

MINUTES OF REGULAR MEETING
EAST MONTGOMERY COUNTY IMPROVEMENT DISTRICT
August 11, 2022

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 11th day of August, 2022, at 5:30 p.m., at The Atrium Center, Room 105, 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
Ronald Willingham	Director
Crystal Moore	Director
Elizabeth Mullane	Director

and all of said persons were present, except Chair Webb, thus constituting a quorum.

Also present were Mr. Frank McCrady, Mr. Joe O’Connell, Ms. Kelley Mattlage, Ms. Jennifer Green, Mr. Ryan Bonifas, Ms. Kaye Townley, Mr. Greg Phipps, Mr. David Marks and several others as shown on the attached sign-in sheet.

In absence of the Chair, the Vice Chair called the meeting to order, announced that a quorum was present.

Director Wetz led in prayer followed by the pledges of allegiance led by Director Rogers.

As the first order of business, the Board deferred comments from members of the audience after the Vice Chair 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 meetings held on June 9, 2022, July 14, 2022 (12:30 p.m.) and July 14, 2022 (5:30 p.m.). After review and discussion, Director Rogers moved to approve the minutes of the Board of Directors meetings held on June 9, 2022, July 14, 2022 (12:30 p.m.) and July 14, 2022 (5:30 p.m.), as written. Director Persson seconded the motion, which passed 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 AC chillers are expected to ship in September and be installed in October.

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The Board next deferred the review and approval of an updated 2022 EMCID Sales Tax Calculations to Comply with Agreements with Montgomery County Emergency Services District No. 6 and No. 7.

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 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, EDA Grant Account, Special Events Account, debits for payroll and wire transfers, as set forth on the attached reports. Director Rogers seconded the motion, which passed unanimously.

Mr. Phipps next presented 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. He stated that no dirt sales occurred during the month.

The Board next deferred the status of the drainage improvements along Gene Campbell Boulevard, after Mr. Phipps stated he had nothing further to report. The Board concurred to remove the item from the agenda.

The Board next considered the status of the contract with Bey Commercial (“Bey”) for the construction of the building to be leased to Titan Environmental USA in the Industrial Park. Mr. Phipps stated that the building was delivered on July 25, 2022 and that the steel erection began on August 8, 2022. He then presented pay application no. 5 in the amount of \$464,167.80. He stated that JAC recommended that the Board approve the payment of pay estimate no. 5 to Bey. After discussion, Director Persson moved to approve pay application no. 5, as set out above. Director Willingham seconded the motion, which passed unanimously.

The Board next considered the approval of a Resolution Authorizing the President/CEO to take any actions necessary relative to financing the construction of the building. After discussion, Director Persson moved to approve the Resolution authorizing the President/CEO and/or Chair to take any actions necessary relative to the financing of the project, as set out above. Director Wetz seconded the motion, which unanimously carried.

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The Board next considered a report on the Economic Development Administration (“EDA”) Business Center Building in the Industrial Park, including the status of the contract with Comex Corporation (“Comex”) for construction of the EDA building. Mr. Phipps stated that that JAC received notification from Comex that the building will be delivered on September 7, 2022. He then presented pay application no. 7 in the amount of \$82,549.11 and noted that Comex is not requesting any weather-related days and recommended that the Board approve the payment of pay estimate no. 7 to Comex. After discussion, Director Persson moved to approve pay application no. 7, as set out above. Director Willingham seconded the motion, which passed unanimously.

The Board next deferred the approval of final project documents, acceptance of project and other matters relating to the EDA Business Center Building.

The Board next considered the approval of a Resolution Authorizing the President/CEO to take any actions necessary relative to financing the construction of the EDA building. After discussion, Director Wetz moved to approve a Resolution authorizing the President/CEO and/or Chair take any actions necessary relative to the financing of the project, as set out above. Director Rogers seconded the motion, which unanimously carried.

Mr. McCrady next presented and reviewed the attached announcements with the Board.

The Board next recessed to Executive Session at 6:04 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. The Board returned from Executive Session at 8:41 p.m.

The Board next considered the status of economic development Incentive Agreements (“IA”), including the status of an IA with Husteel USA, Inc. Mr. McCrady stated that the tax abatement hearing at Commissioners Court is scheduled for August 23, 2022.

The Board next considered the status of an Amended IA with Amazing One Holdings, LLC (“Amazing One”) (Paige Orthodontics). Mr. McCrady stated that he has received the executed Amended IA from Amazing One and that the item can be removed from the agenda.

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The Board next deferred the approval of an IA with Luna's Case de Café Bakers.

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

The Board next deferred the status of contracts for the purchase of land for expansion of the Industrial Park.

The Board next considered the status of the sale of a 127-acre tract of land in the North Industrial Park. Mr. McCrady stated that the has developer has made the additional earnest money payment relative to the expansion of the terms for closing.

The Board next deferred the approval of a Purchase and Sale Agreement relative to the purchase of approximately 40 acres of additional land for expansion of the Industrial Park and authorize negotiations for financing in connection therewith, including authorizing the Chair and President/CEO to take all actions necessary to close on the transaction.

The Board next considered the status of a modification of the lease with YMER Technology and status of sublease of a portion of the building to a fan manufacturing company. Mr. McCrady stated that the lease agreements are with YMER for execution.

The Board next considered the status of development of the 64-acre park, including authorizing the President/CEO to solicit proposals from Landscape Architects for design of the park. After discussion, Director Persson moved to authorize the President/CEO to solicit proposals for Landscape Architects for design of the park. Director Willingham seconded the motion, which passed unanimously.

The Board next considered the status of annexation of 29.1 acres of land owned by the District into East Montgomery County MUD No. 3 ("EMC MUD No. 3"), including the approval of and execution of an Amended Annexation Agreement, Supplemental Declaration to The Declaration of Covenants, Conditions and Restrictions and Easements ("Covenants") and a Waiver Agreement ("Waiver) relative to such tract. Mr. Marks stated that EMC MUD No. 3 has received the executed Consent Resolution from the City of Conroe. After discussion, Director Wetz moved that EMC MUD No. 3 be authorized to proceed with the annexation of the subject tract, that the Board approve the Amended Annexation Agreement, the Covenants and the Waiver and authorize Mr. McCrady to execute same on behalf of the Board and the District. Director Rogers seconded the motion, which unanimously carried.

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The Board next considered the approval of a Second Amended Utility Development Agreement (“Amended UDA”) by and between the District and EMC MUD No. 3 relative to the 29.1-acre annexation and a Utility Commitment Letter (“UCL”) with EMC MUD No. 3 to serve the Industrial Park, Sections 1-5. Mr. Marks reviewed the Amended UDA and UCL with the Board. After discussion, Director Rogers moved that the Board approve the Amended UDA and UCL and authorize Mr. McCrady to execute same on behalf of the Board and the District. Director Persson seconded the motion, which unanimously carried.

The Board next considered matters for possible placement on future agendas.

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

(SEAL)



A handwritten signature in blue ink that reads "Katherine Persson".

Katherine Persson
Secretary, Board of Directors