

MINUTES OF REGULAR MEETING
EAST MONTGOMERY COUNTY IMPROVEMENT DISTRICT
April 7, 2022

THE STATE OF TEXAS §
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COUNTY OF MONTGOMERY §

The Board of Directors of East Montgomery County Improvement District (the “District”) met in Regular Session, open to the public, on the 7th day of April, 2022, at 4:00 p.m., at The Atrium Center, Room 105, 21575 US Hwy. 59 North, New Caney, Texas, in accordance with the duly posted notice of meeting, and the roll was called of the duly constituted member of said Board of Directors, as follows:

Brenda Webb	Chairperson
Stephen Carlisle	Vice Chair
Katherine Persson	Secretary
Leonard Rogers	Assistant Secretary
Fred Wetz	Treasurer/Investment Officer
Martin Zepeda	Assistant Treasurer
Richard Tramm	Director
Ronald Willingham	Director

and all of said persons were present, except Director Tramm, thus constituting a quorum.

Also present were Mr. Frank McCrady, Mr. Joe O’Connell, Ms. Kelley Mattlage, Ms. Jennifer Green, Ms. Talina Gilbert, Mr. Greg Phipps, Ms. Kaye Townley, Mr. David Marks and several others as shown on the attached sign-in sheet.

Chair Webb called the meeting to order, announced that a quorum was present.

Chair Webb led in prayer followed by the pledges of allegiance led by Director Persson.

As the first order of business, the Board deferred comments from members of the audience after Chair Webb stated that no one had signed up to speak.

The Board next deferred the review and approval of the minutes of the Board of Directors meetings held on March 10, 2022, and March 29, 2022, until the next meeting.

The Board next considered the status of construction of improvements and the leasing of space in the District’s office building. Mr. McCrady stated that he didn’t have anything new to report relative to the office building but noted that a catalytic converter was stolen from a vehicle parked in the parking lot last night.

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The Board next considered the financial, bookkeeping, cash flow and investment reports, and authorizing the payment of invoices presented as reflected in said reports. Ms. Townley presented the attached financial and investments reports and discussed the invoices presented for payment. Following review, Director Wetz made a motion to approve said reports as presented and to authorize payment of invoices on the General Operating Fund, Plains EDA Grant Account, Special Events Account, debits for payroll and wire transfers, as set forth on the attached reports. Director Zepeda seconded the motion, which passed unanimously.

The Board next considered a report on engineering and construction projects within the Industrial Park, including the status of the sale of dirt excavated from the future detention pond site. Mr. Phipps stated that Hallmark Mitigation & Construction, LLC has purchased 6,560 cubic yards of dirt for development of its site in the Industrial Park.

The Board next considered the status of the drainage improvements along Gene Campbell Boulevard. Mr. Phipps stated that he will continue to monitor the project to ensure that Montgomery County Pct. 4 will install the drainage pipes, as a change order, in connection with the Gene Campbell Boulevard widening project.

The Board next deferred authorizing advertisement for bids, the review of bids and authorization of an award of a contract for the construction of the building to be leased to The Pallet Guys in the Industrial Park after Mr. Phipps stated he had nothing new to report.

The Board next considered the status of the contract with Bey Commercial (“Bey”) for the construction of the building to be leased to Titan Environmental USA in the Industrial Park. Mr. Phipps presented pay application no. 1 in the amount of \$247,317.30 and noted that Bey is requesting two (2) weather-related days. He then recommended that the Board approve the payment of pay estimate no. 1 to Bey and the two (2) weather related days. After discussion, Director Persson moved to approve pay application no. 1 and the two (2) weather related days, as set out above. Director Wetz seconded the motion, which passed unanimously.

The Board next considered the annual review and adoption of a Resolution Adopting Prevailing Wage Rate Scale for Construction Projects. Mr. Marks presented the attached survey of the Prevailing Wage Rates for Construction Projects for the Department of Labor and reviewed a Resolution with the Board approving the same. After discussion, Director Carlisle made a motion to adopt the Resolution Adopting Prevailing Wage Rate Scale for Construction Projects based on the Department of Labor rates. Director Persson seconded the motion, which passed unanimously.

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The Board next considered a report on the Economic Development Administration (“EDA”) Business Center Building in the Industrial Park, including the status of the contract with Comex Corporation (“Comex”) for construction of the EDA building. Mr. Phipps presented pay application no. 3 in the amount of \$227,142.49 and noted that Comex is requesting five (5) weather-related days. He then recommended that the Board approve the payment of pay estimate no. 3 to Comex and the five (5) weather related days. After discussion, Director Carlisle moved to approve pay application no. 3 and the five (5) weather related days, as set out above. Director Willingham seconded the motion, which passed unanimously.

The Board next deferred the approval of final project documents, acceptance of project and other matters relating to the EDA Business Center Building.

Mr. McCrady next presented and reviewed the attached announcements with the Board. Director Persson stated that her book signing event is scheduled for April 29th.

The Board next considered the status of the contract with ATZ Environmental Solutions, LLC for clearing and grubbing of the land acquired from DeLeon, et al. for expansion in the Industrial Park. Mr. Phipps stated that the Notice to Proceed will be issued next week.

The Board next recessed to Executive Session at 4:35 p.m. to discuss real property matters pursuant to §551.072, Texas Government Code, pending or contemplated litigation pursuant to §551.071, Texas Government Code, matters in which the duty of the attorney to the District under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflict with Chapter 551, Texas Government Code, pursuant to §551.071, Texas Government Code, personnel matters pursuant to §551.074, Texas Government Code and Economic Development negotiations pursuant to §551.087, Texas Government. The Board returned from Executive Session at 5:55 p.m.

The Board next considered the status of economic development Incentive Agreements (“IA”), including the status of an IA with Lowe’s relative to the construction of a distribution center in the Industrial Park-North. Mr. McCrady stated that the IA with Lowe’s is currently on hold.

The Board next considered the status of an IA with Husteel USA Inc. (“Husteel”). Mr. McCrady stated that the IA has been executed by Husteel. He noted that Husteel has filed an application for tax abatement with Montgomery County.

The Board next considered a report on the activities within the Industrial Park.

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The Board next deferred the status of sale of a portion of the 2.840-acre tract to The Centre on Gene Campbell, LLC located adjacent to the 2.29-acre tract owned by The Centre on Gene Campbell, LLC for use as a playground for a daycare center, after Mr. McCrady stated that the closing documents are at the title company.

The Board next considered the status of the Purchase and Sale Agreement (“Agreement”) with Acacia, LLC (“Acacia”) relative to the purchase of a 7.236-acre site in the Industrial Park. Mr. McCrady stated that the Agreement is with Acacia for review.

The Board next considered the status of the purchase of a 1.608-acre tract near the Industrial Park. Mr. McCrady stated that the closing documents are at the title company and that the land transaction is scheduled to close on April 12, 2022.

The Board next deferred the status of the sale of a 127-acre tract of land in the North Industrial Park.

The Board next deferred the approval of a Purchase and Sale Agreement relative to the purchase of approximately 40 acres of additional land for expansion of the Industrial Park and authorize negotiations for financing in connection therewith, including authorizing the Chair and President/CEO to take all actions necessary to close on the transaction.

The Board next considered the status of a Purchase Agreement relative to the purchase of a 64-acre tract of land for park development. Mr. McCrady stated that closing documents are at the title company. He then reviewed the survey and noted that the Environmental Studies are in the process of being prepared.

The Board next considered the status of the Purchase and Sale Agreement with Prime Helium Supply Co., or its assignees relative to the purchase of a 3.664-acre site in the Industrial Park. Mr. McCrady stated that the land transaction has closed and that the item can be removed from the agenda.

The Board next considered the status of a modification of the lease with YMER Technology and status of sublease of a portion of the building to a fan manufacturing company. Mr. McCrady stated that the lease agreements are with YMER for execution.

The Board next considered the status of petition to annex 29.1 acres of land owned by the District into EMC MUD No. 3. Mr. Marks stated that the petition will be filed with The City of Conroe for approval in the next 10 days.

The Board next deferred a discussion regarding the cybersecurity awareness training requirements.


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The Board next considered matters for possible placement on future agendas.

There being no further business to come before the Board of Directors, the meeting was adjourned.

(SEAL)





Katherine Persson
Secretary, Board of Directors