

MINUTES OF REGULAR MEETING
EAST MONTGOMERY COUNTY IMPROVEMENT DISTRICT
March 8, 2012

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 8th day of March, 2012, at 5:30 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:

Leon Cubillas	Chair
Vickie Thumann	Vice Chair
Linda W. Floyd	Assistant Vice Chair/Treasurer
Susan Warren	Secretary
Connie Bloodworth	Assistant Secretary
Leonard W. Rogers	Director
Fred Wetz	Director
Isidor Ybarra, Jr.	Director

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

Also present were Mr. Frank McCrady, Ms. Suzanne Parmer, Mr. David Marks, Mr. Joe Costanza, Ms. Kaye Townley, Ms. Leslie Picone and several others from the community.

The Chair called the meeting to order and announced that a quorum was present. Director Wetz 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. In connection therewith, Chair Cubillas noted no one had signed up to address the Board.

The Board next considered the approval of the minutes of the Board of Directors meeting held on February 9, 2012. After discussion on the matter, Director Thumann moved that the minutes of the Board of Directors meeting held on February 9, 2012, be approved as written. Director Ybarra seconded said motion, which unanimously carried.

The Board next considered the financial and investment reports, and authorizing payment of invoices presented. In connection therewith, Ms. Townley presented the financial and investments reports, copies of which are attached hereto, and presented the invoices for payment. Following

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review, Director Wetz moved that said reports be approved and that payment of invoices be authorized on the Operating Fund being check nos. 9417 through 9472, inclusive; and debits for payroll, and on the Special Events Fund at Plains State Bank being check nos. 2283 and 2284, as set forth on the attached reports. Director Thumann seconded said motion, which unanimously carried.

The Board next considered the annual review of Resolution Adopting Prevailing Wage Rate Scale for Construction Projects and authorizing survey of wages. Mr. Marks presented a spreadsheet reflecting Prevailing Wage Rates for Construction Projects for the Department of Labor and reviewed the attached Resolution with the Board. After discussion, Director Floyd moved to adopt the Resolution Adopting Prevailing Wage Rate Scale For Construction Projects based on the Department of Labor rates. Director Ybarra seconded said motion, which unanimously carried.

The Board next deferred the status of the EarthQuest Project development, after noting no members of Contour Entertainment were present.

The Board next recessed to Executive Session at 5:36 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, and 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. The Board returned from Executive Session at 6:06 p.m.

The Board next considered the status of the development of the District's 12.85 acre site, the construction of improvements and the leasing of space in the District's office building, including the status of investigation of settling of the building. In that regard, Mr. McCrady stated he had nothing new to report.

The Board next considered a report on activities within the Industrial Park, including the status of petition to the East Montgomery County Municipal Utility District No. 3 ("No. 3") to annex 59.633 acres of land purchased from Harold B. and Carmen Myers. In connection therewith, Mr. Marks advised that same is still pending with the City of Conroe.

The Board next deferred the approval of an Incentive Agreement for Remington Valve, LLC.

The Board next considered the approval of an Incentive Agreement and to authorize preparation of a Purchase and Sale Agreement relative to Harbor America. In that regard, Mr. McCrady discussed the proposed development with the Board.

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The Board next considered the approval of an Incentive Agreement and to authorize preparation of a Purchase and Sale of Real Estate Agreement with TEXCEL. In that regard, Mr. McCrady discussed the possible move of said entity to the Industrial Park.

The Board next considered the approval of an Incentive Agreement and to authorize preparation of a Purchase and Sale of Real Estate Agreement with Calmena Energy Services. In that regard, Mr. McCrady discussed the possible move of said entity to the Industrial Park.

Mr. McCrady next reported that Command Energy Services is expanding its current facility to 30,000-40,000 square feet and that the company will be adding more employees.

Mr. McCrady next reported that the expansion of JC Inspections is progressing.

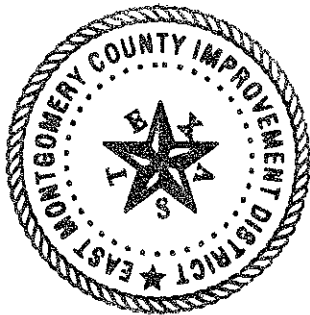
Mr. McCrady next reported that Woodmark's 9,000 square foot expansion will be starting in the next couple of weeks.

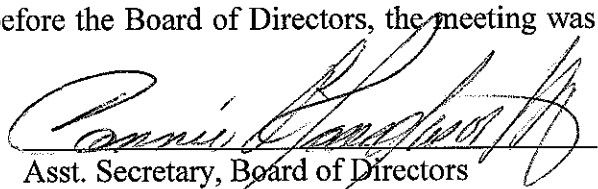
The Board next deferred the approval of an amendment to the Memorandum of Understanding with Contour Entertainment, Inc. relative to the right to develop the EarthQuest project.

The Board next advised that there were no announcements this month.

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

(SEAL)




Asst. Secretary, Board of Directors

MINUTES OF SPECIAL MEETING
EAST MONTGOMERY COUNTY IMPROVEMENT DISTRICT
March 22, 2012

THE STATE OF TEXAS §
 §
COUNTY OF MONTGOMERY §

The Board of Directors of East Montgomery County Improvement District (the "District") met in Special Session, open to the public, on the 22nd day of March, 2012, at 7:00 p.m., at the East Montgomery County Improvement District Complex, 21575 U.S. Highway 59 North, 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:

Leon Cubillas	Chair
Vickie Thumann	Vice Chair
Linda W. Floyd	Assistant Vice Chair/Treasurer
Susan Warren	Secretary
Connie Bloodworth	Assistant Secretary
Leonard W. Rogers	Director
Fred Wetz	Director
Isidor Ybarra, Jr.	Director

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

Also present were Mr. Frank McCrady, Mr. David Marks and members of the community as shown on the attached sign-in sheet.

The Chair called the meeting to order and announced that a quorum was present. Director Wetz led in prayer followed by the pledge of allegiance led by Director Ybarra.

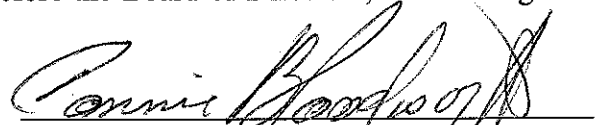
As the first order of business, the Board considered discussions relative to the status of the EarthQuest Project. In that regard, Mr. McCrady addressed the attendees and gave a history of the EarthQuest Project and the plans for the future. He then answered numerous questions from the audience relative to same.

The Board next considered discussions relative to the District's budget and expenditures. In that regard, Mr. McCrady addressed the attendees and gave a history of the District, a description of the nature of economic development, discussed the accomplishments of the District, gave an analysis of the District budget and an explanation as to the use of funds. Mr. McCrady and the Board then answered numerous questions from the audience relative to same.

Minutes of East Montgomery County Improvement District for March 22, 2012

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

(SEAL)


Asst. Secretary, Board of Directors

