

MINUTES OF REGULAR MEETING
EAST MONTGOMERY COUNTY IMPROVEMENT DISTRICT
July 14, 2016

THE STATE OF TEXAS §
 §
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 July, 2016, 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 following officers and members of the Board of Directors were present:

Brenda Webb	Chairperson
Dale Martin	Vice Chair
Scott Hesson	Treasurer
Stephen Carlisle	Secretary
Katherine Persson	Asst. Secretary
Martin Zepeda	Asst. Treasurer
Leonard Rogers	Director
Fred Wetz	Director

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

Also present were Mr. Frank McCrady, Ms. Kelley Matlage, Ms. Tara Martin, Mr. David Marks, Mr. Greg Phipps, Ms. Kaye Townley 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.

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

As the first order of business, Chairperson Webb distributed checks to Mission Northeast, Montgomery County Emergency Services District No. 6 and Montgomery County Emergency Services District No. 7. The Board deferred comments from members of the audience after Chairperson Webb reported that no one had signed up to address the Board.

The Board next considered the recognition of Isidor Ybarra. Chairperson Webb and the Board thanked Mr. Ybarra for his many years of service on the Board and in the community.

Minutes of East Montgomery County Improvement District for July 14, 2016

The Board next considered the election of officers of the Board of Directors. After discussion, Director Persson moved that all current officers of the Board be re-elected to the positions they currently hold. Director Rogers seconded said motion, which unanimously carried.

The Board next deferred the review and approval of the minutes of the Board of Directors meeting held on June 9, 2016.

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 Persson made a motion to approve said reports as presented and to authorize payment of invoices on the Operating Fund being check nos. 13105 and 13253 through 13341, inclusive, with check no. 13105 previously issued and check nos. 13264 and 13285 being voided, one (1) wire transfer and debits for payroll, and on the Special Events Fund, being check nos. 2460 and 2463 through 2488, as set forth on the attached reports. Director Zepeda seconded the motion, which unanimously carried.

The Board next considered the following announcements:

- None

The Board next recessed to Executive Session at 6:54 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 Code. The Board returned from Executive Session at 8:13 p.m.

The Board next considered the status of development of the District's 12.85-acre site, including the construction of improvements and the leasing of space in the District's office building. Mr. McCrady reported that TxDOT has begun removal of the District's parking lot and noted that it has created serious parking challenges at the building.

The Board next considered a report on activities within the Industrial Park, including the status of the sale of dirt excavated from the future detention pond site and the status of the contract with TDG for excavation and delivery of said dirt. Mr. Phipps reported that E-Controls is

Minutes of East Montgomery County Improvement District for July 14, 2016

purchasing 500 cubic yards of dirt.

The Board next deferred the status of the contract with Quadvest Construction, LP (“Quadvest”) for construction of roads to serve Section 3 after Mr. Phipps noted that the contractor is waiting on the drainage project to be completed.

The Board next considered the approval of plans and specifications and authorization to advertise for bids for the construction of roads to serve Section 4. Mr. Phipps noted that the plans have been approved by the TCEQ and Montgomery County. He stated that the project will be advertised for bid in August.

The Board next considered the status of platting Sections 3 and 4. Mr. Phipps reported that the Section 3 preliminary plat is complete and that JAC is working on Section 4.

The Board next considered the status of the contract with Quadvest for construction of wastewater lift station. Mr. Phipps reported that the contractor has completed the installation of the wet well and is waiting on installation of the utilities to complete the lift station with the exterior components and tie-ins.

The Board next deferred the status of the contract with Quadvest for construction of the sanitary sewer and water facilities to serve Industrial Park, Section 3 after Mr. Phipps noted that the contractor is waiting on the drainage project to be completed.

The Board next considered the status of contract with National Sign Co. for installation of Industrial Park signage on FM 1485. Mr. Phipps reported that the site has been cleared and that the installation is scheduled to start tomorrow. He stated the work is projected to be completed in 1-2 weeks.

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 the Keysteel expansion project.

The Board next deferred the status of an Incentive Agreement and Purchase and Sale Agreement with Tiro, Inc., or assignees, relative to the purchase of an approximate 4-acre site.

The Board next considered the status of an Incentive Agreement and Lease Agreement with General Ballistics, Inc., or assignees. Mr. Phipps reported that the architect is working on the design for the building.

Minutes of East Montgomery County Improvement District for July 14, 2016

The Board next considered the status of building design, review of bids and award of a contract for construction of same relative to General Ballistics project. Mr. Phipps noted that the bidding process will commence once the Lease Agreement has been executed and that he anticipates that occurring within the next month.

The Board next considered the status of preparation of plans, review of bids and award of contract for construction of range for use by police within the District. Mr. Phipps reported that JAC is in the process of finalizing the plans.

The Board next considered the status of construction of the splash pad in the City of Splendora ("Splendora"). Mr. Marks reported that he has received the executed Splash Pad Agreement and Access Easement from Splendora.

The Board next deferred approval of an Agreement for the splash pad site between the District and the City of Roman Forest and the status of purchasing through BuyBoard for the construction of the splash pad. Mr. Phipps reported that JAC is waiting on the revised site description. Mr. McCrady noted that once the revised site description has been received, the Lease can be completed. He advised that the project maybe \$20,000-\$25,000 over budget due to the line extension required to feed the water recycling system.

The Board next considered the status of an Incentive Agreement with RREI LP relative to a new service center in the District. Mr. McCrady reported that the new service center is currently under construction.

The Board next deferred the approval of an Incentive Agreement with Coal's Smokehouse or assignees.

The Board next deferred the request from the Records Management Officer to destroy the notes of Board of Directors meetings from January 8, 2015, to March 24, 2016, in accordance with the Records Retention Schedule for General Records.

The Board next considered the approval of a Resolution relative to the grant application process with the Governor's office. Mr. McCrady discussed the grant request process with the Board. After discussion, Director Martin moved to approve the grant application and to adopt the attached Resolution in connection therewith. Director Zepeda seconded the motion, which unanimously carried.

Minutes of East Montgomery County Improvement District for July 14, 2016

The Board next considered matters for possible placement on future agendas. Director Hesson discussed the Click Foundation, a camp for wounded warriors. The Board next noted that a special meeting will be held on July 20, 2016.

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

(SEAL)



A handwritten signature in cursive script, appearing to read "Katherine Persson".

Katherine Persson
Asst. Secretary, Board of Directors