

MINUTES OF REGULAR MEETING
EAST MONTGOMERY COUNTY IMPROVEMENT DISTRICT
April 14, 2015

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 14th day of April, 2015, at 6:30 p.m., at the East Montgomery County Improvement District Complex, 21575 U.S. Highway 59 North, EMCID Board Room 103, New Caney, Texas, within the boundaries of the District, and the roll was called of the duly elected officers and members of the Board of Directors, to-wit:

Brenda Webb	Chairperson
Dale Martin	Vice Chair
Scott Hesson	Treasurer
Stephen Carlisle	Secretary
Katherine Persson	Asst. Secretary
Martin Zepeda	Asst. Treasurer
Leonard Rogers	Director
Isidor Ybarra, Jr.	Director

with all of said persons being present, thus constituting a quorum.

Also present were Mr. Frank McCrady, Ms. Suzanne Parmer, Ms. Tara Martin, Ms. Kelly Mattlage, Mr. David Marks, Mr. Joe Costanza, Ms. Kaye Townley, Ms. Yael Coifman, Mr. Michael Collins and others from the community, as shown on the attached sign in sheet.

Chairperson Webb called the meeting to order and announced that a quorum was present.

Director Rogers led in prayer followed by the pledge of allegiance led by Director Ybarra.

As the first order of business, the Board considered comments from members of the audience. Dr. Ken Franklin, Superintendent of New Caney ISD, addressed the Board and spoke in favor of the bond election to be held on May 9, 2015.

The Board next considered the review and approval of the minutes of the Board of Directors meeting held on March 19, 2015. After review and discussion, Director Ybarra moved that the minutes of the Board of Directors meeting held on March 19, 2015, be approved as written. Director Persson seconded said motion, which unanimously carried.

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The Board next considered the financial, bookkeeping, cash flow and investment reports, and authorizing the payment of invoices presented or as reflected in said reports. In connection therewith, Ms. Townley presented the financial and investments reports, copies of which are attached hereto, and discussed the invoices for payment. Following review, Director Persson moved that said reports be approved as presented and that payment of invoices be authorized on the Operating Fund being check nos. 11935 through 11990, inclusive, three (3) wire transfers and debits for payroll, and on the Special Events Fund, being check no. 2407, as set forth on the attached report. Director Hesson seconded said motion, which unanimously carried.

The Board next considered the adoption of a Resolution Designating a Public Information Officer of the District. Mr. McCrady stated that Kelly Mattlage will be designated as the public information officer for purposes of receiving open records requests and will be designated as the public information coordinator for purposes of receiving training on behalf of the elected officials of the District. After discussion, Director Carlisle made a motion to approve the attached Resolution Designating a Public Information Officer, as set out above. Director Rogers seconded said motion, which unanimously carried.

The Board next considered the status of preparation of a demographic study by Leisure Development Partners ("LDP") on placement of a splash pad park within the District. Mr. McCrady discussed the purpose of the study. Ms. Coifman with LDP addressed the Board and stated that LDP is approximately half way through the work and stated is currently investigating five (5) potential placement sites.

The Board next recessed to Executive Session at 6:50 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, and Economic Development negotiations pursuant to §551.087, Texas Government Code. The Board returned from Executive Session at 8:10 p.m.

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The Board next considered the status of development of the District's 12.85 acre site, including the construction of improvements, the leasing of space in the District's office building and the status of the possible condemnation of District property by TxDOT for the Grand Parkway development. In that regard, Mr. McCrady stated he had nothing new to report.

The Board next considered a request for a waiver or reduction of charge for providing copies of public information. Mr. McCrady reviewed said request and noted that the requested documents were ready and that the cost for producing same is \$143.30. He noted that the requestor initially accepted the amount of the charge, but then requested the waiver of such fee. Ms. Matlage stated that she spent 9 official, allowable log hours researching the requested information, but noted she actually spent much more time than that compiling the records. After discussion on the matter, Director Martin made a motion to deny the request for the waiver of charges as no showing of request being in the public interest because it will primarily benefit the general public has been made by the requestor. Director Ybarra seconded said motion, which unanimously carried.

The Board next considered a report on activities within the Industrial Park, including the status of sale of dirt out of future detention pond and the status of the contract with TDG for excavation and delivery of said dirt. In connection therewith, Mr. Costanza stated he spoke with Catalyst today and that the project has been put on hold due to the wet conditions.

The Board next considered the status of the contract with Quadvest Construction, LP ("Quadvest") for construction of roads to serve Section 3. Mr. Costanza reported that the construction contracts are with the attorney for review of bonds and insurance.

The Board next deferred the approval of plans and specifications and authorization to advertise for bids for the construction of roads to serve Section 4.

The Board next considered the status of a plat of Section 3 and 4. Mr. Costanza reported that JAC is in the process of changing the road alignment and that plat will be ready to submit to Montgomery County once the road alignment is final.

The Board next considered the status of the contract with Quadvest for construction of wastewater lift station. Mr. Costanza reported that the construction contracts are with the attorney for review of bonds and insurance.

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The Board next considered the status of the contract with Quadvest for construction of the sanitary sewer and water facilities to serve Industrial Park, Section 3. Mr. Costanza reported that the construction contracts are with the attorney for review of bonds and insurance.

The Board next deferred the status of an Incentive Agreement and a Purchase and Sale Agreement relative to the purchase of a 20 acre site by Command Energy.

The Board next deferred the status of an Incentive Agreement and a Purchase and Sale Agreement relative to the Keysteel expansion project.

The Board next deferred the status of an Incentive Agreement and Purchase and Sale Agreement relative to the sale of a 3 acre site to a nutraceutical company.

The Board next considered the approval of a Purchase and Sale Agreement for the purchase of a 0.828 acre site in the Industrial Park. After discussion, Director Persson made a motion to approve the Purchase and Sale Agreement and to authorize the President, Chairman and District consultants to take all actions necessary to close on the 0.828 acre site. Director Hesson seconded said motion, which unanimously carried.

The Board next deferred issuing a letter of support relative to the development of Ridge Crest of Splendor. Mr. McCrady noted that the City of Splendor has endorsed the project, but that Splendor Independent School District has not yet acted on the requested development.

The Board next considered the status of an Incentive Agreement with Saints and Sinners Brewing Company. Mr. McCrady stated that construction has begun, but that he has not yet received the executed Incentive Agreement.

The Board next considered the approval of an Incentive Agreement with Splendor 2090 Property, LLC, or its assignees. Mr. McCrady stated that he has not yet received the executed Incentive Agreement.

The Board next considered the status of an Incentive Agreement relative to the construction of Taco Cabana within the District. Mr. McCrady stated that he has received the executed Incentive Agreement from Taco Cabanas.

The Board next considered the status of an Incentive Agreement relative to the construction of Pollo Tropical within the District. Mr. McCrady stated that he has received the executed Incentive Agreement from Pollo Tropical.

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The Board next deferred the approval of a development agreement with Jefco Development Corp. and a sponsor agreement with TxDOT regarding construction of drainage and detention facilities for the retail center and expansion of Loop 494, after Mr. McCrady stated he had nothing new to report.

Director Zepeda next made a motion to reconsider previously acted upon motion to review professional services contracts once every three (3) years, as scheduled by Mr. McCrady. Director Carlisle seconded said motion, which carried, with Directors Zepeda, Carlisle, Ybarra, Rogers and Persson being in favor.

The Board then discussed the motion to review professional services contracts once every three (3) years, as scheduled by Mr. McCrady. After discussion, a vote was called and the motion carried with Directors Persson, Rogers and Ybarra being opposed.

The Board next considered the following announcements:

Director Carlisle reported on the success of the District's attendance at the trade show. He noted that Mr. McCrady did a great job promoting the area and that the District has received several call backs from interested companies.

Director Martin noted that he and Director Webb traveled to Austin for Montgomery County Day at the capital.

The Board also noted the following:

- Montgomery County Republican Women fundraiser will be held on Thursday, April 16, 2015, at 6:30 at Texan Drive Stadium.
- Harbor fundraiser will be held on April 23, 2015.
- Valley Ranch Town Center groundbreaking is scheduled for tomorrow at 10:30 a.m.
- Pollo Tropical groundbreaking is scheduled for April 24, 2015, at 9:00 a.m.
- SFD town hall meeting is scheduled for Thursday, April 16, 2015.

The Board next considered the following matter for possible placement on future agendas: consider evaluation of the procedures for application and award of community service awards.

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

(SEAL)




Stephen Carlisle
Secretary, Board of Directors