

MINUTES OF REGULAR MEETING
EAST MONTGOMERY COUNTY IMPROVEMENT DISTRICT
January 9, 2025

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 9th day of January, 2025, 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
Elizabeth Mullane	Treasurer/Investment Officer
Ronald Willingham	Assistant Treasurer
Crystal Moore	Director
Fred Wetz	Director

and all of said persons were present, except Director Wetz, thus constituting a quorum.

Also present were Mr. Frank McCrady, Mr. Chris Bontrager, Mr. Joe O’Connell, Ms. Kelley Mattlage, Ms. Jennifer Green, Mr. Greg Phipps, Mr. Garrett Tabor, Mr. Marty Murray, Ms. Kara Richardson and Ms. Brandi Eckersley.

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

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

As the first order of business, the Board deferred questions and comments from members of the audience after Chair Webb 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 November 22, 2024, November 25, 2024, December 12, 2024, and December 20, 2024. After review and discussion, Director Persson moved to approve the minutes of the Board of Directors meetings held on November 22, 2024, December 12, 2024, and December 20, 2024, as written, and approve the minutes of the meeting held on November 25, 2024, as revised to reflect the correct directors in attendance. Director Carlisle seconded the motion, which passed unanimously.

East Montgomery County Improvement District meeting of January 9, 2025

The Board next considered the status of the construction of improvements and the leasing of space in the Atrium Center. Mr. McCrady stated that the building experienced a few minor leaks during the recent rain. He also reported that the Small Business Administration has moved out of its office space upstairs in the Atrium Center.

The Board next considered the financial, bookkeeping, cash flow and investment reports, and authorizing the payment of invoices presented as reflected in the reports. Mr. Tabor presented the attached financial and investments reports and discussed the invoices presented for payment. Following review of the reports, Director Mullane made a motion to approve the reports as presented and to authorize payment of invoices on the General Operating Fund, the Special Events Account, debits for payroll and wire transfers, all as set forth on the attached reports. Director Moore seconded the motion, which passed unanimously.

The Board next considered authorizing Municipal Accounts & Consulting, L.P. ("MAC"), the District's bookkeeper, to open a new bank account related to the proceeds of the Series 2024 Sales Tax Revenue Bonds. Ms. Richardson noted that the name of the account should be the Community Venue Project Fund. After discussion, Director Mullane made a motion authorizing MAC to open the account, as set out above. Director Moore 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 he had nothing new to report this month.

The Board next considered the status of the contract with Ameripride Construction, LLC ("Ameripride") for the clearing and grubbing of the GCP Paper USA ("GCP") site. Mr. Phipps reported that the land has been cleared, and the root taking is being completed. He then presented pay application no. 2 in the amount of \$99,369.00 to Ameripride and recommended the Board approve the payment of same. He also presented change order no. 1, an increase of \$17,600 in the contract amount, for the clearing of 4 additional acres, the executed Form 1295 from Ameripride and recommended the Board approve same. After discussion, Director Persson moved to approve the payment of pay application no. 2 and change order no. 1, based on a finding by the Board that said change order was necessary and beneficial to the District. Director Mullane seconded the motion, which passed unanimously.

East Montgomery County Improvement District meeting of January 9, 2025

The Board next considered the status of the annexation of 55.55 acres (consisting of a 34.2964-acre tract (McClarren), 18.92-acre tract (Pak), 1.3383-acre tract (Quinn), and a 1-acre tract (Nichols)) of land owned by the District into the East Montgomery County Municipal Utility District No. 3. Ms. Richardson stated that the annexation package has been submitted to the City of Conroe for review and approval.

The Board next considered the status of development of the 64-acre park, including the status of the agreement for services with Burditt Consultants, LLC (“Burditt”) for Phase I Park improvements, including design and construction services for the dog park, parking, prefabricated restrooms and landscaping of the park. Mr. Phipps stated that a meeting with Burditt is scheduled for January 10, 2025, to finalize the design. After discussion, Director Carlisle made a motion authorizing the District’s engineer to advertise the project phases for bid, subject to receipt of the required permit(s) based on the final plans and specifications. Director Willingham seconded the motion, which passed unanimously.

The Board next considered announcements. Mr. McCrady reviewed the attached Calendar of Events.

The Board next recessed at 5:50 p.m. The Board convened in Executive Session at 6:17 p.m. to discuss real property matters pursuant to §551.072, 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 reconvened in Open Session at 6:57 p.m.

The Board next considered the status of economic development Incentive Agreements (individually each referred to herein as an “IA”), including the approval of an IA for a proposed project located near the intersection of Hwy. 59 and State Highway 242. Mr. McCrady stated that the project closed and that the item can be removed from the agenda.

The Board next considered the approval of an IA with Waffle House, Inc (“Waffle House”). After discussion, Director Carlisle moved to approve the IA with Waffle House. Director Mullane seconded the motion, which passed unanimously.

The Board next considered the approval of an IA with Caney Holdings, LLC (“Caney Holdings”). After discussion, Director Persson moved to approve the IA with Caney Holdings. Director Carlisle seconded the motion, which passed unanimously.

East Montgomery County Improvement District meeting of January 9, 2025

The Board next considered the status of an IA with Delect Foods LLC. Mr. McCrady stated that he had nothing new to report.

The Board next considered the status of an IA with B&B Arch Management Co., Inc. Mr. McCrady stated that he had nothing new to report.

The Board next considered the status of the IA with LB Consolidated, LLC d/b/a Popeye's. Mr. McCrady stated that he is waiting on receipt of the executed IA from Popeye's.

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

The Board next considered the status of contracts for the purchase of land for expansion of the Industrial Park. Mr. McCrady stated that he had nothing new to report.

The Board next deferred the approval of a Lease Agreement relative to the lease of land in the Industrial Park to FAMTi, or assignee. Mr. McCrady stated that the item can be removed from the agenda.

The Board next considered the status of a Purchase and Sale Agreement ("PSA") with incentives relative to the sale of land in the Industrial Park to New Caney Beverage ("NCB") or assignees. Mr. McCrady reported that the District closed on the land transaction, and the item can be removed from the agenda.

The Board next considered the status of a PSA with incentives relative to the sale of land in the Industrial Park to Jenista Holdings LLC ("Jenista") or assignees. Mr. McCrady reported that Jenista declined the District's land offer and stated the item can be removed from the agenda.

The Board next considered the status of a PSA with incentives relative to the sale of land in the Industrial Park to Jared Smith. Mr. McCrady reported that the documents related to the land transaction should be with the title company in the next thirty (30) days.

The Board next considered the status of a PSA with incentives relative to the sale of land in the Industrial Park to V Steel Group Inc. or assignees. Mr. McCrady reported that the documents related to the land transaction should be with the title company in the next thirty (30) days.

The Board next deferred the status of a PSA with incentives relative to the sale of land in the Industrial Park to Montgomery County ("County"). Mr. McCrady reported that the County has requested to occupy the property prior to the closing on the land.

East Montgomery County Improvement District meeting of January 9, 2025

The Board next considered the status of a PSA with incentives relative to the sale of land in the Industrial Park to Milestone Metals or assignees. Mr. McCrady reported that Mr. Phipps is preparing a revised site plan for a 5-acre tract.

The Board next considered the status of a PSA with incentives relative to the sale of land in the Industrial Park to Master Fans de Mexico or assignees. Mr. McCrady stated that he had nothing new to report.

The Board next considered the status of a PSA with incentives relative to the sale of land in the Industrial Park to KT Capital Assets or assignees. Mr. McCrady stated that he had nothing new to report.

The Board next considered the status of modifications to the agreement and related documents with Gates Lubricants. Mr. McCrady stated that he had nothing new to report.

The Board next deferred the status of an amendment to the Lease Agreement with Hydra Specma (formerly YMER Building).

The Board next considered the status of and take appropriate action related to the contract for the purchase of land by the District from Valley Ranch Town Center Holdings, Ltd. (“VRTC”) for the property related to the future conference center, parking garage, hotel and the extension of infrastructure to serve same. Mr. McCrady stated that the land closing is scheduled for tomorrow. He stated that the clearing will start soon after the closing with a projected groundbreaking ceremony to be scheduled sometime in February.

The Board next considered the status of a contract with Spaw-Glass Construction Corporation for construction of the conference center. Mr. Phipps stated that the contracts have been finalized and will be executed by the parties pending review of the bonds and insurance requirements by the attorney. He stated that Spaw-Glass is scheduled to mobilize on site on January 20, 2025.

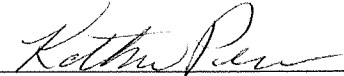
The Board next considered matters for possible placement on future agendas. Mr. McCrady stated that he received a request from Convention South Magazine for an interview regarding the construction of the conference center. He next discussed the following events, including:

- Casino Night hosted by the EMC Chamber – February 21, 2025 at 6:00 p.m.
- EMCID bus trip to the Houston Livestock Show and Rodeo – date to be determined
- Law Enforcement Dinner – February 24, 2025

East Montgomery County Improvement District meeting of January 9, 2025

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

(SEAL)



Katherine Persson
Secretary, Board of Directors

