

MINUTES OF REGULAR MEETING
EAST MONTGOMERY COUNTY IMPROVEMENT DISTRICT

November 5, 2012

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 5th day of November, 2012, 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:

Connie Bloodworth	Chair
Linda W. Floyd	Vice Chair
Marlene Idoux	Secretary
Brenda Webb	Treasurer
Dale Martin	Director
Vickie Thumann	Director
Fred Wetz	Director
Isidor Ybarra, Jr.	Director

with all of said persons being present, except Directors Martin and Wetz, thus constituting a quorum.

Also present were Mr. Frank McCrady, Ms. Suzanne Parmer, Mr. David Marks, Mr. Cory Burton, Mr. Chris Palis, Mr. Joe Costanza, and several others from the community.

The Chair called the meeting to order and announced that a quorum was present.

As the first order of business, the Board considered comments from members of the audience. In connection therewith, Ms. Denslinger addressed the Board and noted that she is the president of the New Caney ISD Foundation ("Foundation"), a recently created Foundation to help support teachers and students within the school district. She noted that the Foundation has applied for non-profit status and requested a \$20,000 start-up assistance grant from the District. She then questioned the Board relative to the grant process and Chairman Bloodworth instructed Ms. Deslinger to contact Mr. McCrady relative to the grant application process.

The Board next considered the review and approval of the minutes of the Board of Directors meetings held on October 11, 2012 and October 29, 2012. In connection therewith, Director Idoux requested that additional language be added to the last paragraph on page 1 relative to the addition of check no. 9856 for approval. Director Idoux next questioned whether the District needs to include the actual check numbers in the motion approving same or if the motion should simply reference the attached bookkeeping reports. After review and discussion, Director Ybarra moved that the minutes

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of the Board of Directors meeting held on October 11, 2012, be approved as corrected, and that the minutes from the meeting on October 29, 2012 be approved as written. Director Webb seconded said motion, which unanimously carried.

The Board next reviewed the request of Montgomery County Emergency Services District No. 7 relative to funding \$29,945.00 of a total project cost of \$44,694.00 to hire a consulting service and to purchase new equipment to improve its existing ISO survey rating. A motion was made by Director Thumann and seconded by Director Webb, which carried with Director Floyd abstaining, to fund \$29,945.00, with the required 33% fund match, in accordance with the staff recommendation.

The Board next reviewed the request from the New Caney New Horizons Inc. relative to funding \$73,514.00 for assistance to meet its current financial responsibilities and to support its vocational and functional skills training programs. A motion was made by Director Webb and seconded by Director Idoux, which unanimously carried, to fund the \$73,514.00, in accordance with the staff recommendation.

The Board next deferred the approval of an audit report for the fiscal year ended June 30, 2012, until the next meeting.

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, Mr. Burton presented the financial and investments reports, copies of which are attached hereto, and discussed the invoices for payment. Following review, Director Ybarra moved that said reports be approved as presented and that payment of invoices be authorized on the Operating Fund being check nos. 9797, 9888, 9922, 9922-1 and 9923 through 9983, inclusive, with check nos. 9797, 9888, 9962 and 9968 being voided, debits for payroll and two (2) wires, and on the Special Events Fund at Plains State Bank being check nos. 2306 through 2308, as set forth on the attached reports. Director Webb seconded said motion, which unanimously carried.

The Board next considered the status of filing an Unclaimed Property Report as of June 30, 2009, with the State Comptroller. In connection therewith, Mr. Burton advised that MAC had no unclaimed funds for the period in question.

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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 building settlement investigation. The Board then deferred the review of proposals and authorization to award a contract for the repair of the roof on the District's office building.

The Board next recessed to Executive Session at 7:13 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 8:08 p.m.

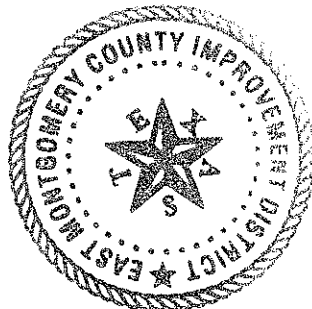
The Board next considered a report on activities within the Industrial Park. In connection therewith, the Board considered the status of Liberty Concrete Products LLC/Montgomery East Industrial, LLC/Curt Joslin purchase of property in the Industrial Park. In that regard, Mr. McCrady noted that he expects the transition to close in the next 15-30 days.

The Board next stated they had no announcements.

The Board next considered matters for possible placement on future agendas. In that regard, the Board concurred that the December meeting be moved to December 6, 2012.

There being no further business to come before the Board of Directors, upon motion made by Director Thumann, seconded by Director Ybarra, and unanimously carried, the meeting was adjourned.

(SEAL)



Maureen Adoux
Secretary, Board of Directors