

MINUTES OF REGULAR MEETING  
EAST MONTGOMERY COUNTY IMPROVEMENT DISTRICT  
April 10, 2025

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 10<sup>th</sup> day of April, 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 Directors Persson and Mullane, thus constituting a quorum.

Also present were Mr. Frank McCrady, Mr. Joe O’Connell, Ms. Kelley Matlage, Ms. Jennifer Green, Ms. Dawn Humphrey, Mr. Greg Phipps, Mr. Garrett Tabor, Mr. Marty Murray, Kara Richardson and 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 Willingham.

As the first order of business, the Board considered the review and approval of the minutes of the Board of Directors meeting held on March 18, 2025. After review and discussion, Director Wetz moved to approve the minutes of the Board of Directors meeting held on March 18, 2025, as written. Director Willingham seconded the motion, which passed unanimously.

The Board next considered the status of the construction of improvements and the leasing of space in the Atrium Center. Mr. McCrady stated that Mr. Murray and his team have begun the summer maintenance of the building, including painting the awing and eaves around the building, re-painting the columns and college hallways and replacing ceiling tiles.

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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 Willingham 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 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 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 site. Mr. Phipps reported that the land has been cleared, and the root raking requirements appear to have been satisfied. He stated that a final inspection was held on March 24, 2025, with no deficiencies found. Mr. Phipps then presented pay application no. 5 (final) in the amount of \$19,426.00, noted that Ameripride is not requesting any weather-related days, and recommended that the Board approve the payment of pay application no. 5 (final) to Ameripride. He also presented change order no. 2 (final quantities), a decrease of \$10,600.00 in the contract amount, the executed Form 1295 from Ameripride, and recommended the Board approve same. Mr. Phipps then presented the District’s acceptance of project letter and recommended the Board accept the project as complete. After discussion, Director Moore moved to approve the payment of pay application no. 5 (final) and change order no. 2 (final quantities), based on a finding by the Board that said change order was necessary and beneficial to the District, and accept the project as complete, as set out above. Director Willingham seconded the motion, which passed unanimously.

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 (“No. 3”). Ms. Richardson stated that the annexation package was approved by the City of Conroe’s Council on March 13, 2025, and that she is waiting on receipt of the executed Resolution from the City.

The Board next deferred the approval of an Amended Utility Development Agreement by and between the District and No. 3 relative to the 55.55-acre annexation until the next meeting.

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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 Burditt is in the process of completing the documents and that final comments are being addressed for submittal of the permit.

The Board next deferred the review of bids and award of a contract for the site preparation to serve the Phase I Park Improvements after Mr. Phipps stated that the bids will be presented for consideration at the May meeting.

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

Director Carlisle and Mr. Castleberry entered the meeting.

The Board next considered questions and comments from members of the audience. Mr. Castleberry, the City Administrator for the City of Roman Forest, thanked the Board for the grant funds to provide improvements to the community swimming pool located in Roman Forest.

The Board next recessed at 5:47p.m. The Board convened in Executive Session at 6:13 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 7:11 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 with Final Gravity Brewpub ("Final Gravity"). McCrady stated that he received the executed IA from Final Gravity and that the item can be removed from the agenda.

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

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

The Board next deferred authorizing the sale or lease of property in the Industrial Park for telecommunication use after Mr. McCrady stated that he had nothing new to report.

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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 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 company is currently looking at a different site in the Industrial Park.

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 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 Master Fans de Mexico ("Master Fans") or assignees. Mr. McCrady stated that the documents related to the land transaction are with Master Fans for execution.

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 the company is no longer pursuing a site in the Industrial Park and that the item can be removed from the agenda.

The Board next considered the status of a modification to the PSA and related documents to reflect the change of the entity name from GCP Paper to GCP Real Estate, Inc. Mr. McCrady stated that the modification to the PSA is being prepared.

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 considered the status of an amendment to the Lease Agreement with Hydra Specma (formerly YMEX Building). Mr. McCrady stated that he received the executed Lease Agreement from Hydra Specma and that the item can be removed from the agenda.

The Board next considered the status of a contract with Spaw-Glass Construction Corporation ("Spaw-Glass") for construction of the conference center. Mr. Phipps stated that there are a total of 9 zones in the project and that the conference center select fill-pad site in Zone 1 is complete. He then presented pay application no. 3 in the amount of \$3,916,607.63 to Spaw-Glass and recommended the Board approve the payment of same. After discussion, Director Moore moved to approve the payment of pay application no. 3 to Spaw-Glass, as set out above. Director Carlisle seconded the motion, which passed unanimously.

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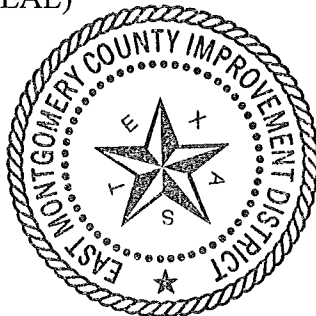
Mr. Phipps next reported that the paving and water, sanitary sewer, and drainage facilities to serve the conference center is being constructed and funded by the Signorelli Group (“Signorelli”) partially through the escrow account established and funded by the District. He stated that the project is 24% complete. Mr. Phipps stated that Signorelli is requesting the release of the 1<sup>st</sup> escrow payment of \$912,436.10. After discussion, Director Carlisle moved to approve the release of the 1<sup>st</sup> escrow amount to Signorelli, as set out above. Director Moore seconded the motion, which passed unanimously.

The Board next considered the review of proposals relative to the renewal of the District’s insurance coverage for the term expiring March 31, 2025. Mr. McCrady presented the attached proposals from Texas Municipal League (“TML”) for property and comprehensive boiler and machinery, commercial, general liability and hired car and non-ownership automobile liability, pollution liability, cyber liability, cyber security, umbrella, public employee blanket crime, directors position bond, and worker’s compensation coverage scheduled to expire on March 31, 2026. After discussion, Director Moore made a motion authorizing Director Wetz to review and approve the renewal of the existing coverages provided TML and authorize Mr. McCrady to execute the various coverage proposals. Director Willingham seconded the motion, which passed unanimously.

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)



Leonard Rogers

Asst. Secretary, Board of Directors