

MINUTES OF REGULAR MEETING
EAST MONTGOMERY COUNTY IMPROVEMENT DISTRICT
September 9, 2021

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 9th day of September, 2021, at 5:30 p.m., at the East Montgomery County Improvement District Complex, Conference Room, Room 200A, 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, Mr. Creg Mixon, Ms. Talina Gilbert, Ms. Jennifer Green, Mr. Ryan Bonifas, Mr. Matt Lyles, Ms. Kaye Townley, Mr. Greg Phipps, Mr. Brian Lopera, Mr. Will Fuller and Mr. David Marks.

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

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

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

The Board next considered the review and approval of the minutes of the Board of Directors meeting held on August 5, 2021. After review and discussion, Director Rogers moved to approve the minutes of the Board of Directors meeting held on August 5, 2021, as written. Director Wetz seconded the motion, which carried unanimously.

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 the remediation work is continuing and is on schedule for completion in October.

East Montgomery County Improvement District meeting of September 9, 2021

The Board next considered the review and approval of the updated 2021 Report on Applying Agreed-Upon Procedures to Sales Tax Calculations to Comply with Agreements with Montgomery County Emergency Services District No. 6 (“ESD 6”) and Montgomery County Emergency Services District No. 7 (“ESD 7”). Mr. Lopera presented and reviewed the attached draft report with the Board. He stated that as of September 9, 2021, the sales tax revenue owed by EMCID to ESD 6 totals \$685,205.05 and the sales tax revenue owed by EMCID to ESD 7 totals \$362,021.97. After discussion on the matter, Director Persson made a motion to approve the Report and the payments of the amounts owed to ESD 6 and ESD 7, as presented. Director Zepeda seconded the motion, which unanimously carried.

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, prepared by Municipal Accounts & Consulting, LP, 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, the EDA Grant Account, the 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 no dirt sales occurred during the month.

The Board next considered the status of platting the Industrial Park, Section 3. Mr. Phipps stated that the plat has been submitted and approved by the engineering department and is scheduled to be on the September 14th Commissioner’s Court agenda for approval.

The Board next considered the status of the drainage improvements along Gene Campbell Boulevard. Mr. Phipps stated that it does not appear that Montgomery County Pct. 4 will install the drainage pipes in connection with the Gene Campbell Boulevard widening project. He stated that he is looking into alternative solutions.

The Board next considered the approval of plans and specifications and authorization to advertise the project for bids for construction of The Pallet Guys building. Mr. Phipps stated that JAC is working with the architect and supporting subconsultants on finalizing the plans for the site and requested approval to begin advertising the project for bid once the plans are complete. After discussion, Director Rogers moved that the engineer be authorized to advertise the project for bids, once the plans are complete. Director Persson seconded the motion, which passed unanimously.

East Montgomery County Improvement District meeting of September 9, 2021

The Board next considered the approval of plans and specifications and authorization to advertise the project for bids for construction of the Titan Environmental USA building. Mr. Phipps stated that JAC is working with the architect and supporting subconsultants on finalizing the plans for the site and requested approval to begin advertising the project for bid once the plans are complete. After discussion, Director Persson moved that the engineer be authorized to advertise the project for bids, once the plans are complete. Director Willingham seconded the motion, which passed unanimously.

The Board next considered a report on the Economic Development Administration (“EDA”) Business Center Building in the Industrial Park, including the status of a contract with Meridian ML, LLC (“Meridian”) for the site fill and rough grading to serve the EDA Business Center building. Mr. Phipps presented and discussed pay estimate no. 1 in the amount of \$46,707.99 and recommended that the Board approve the payment of same. He also presented change order no. 1, a contract deduction in the amount of \$611.00, and the executed Form 1295 from Meridian. After discussion, Director Wetz moved to approve the payment of pay estimate no. 1 and change order no. 1 based on a finding by the board that said change order was necessary and beneficial to the district, as set out above. Director Willingham seconded the motion, which passed unanimously.

The Board next considered the review of bids, consideration of architect’s/engineer’s recommendations, authorize advertisement for bids and consideration of award of project for construction. Mr. Phipps stated that the project plans are being finalized for EDA approval and requested approval to begin advertising the project for bid when EDA approval is received. After discussion, Director Persson moved to approve the plans and authorize the engineer to advertise the project for bids, subject to prior approval by the EDA. Director Carlisle seconded the motion, which passed unanimously.

The Board next deferred any additional actions relating to the EDA Business Center Building.

The Board next considered announcements. Mr. McCrady presented and reviewed the attached Calendar of Events.

East Montgomery County Improvement District meeting of September 9, 2021

The Board next recessed to Executive Session at 6:16 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 7:00 p.m.

The Board next considered the status of economic development Incentive Agreements (“IA”), including the approval of an IA with Amazing One, LLC (“Amazing One”). Mr. McCrady stated that Dr. Paige is going to purchase property north of Brewingz on Northpark to develop a strip center and recommended offering a sales tax rebate of tax revenues generated from his property at a rate of ½ of one percent for seven (7) years. He also presented the executed Form 1295 from Amazing One. After discussion, Director Rogers moved that the Board approve the IA with Amazing One, as set out above. Director Zepeda seconded the motion, which passed unanimously.

The Board next deferred the status of an IA with Lowe’s relative to the construction of a distribution center in the Industrial Park-North after Mr. McCrady stated that he had nothing new to report.

The Board next considered the status of an IA with American Realty Group or its assigns (La Marketa de Porter, LLC). Mr. McCrady stated that the IA is with the developer for execution.

The Board next considered the status of the IA with Commercial Vehicle Repair Specialists, Inc. Mr. McCrady stated that the IA has been executed by parties.

The Board next considered the status of the IA with Industrial Air Flow Dynamics, Inc. Mr. McCrady stated the IA has been executed by the parties.

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

The Board next deferred the approval of a Conveyance of Utility Facilities for water distribution and wastewater collection facilities to serve Industrial Park, Section 3 (Quadvest) to East Montgomery County MUD No. 3 (“EMC 3”), as the plat has not yet been recorded.

The Board next deferred the approval of a Conveyance of Utility Facilities for wastewater lift station and force main improvements to serve Industrial Park, Section 3 (Quadvest) to EMC 3, as the plat has not yet been recorded.

East Montgomery County Improvement District meeting of September 9, 2021

The Board next considered the approval of an Incentive Letter and Purchase and Sale Agreement with Gromax Development, LLC (“Gromax”) relative to the purchase of a site in the Industrial Park. After discussion, Director Persson moved to approve an Incentive Letter and Purchase Agreement with Gromax, subject to review by MRPC. Director Wetz seconded the motion, which passed unanimously.

The Board next deferred the status of an Incentive Letter and a Lease Agreement with The Pallet Guys relative to the lease of a drill site and improvements to be constructed thereon in the Industrial Park. Mr. Marks noted that the surface owner for a drill site has not yet agreed to release the drill site.

The Board next deferred the status of an Incentive Letter and a Purchase and Sale Agreement with Electronic Technical Services Corporation relative to the purchase of a site in the Industrial Park after Mr. McCrady stated that the documents are ready for execution.

The Board next deferred the status of an Incentive Letter and a Lease Agreement with Titan Environmental USA relative to the lease of land and improvements to be constructed thereon in the Industrial Park.

The Board next considered the status of an Incentive Letter and a Purchase and Sale Agreement with Acacia, LLC relative to the purchase of a site in the Industrial Park. Mr. McCrady stated that the transaction is in progress.

The Board next considered the status of contracts relative to the purchase of land for expansion in the Industrial Park, including the 29.1-acre tract. Mr. McCrady stated the purchase of the 29.1-acre tract will close soon.

The Board next deferred the approval of a Resolution of Authority relative to the purchase and financing of a tract of land for expansion of the Industrial Park.

The Board next deferred the status of the sale of a 127-acre tract of land in the North Industrial Park after Mr. McCrady stated he had nothing new to report.

The Board next deferred the approval of a Purchase and Sale Agreement relative to the purchase of a 40-acre tract in the Industrial Park.

The Board next considered the status of a petition to annex 112.022 acres of land owned by the District into East Montgomery County MUD No. 3 (“No. 3”). Mr. Marks reminded the Board that the petition was approved by the City of Conroe on June 24, 2021, contingent upon No. 3 agreeing to enter into a Strategic Partnership Agreement with the City of Conroe within the next 180 days.

East Montgomery County Improvement District meeting of September 9, 2021

The Board next considered approval of a partnership with New Caney Independent School District (“New Caney ISD”) to share in the costs associated with the preparation of a demographic study. Mr. McCrady reviewed the attached Statement of Work for Demographic Study and stated that the total project cost is \$66,000 and the District’s share to participate in the study is \$33,000. After discussion, Director Rogers moved to approve the partnership with New Caney ISD to share in the costs associated with the preparation of a demographic study, as set out above. Director Persson seconded the motion, which passed unanimously.


The Board next considered the review and approval of modifications to the Montgomery County Emergency Services District No. 6 (“MC ESD No. 6”) Grant Agreement relative to a real estate transaction. Mr. McCrady stated that the District has an offer to purchase the existing Porter Lane Fire Station from MC ESD No. 6 in exchange for a one-year (1) grant agreement extension. After discussion, Director Carlisle moved to approve the grant agreement extension and authorize Mr. McCrady to proceed with the purchase of the Porter Lane Fire Station. Director Zepeda seconded the motion, which passed unanimously.

The Board next considered matters for possible placement on future agendas, including discussion of the plans and budget relating to the Holiday Festival.

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

(SEAL)




Katherine Persson
Secretary, Board of Directors