

The minutes of the December 13, 2012 meeting were approved by the Board of Directors at the meeting held on January 10, 2013. Director Marlene Idoux was the Secretary of the Board and resigned from the Board on January 10, 2013, prior to the approval of the December 13, 2012 minutes. At the time of her resignation, there was not an Assistant Secretary on the Board. Ms. Idoux refused to sign the December 13, 2012 minutes notwithstanding that she was the Secretary at the time of that meeting. Therefore the minutes of the December 13, 2012, meeting are unsigned.

MINUTES OF SPECIAL MEETING  
EAST MONTGOMERY COUNTY IMPROVEMENT DISTRICT  
December 13, 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 13<sup>th</sup> day of December, 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:

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, thus constituting a quorum.

Also present were Mr. Frank McCrady, Ms. Suzanne Parmer, Mr. David Marks, Mr. Joe Costanza, Mr. Chris Brown and Mr. Andrew Ciocca.

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 a presentation from Contour updating the status of the proposed EarthQuest project. In that regard, Mr. Brown gave a project update to the Board and reported on the status of Contour's performance of obligations under the Letter of Intent. He stated that the feasibility study is complete, with positive results; noted that Stern Brothers is on board as investment broker to raise the funds for the project and noted that on November 9, 2012, Contour signed an option to purchase the property by December 23, 2013.

Mr. Andrew Ciocca of Stern Brothers next addressed the Board and discussed his firm and role in the EarthQuest project. He then reviewed the following timetable of events:

- 30-45 days - have package complete and out to primary contacts
- 90 days – responses due back from primary contacts
- 180 days – project funded and proceeding

## Minutes of East Montgomery County Improvement District for December 13, 2012

The Board next recessed to Executive Session at 6:05 p.m. to discuss real property matters pursuant to §551.072, Texas Government Code and Economic Development negotiations pursuant to §551.087, Texas Government Code. The Board returned from Executive Session at 8:12 p.m.

The Board next considered the approval of an amended Letter of Intent (“LOI”) relative to EarthQuest and related projects. After discussion, Director Idoux moved that the Board approve the extension of the term of the LOI for six (6) months, subject to the following five (5) conditions:

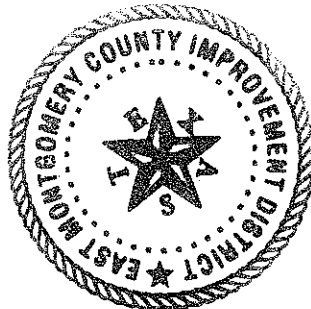
1. Contour provide, by January 10, 2013, a draft of the EMCID restrictions to be placed on Property at closing;
2. Contour deliver, by January 31, 2013, Restrictions to be recorded at closing on purchase of the Property, approved by Friendswood Development Company;
3. Contour to immediately amend Option Agreement with Whitestone to provide for termination of option if a) LOI is terminated or b) property not purchased by June 14, 2013;
4. Contour within ninety (90) days, report to Board on status of raising funds for project, and if not favorable, EMCID can terminate LOI; and
5. Contour must close on purchase of land by June 14, 2013.

Director Webb seconded said motion, which unanimously carried.

The Board next considered matters for possible placement on future agendas. In that regard, Constable Hayden reported on the status of the safe shopper program within the District

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

(SEAL)



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Secretary, Board of Directors