

**2nd RENEWAL OF RECREATION FACILITIES
DEVELOPMENT AGREEMENT**

This Renewal of the Recreation Facilities Development Agreement (the "Renewal") is between **The Woodlands Land Development Company, L.P.**, a Texas limited partnership ("TWLD") and a successor in interest to The Woodlands Corporation, and **The Woodlands Association, Inc.**, a Texas non-profit corporation ("TWA), and is effective July 31, 2006.

Background

A. Effective August 1, 1996, The Woodlands Corporation and TWA entered into the Recreation Facilities Development Agreement (the "Agreement"), a true and correct copy of which is attached as Exhibit "1."

B. Effective July 31, 1997, TWLD succeeded to all rights and obligations of The Woodlands Corporation under the Agreement.

C. Effective July 1, 1998, the Mutual Benefit Agreement dated as of March 1, 1992, which is referred to in the second unnumbered paragraph of the Agreement, was amended and superseded by the First Amended Mutual Benefit Agreement. The First Amended Mutual Benefit Agreement was amended and superceded by the First Amendment to the First Amended Mutual Benefit Agreement, effective July 1, 2003.

D. Paragraph C(3) of the Agreement provides that the Initial Period of the Agreement shall be for five (5) years from August 1, 1996, and that the parties may extend the Initial Period for an additional period of five (5) years.

E. The parties agreed to renew and amend the Agreement for an additional five years for the period August 1, 2001 to July 31, 2006, a true and correct copy of which is attached as Exhibit "2".

F. The parties have agreed to extend the Agreement for an additional period of five (5) years. The parties intend that this 2nd Renewal fully express their understandings with respect thereto.

NOW, THEREFORE, for and in consideration of the mutual covenants set out herein, the parties agree as follows:

1. The Initial Period of the Agreement is extended for a period of five (5) years beginning on August 1, 2006, and ending on July 31, 2011.

2. Except as amended and extended herein, the Recreation Facilities Agreement shall remain in full force and effect as written.

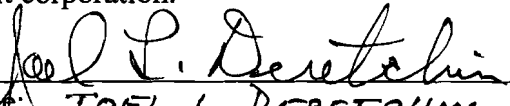
Executed in duplicate originals.

**The Woodlands Land Development Company,
L.P.** a Texas Limited partnership, and a successor
to The Woodlands Corporation

By: The Woodlands Operating Company, L.P.,
A Texas limited partnership, its Authorized
Agent

By:  Timothy J. Welbes
Name: Timothy J. Welbes
Title: President 10

The Woodlands Association, Inc., a Texas non-
Profit corporation.

By:  Joel L. Deretchin
Name: JOEL L. DERETCHIN
Title: PRESIDENT

THE WOODLANDS ASSOCIATION, INC.
BOARD OF DIRECTORS MEETING
JUNE 12, 2006
MINUTES

The Board of Directors of The Woodlands Association, Inc. met on Monday, June 12, 2006 at the Community Associations Building, 2201 Lake Woodlands Drive, The Woodlands, Texas. Directors present were Joel Deretchin, Claude Hunter, Randy Davis, Arthur Bredehoft, Debra Hageman Staley, Virgil Yoakum, Robert Bruce, Ted Stanley, Lloyd Matthews and Anthony Fasone. Also present were General Manager Don Norrell, Assistant General Manager for Finance and Administration Monique Sharp, Assistant General Manager for Community Services John Powers, Director of Covenant Administration Hennie van Rensburg, Management Analyst Audra Koester Thomas and Neighborhood Services Manager John Raybon. Attorney Walter Cooke also attended.

President Joel Deretchin called the meeting to order at 3:40 P.M.

Alden Bridge President Paul Broussard addressed the Board concerning safety issues surrounding skate park facilities, specifically, clarification of the definition of what constitutes wheel-friendly, that any safety survey should be done by an independent entity, supervision and safety equipment requirements and admission fees.

REVIEW OF THE MAY 15, 2006 BOARD WORKSHOP MINUTES

The Board reviewed the minutes which will be brought forward to the Board meeting on June 22.

REVIEW OF THE MAY 25, 2006 BOARD MEETING MINUTES

The Board suggested several corrections to the minutes which will be brought forward to the Board meeting on June 22.

CONSTRUCTION MANAGEMENT REPORT

Mr. Bruce discussed conveyance of 14 restricted open space reserves and two parks, Winterra and Marquis Oaks. This item will be brought forward to the June 22 meeting.

CONSIDERATION OF MATTERS RELATING TO THE RECREATIONAL FACILITIES FUNDING AGREEMENT (Board Memorandum 06-025)

Mr. Powers presented the Recreation Facilities Development Agreement, up for automatic extension beginning August 1, 2006. The agreement provides for design, development, construction and funding of parks, pathways and other recreational facilities in TWA. With no Board action the agreement will automatically renew.

Mr. Hunter moved to accept the report recognizing the automatic extension of the Recreation Facilities Development Agreement effective August 1, 2006 for five years ending July 31, 2011. Ms. Staley seconded the motion and it passed unanimously.

CONSIDERATION OF MATTERS RELATING TO FEES CHARGED FOR CONSTRUCTION ACCESS ACROSS TWA PROPERTY (Board Memorandum 06-026)

Mr. Van Rensburg presented a proposal for collecting construction access fees in the amount of \$500 to provide for re-grading, reseeding and replanting those areas affected by access during construction. The fee would be in addition to the \$500 compliance deposit. This item will be brought forward to the June 22 Board meeting.

CONSIDERATION OF MATTERS RELATING TO WAIVER OF POOL USE FEES FOR NATIONAL NIGHT OUT (Board Memorandum 06-027)

Mr. Raybon outlined the consolidation of activities for National Night Out, noting that public officials and public safety personnel would set up at nine parks, with the request to waive pool fees for that day at community parks. This item will be brought forward to the June 22 Board meeting.

CONSIDERATION OF MATTERS RELATING TO NATIONAL NIGHT OUT PROCLAMATION

Mr. Raybon proposed that the Board adopt a proclamation to declare August 1, 2006 as National Night Out for The Woodlands. This item will be brought forward to the June 22 Board meeting.

CONSIDERATION OF MATTERS RELATING TO APPOINTMENTS TO JOINT LEGISLATIVE ACTION COMMITTEE (Board Memorandum 06-024)

Mr. Norrell described establishment of the Joint Legislative Action Committee, noting that six representatives from TWA and WCA are to be appointed. This item will be brought forward to the June 22 Board meeting for consideration. Directors expressing interest in the committee are Anthony Fasone, Claude Hunter, Lloyd Matthews, Debra Staley, Joel Deretchin and Bob Bruce.

CONSIDERATION OF MATTERS RELATING TO THE CONROE FIRE DEPARTMENT AND MUD 39 ANNEXATION

Mr. Deretchin presented proposals offered by the City of Conroe as alternatives to annexation of MUD 39. Counter proposals are in development by The Woodlands Fire Department.

CONSIDERATION OF AN APPLICATION TO THE TEXAS PARKS AND WILDLIFE DEPARTMENT FOR A GRANT FROM THE TEXAS RECREATIONAL TRAILS FUND

Mr. Deretchin proposed ratification of a grant application submitted to the Texas Department of Parks and Wildlife for funding of the project named Creekside Park Trails in the amount of \$100,000. The grant, if approved, will apply towards development of the soft trails within the 1800 acres of the new park. This item will be brought forward to the June 22 Board meeting.

THE BOARD CONVENED IN EXECUTIVE SESSION, AT 4:41 P.M. IN ACCORDANCE WITH THE TEXAS OPEN MEETINGS ACT, SECTION 551.071, TO CONSIDER LEGAL MATTERS WITH ITS ATTORNEY CONCERNING POTENTIAL FORECLOSURE RELATED TO ASSESSMENTS AT 34 BANTAM WOODS.

The Board reconvened in open session at 5:11 P.M. The above item will be brought forward to the June 22 Board meeting.

PRESIDENT'S REPORT

There was no report.

GENERAL MANAGER'S REPORT

Mr. Norrell referred the Board to the Community Report provided.

COMMITTEE AND OTHER REPORTS

Mr. Hunter mentioned the construction around Alden Bridge Shopping Center at which a lot of vegetation has been cleared.

Mr. Yoakum requested further safety studies and site evaluations of area wheel-friendly parks.

ADJOURN

Mr. Stanley moved to adjourn the meeting with Mr. Bredehoft seconding the motion. The motion passed unanimously and the meeting adjourned at 5:32 P.M.

Ted Stanley
Secretary



COMMUNITY ASSOCIATIONS
OF THE WOODLANDS, TEXAS

**THE WOODLANDS ASSOCIATION, INC.
BOARD MEMORANDUM 06-025
JUNE 12, 2006 AGENDA**

TO: The Woodlands Association Board of Directors
PREPARED BY: John K. Powers, Assistant General Manager
SUBMITTED BY: Don T. Norrell, General Manager
SUBJECT: Recreation Facilities Development Agreement

SYNOPSIS:

A report on the Recreation Facilities Development Agreement between The Woodlands Association (TWA) and The Woodlands Land Development Company (TWLDC) has been prepared.

HISTORY/STATUS:

Please see background.

FISCAL /STAFFING STATEMENT:

The agreement stipulates TWA provide 50% of the Net Facility Costs each year based on estimates and development schedules provided by TWLDC.

BACKGROUND:

In August 1996 the Association entered into a Recreation Facilities Development Agreement with The Woodlands Corporation (now The Woodlands Land Development Company, L.P.) that provides for design, development, construction and funding of parks, pathways and other recreational facilities in TWA (*Recreation Facilities Development Agreement - Attachment A*). The Initial Period of the agreement was five years, and the first five year extension was approved in July 2001 with amendments (*Renewal and Amendment of Recreation Facilities Development Agreement - Attachment B*).

LEGAL REVIEW:

The original agreement and the first renewal with amendments were created by the Association's legal counsel.

**THE WOODLANDS ASSOCIATION
BOARD MEMORANDUM 06-025
JUNE 12, 2006
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RECOMMENDATION:

It is staff's recommendation that the Board of Directors allow the Recreation Facilities Development Agreement to automatically extend for the next five year period beginning August 1, 2006 and ending July 31, 2011. No action by the Board is required.

SUGGESTED MOTION:

"I move to accept this report recognizing the automatic extension of the Recreation Facilities Development Agreement will take effect August 1, 2006 for five years ending July 31, 2011."

attachments