate, Vice President of Finance & Administration for the District, to present the Financial Report. Following the presentation, Director Kinnear moved to accept the Monthly Budget Variances Report as presented and the motion was seconded by Director Smith. The motion carried unanimously and a copy of the February 28, 2007, Monthly Budget Variances Report is attached hereto as Exhibit "C".

Next, Vice-Chairman Richmond asked the Board to consider and act upon adopting a resolution in support of Segment G of the Grand Parkway project. She called on Frank Robinson, President for the District, to present this item. Following Mr. Robinson's presentation, Director Sutton moved to adopt the Resolution in support of the Grand Parkway Segment G. The motion was seconded by Secretary Matthews and carried unanimously. A copy of the

Executive Summary and Resolution 003-07 are attached hereto as Exhibits “D” and “E”, respectively.

Vice-Chairman Richmond then asked the Board to receive and consider a report from the Committee on Governance and Nominations and act upon recommendations in connection therewith. Director Kinnear, Chair of the Governance and Nominations Committee, was called to present this item. Director Kinnear updated the Board on legislative activities associated with Senate Bill 1012 relating to the establishment of regional participation agreements between certain municipalities and districts. He also discussed the Governance and Nominations Committee’s recommendations for a transition team to represent TCID on future governance. At the conclusion of his presentation, Director Kinnear moved to appoint the following transition team representatives:

- Chairman, Governance and Nominations Committee
- Chairman, TCID Board of Directors
- TCID President

The motion was seconded by Secretary Matthews and passed unanimously.

Next, Vice-Chairman Richmond asked the Board to consider and act upon accepting the resignation of Director Vicki Richmond from the Committee on Governance and Nominations and approving a recommendation to appoint Director Kemba DeGroot to fill the unexpired term. Director Hausman moved to accept the resignation of Director Richmond from the Committee on Governance and Nominations and appoint Director DeGroot to fill the unexpired term. The motion was seconded by Treasurer O’Connor and passed unanimously. A copy of the Executive Summary and a report from the Governance and Nominations Committee are attached hereto as Exhibits “F” and “G”, respectively.

The Board was then asked to receive and consider a report from the Community Relations Committee. Director Sutton, Chair of the Community Relations Committee, was called to give the report. After a few comments to the Board, he asked Marian Leck, TCID

Security Manager, to discuss *Good Neighbor Day*. She began by thanking Christy Johnson, property manager of Waterway Loft I, for allowing the event to take place on the front patio of One Waterway Court. *Good Neighbor Day* will be held on April 21, 2007 for residents of the Town Center. No action was required. A handout for this event is attached hereto as Exhibit "H".

The Vice-Chairman next asked the Board to consider and act upon approval of expenditures related to the Red, Hot & Blue Independence Day Celebration and authorize the President for the District to execute contracts in connection therewith. Nick Wolda, Vice President for Marketing & Public Affairs, presented this item. Following his presentation, Secretary Matthews moved to recommend using Spectrum Events for production costs related to The Red, Hot & Blue Festival at a cost not to exceed \$50,000 and Alpha-Lee Enterprises at a cost of \$60,000 and authorize the President for the District to execute contracts in connection therewith. The motion was seconded by Director Tarrance and passed unanimously. A copy of the Executive Summary is attached hereto as Exhibit "I".

At 7:48 a.m. the Board recessed to Executive Session to discuss matters relating to real property and prospective gifts or donations pursuant to §551.072 and §551.073, Texas Government Code.

The Board reconvened in Public Session at 8:03 a.m. Vice-Chairman Richmond announced that it would be necessary to take action at this time on some real property matters, prospective gifts, donations, economic development negotiations, or financial or other economic development incentives. At this point Vice-Chairman Richmond introduced Robin Fadal representing the law firm of Schwartz, Page, & Harding, Legal Counsel for the District.

Next, Vice-Chairman Richmond asked for a motion to waive the purchase option for the Waterway Marriott Hotel as allowed in the development agreement. The motion was made by

Director Smith and seconded by Director Kinnear. The motion passed with Director Sutton abstaining. A copy of the Executive Summary is attached hereto as Exhibit "J".

The Board was then asked to receive and consider administrative reports. Nick Wolda began his report by welcoming Rachea Amdemariam as TCID Marketing Manage/Trainer and General Manager of The Woodlands Convention & Visitors Bureau. He announced a new destination marketing campaign called "Get Away" that will start at the end of April. Upcoming events include the Waterway Arts Festival on April 14-15 and the Public Safety Heroes' Award Banquet to be held May 17, 2007. Mr. Wolda informed the Board that the annual Board of Directors' meeting for The Woodlands Convention & Visitors Bureau will be held on April 10, 2007.

Steve Sumner, Vice President of Operations & Public Safety, reported that Town Green Park is becoming a popular location for different events and that efforts are in place to address public safety concerns in the park. Next, Mr. Sumner read parts of a report, provided by the Sheriff's department, on St. Patrick's Day activities in the Town Center.

Frank Robinson informed the Board that he presented a paper at the American Society for Public Administrators in Washington, D.C. It was very well received by those in attendance.

The Board was then asked to consider and act upon any old or new business.

As there were no further matters to come before the Board of Directors, the meeting was adjourned at 8:12 a.m.

(SEAL )

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Lloyd W. Matthews  
Secretary

