

MINUTES OF REGULAR MEETING  
EAST MONTGOMERY COUNTY IMPROVEMENT DISTRICT  
December 11, 2014

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 11<sup>th</sup> day of December, 2014, 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:

Brenda Webb	Chairperson
Dale Martin	Vice Chair
Scott Hesson	Treasurer
Stephen Carlisle	Secretary
Katherine Persson	Asst. Secretary
Leonard Rogers	Director
Isidor Ybarra, Jr.	Director
Martin Zepeda	Director

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

Also present were Mr. Frank McCrady, Ms. Suzanne Parmer, Ms. Kelley Mattlage, Mr. David Marks, Mr. Joe Costanza, Ms. Kaye Tinley, Ms. Virginia Blake 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 Carlisle.

As the first order of business, the Board considered comments from members of the audience. In that regard, Chairperson Webb noted that no one had signed up to speak.

The Board next considered execution of Grant Agreements and presentation of Community Development Grants. In that regard, Chairperson Webb executed the Agreements and distributed the checks to the respective grant recipients.

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The Board next considered the review and approval of the minutes of the Board of Directors meetings held on November 3, 2014 and November 4, 2014. After review and discussion, Director Ybarra moved that the minutes of the Board of Directors meetings held on November 3, 2014 and November 4, 2014, be approved as written. Director Zepeda seconded said motion, which unanimously carried.

The Board next considered the review and approval of the Sales Tax Audit Report ("STAR") relative to Montgomery County Emergency Services District No. 6 and Montgomery County Emergency Services District No. 6. Ms. Blake presented and reviewed the attached STAR with the Board. After discussion on the matter, Director Persson moved that the attached STAR, dated December 11, 2014, be approved. Director Carlisle seconded said motion, which unanimously carried.

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, Ms. Townley presented the financial and investments reports, copies of which are attached hereto, and discussed the invoices for payment. Following review, Director Persson moved that said reports be approved as presented and that payment of invoices be authorized on the Operating Fund being check nos. 11530 through 11675, inclusive, three (3) wire transfers and debits for payroll, and on the Special Events Account being check nos. 2394 and 2397 through 2401, as set forth on the attached reports. Director Ybarra seconded said motion, which unanimously carried.

The Board next considered the annual review of the District's Order Establishing Policy for Investment of District Funds and Appointing Investment Officer ("Order") and the adoption of a Resolution relative thereto. In connection therewith, Mr. Marks advised that there are no proposed changes to the Order at this time and recommended that the current Order remain in effect. After discussion on the matter, Director Ybarra that the attached Resolution Regarding Review of Order Establishing Policy for Investment of District Funds and Appointing Investment Officer be adopted, and that the Chair be authorized to sign and the Secretary to attest said Resolution on behalf of the Board and District. Director Carlisle seconded said motion, which unanimously carried.

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The Board next considered the status of the constable patrol security program at shopping centers within the District during the holiday season. Chief Welch addressed the Board and reported that activity in the shopping centers is picking up, with more shoplifting incidents and burglaries occurring.

The Board next considered the following announcements:

Chairperson Webb reported that the East Montgomery County Scholarship Foundation Board of Directors attended the foundations seminar last month and received great new information. She also stated that Heaven's Army Christmas will be on December 16<sup>th</sup>.

Director Carlisle reported that the Open Meeting Act/Open Records Act class at Roman Forest has been moved to January 17<sup>th</sup> from 9:00 a.m.- 1:00 p.m.

Director Zepeda reported that tomorrow is the New Caney ISD Open House at Texans Stadium from 8:00 a.m. – 4:00 p.m.

The Board next recessed to Executive Session at 7:01 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 7:27 p.m.

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 status of the possible condemnation of District property by TxDOT for the Grand Parkway development. In that regard, Mr. McCrady stated he had nothing new to report.

The Board next considered the status of the drainage study relating to Industrial Park Sections 3 & 4. Mr. Costanza reported that comments have been received from Montgomery County and JAC will be resubmitting the plans for approval on December 29, 2014.

The Board next considered a report on activities within the Industrial Park, including the status of sale of dirt out of future detention pond and the status of the contract with TDG for excavation and delivery of said dirt. In connection therewith, Mr. McCrady reported that there are no buyers for the dirt at this time.

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The Board next deferred the approval of plans and specifications and authorization to advertise for bids for the construction of roads to serve Section 3, after Mr. Costanza stated that JAC will submit the plans to Montgomery County for approval on December 19, 2014.

The Board next deferred the approval of plans and specifications and authorization to advertise for bids for the construction of roads to serve Section 4, after Mr. Costanza stated that JAC will submit the plans to Montgomery County for approval in mid July 2015.

The Board next considered the status of a plat of Section 3 and 4. Mr. Costanza reported that JAC has submitted the plat to Montgomery County for review and approval.

The Board next deferred the approval of plans and authorization of advertisement for bids for construction of the wastewater treatment plant lift station, after Mr. Costanza stated that JAC will resubmit the plans to Montgomery County for approval on December 19, 2014.

The Board next deferred the approval of plans and authorization of advertisement for bids for construction of Industrial Park, Section 3 water distribution and wastewater collection facilities.

The Board next deferred the status of a Purchase and Sale Agreement relative to the sale of a 5 acre tract to Jenista Holdings, LLC (Polar Rig Specialists, Inc.) after Mr. McCrady stated he had nothing new to report.

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 after Mr. McCrady stated he had nothing new to report.

The Board next deferred the status of the District's exercise of option to purchase a 6 acre tract by Keysteel, after Mr. McCrady stated he had nothing new to report.

The Board next deferred the status of an Incentive Agreement and a Purchase and Sale Agreement relative to the Keysteel expansion project.

Director Zepeda next requested that advertisement for bids for District projects be placed in the local community newspaper.

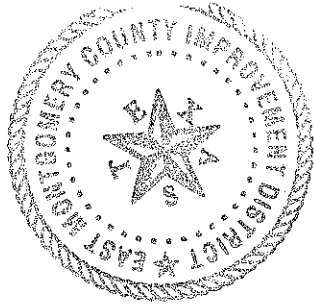
The Board next deferred the approval of a development agreement with Jefco Development Corp. and a sponsor agreement with TxDOT regarding construction of drainage and detention facilities for the retail center and expansion of Loop 494.

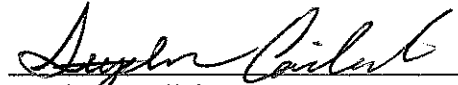
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The Board next considered matters for possible placement on future agendas, including the appointment of an Assistant Treasurer.

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

(SEAL)



  
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Stephen Carlisle  
Secretary, Board of Directors