

**MINUTES OF THE BOARD OF DIRECTORS  
CONROE INDUSTRIAL DEVELOPMENT CORPORATION  
REGULAR BOARD MEETING OF DECEMBER 18, 2019**

On December 18, 2019 the Board of Directors of the Corporation did meet in the Council Chambers of the Conroe City Hall located at 300 West Davis Street in Conroe, Texas, written notice of the time, place and subject of said public meeting having been previously given in accordance with Texas Government Code, Chapter 551 and to each Director of the Corporation in the manner provided by law.

All of the following members were present:

George Waggoner  
Raymond McDonald  
Duke Coon  
Chip VanSteenberg  
Seth Gibson  
Keaton Hineman

Members absent were:

Toby Powell

Other persons in attendance included:

Paul Virgadamo, President  
Steve Williams, Treasurer  
Marcus Winberry, Secretary  
Danielle Scheiner, Executive Director CEDC

A quorum of the Board was present and the Chairman convened the meeting.

Item 1. A Motion by **Director VanSteenberg** seconded by **Director McDonald** to:

APPROVE AS SUBMITTED THE MINUTES OF THE MEETINGS OF  
NOVEMBER 21, 2019

<u>For</u>	<u>Against</u>	<u>Abstained</u>	<u>Absent</u>
George Waggoner			
Raymond McDonald			
Chip VanSteenberg			
Duke Coon			
Seth Gibson			
Keaton Hineman			
			Toby Powell

The motion was passed and adopted.

Item 2. A Motion by **Director Coon** seconded by **Director McDonald** to:

APPROVE THE FINANCIAL REPORT FOR OCTOBER 2019 AS PRESENTED

<u>For</u>	<u>Against</u>	<u>Abstained</u>	<u>Absent</u>
George Waggoner			
Raymond McDonald			
Chip VanSteenberg			
Duke Coon			
Seth Gibson			
Keaton Hineman			

Toby Powell

The motion was passed and adopted.

Item 3 a. PUBLIC HEARING - PERFORMANCE BASED INCENTIVE AGREEMENT WITH SOUTHERN STAR BUSKE, LLC IN THE AMOUNT OF \$267,091

The Chairman opened the first Public Hearing at 4:02 pm to discuss the performance based incentive agreement with Southern Star Buske, LCC. No members of the public offered comment and the Chairman closed this portion of the public hearing at 4:03 pm and moved to Item 3 b.

Item 3 b. PUBLIC HEARING - TENANT IMPROVEMENT GRANT IN THE AMOUNT OF \$400,000 PAYBALE TO VGXI, INC. UPON THE START OF CONSTRUCTION OF ITS RESEARCH AND DEVELOPMENT FACILITY IN THE R. A. DEISON TECHNOLOGY PARK

At 4:03 pm the Chairman convened a public hearing on the Tenant Improvement Grant in the amount of \$400,000 payable to VGXI, Inc. upon the start of construction of its research and development facility in the R. A. Deison Technology Park. Danielle Scheiner explained the proposed grant and the Chairman invited comment from the public. No member of the public appeared to offer comment on the proposal and the Chairman closed this portion of the public hearing at 4:04 pm and moved to Item 3 c.

Item 3 c. PUBLIC HEARING - CONSIDER APPROVAL OF AN ECONOMIC DEVELOPMENT GRANT TO HOME DEPOT USA, INC. AND/ OR TRAMMELL CROW COMPANY PROVIDING INFRASTRUCE FUNDING IN THE AMOUNT OF \$4,640,000 FOR THE EXTENSION OF FM 1314/ PORTER ROAD

At 4:04 pm the Chairman convened a public hearing to consider approval of an Economic Development Grant to Home Depot USA, Inc., and/ or Trammell

Crow Company providing infrastructure funding in an amount not to exceed \$4,640,000 for the extension of FM 1314/Porter Road. Danielle Scheiner explained the proposed project and the Chairman invited comment from the public. No member of the public appeared to offer comment and the Chairman closed this portion of the public hearing at 4:05 pm and moved to Item 3d.

Item 3 d. PUBLIC HEARING - CONSIDER PAYMENT OF DESIGN FEES IN AN AMOUNT NOT TO EXCEED \$3 MILLION FOR DESIGN FEES FOR RELOCATION OF OSCAR JOHNSON COMMUNITY CENTER

At 4:05 pm the Chairman convened a public hearing to consider payment of design fees in an amount not to exceed \$3 million for design fees for relocation of Oscar Johnson Community Center. Mike Stoecker, Scott Perry, Shane Howard, Greg Chapman, Ruby Johnson, Rob Hamilton, and Marlen Tejada each voiced their opinions and concerns in regards to the Oscar Johnson Community Center. The Chairman thanked everyone, adjourned the public hearing at 4:26 pm and reconvened the regular meeting.

Item 4. CONSIDER APPROVAL OF A PERFORMANCE BASED INCENTIVE AGREEMENT WITH SOUTHERN STAR BUSKE, LLC

A Motion by **Director Coon** seconded by **Director VanSteenberg** to:

This incentive agreement with Southern Star Buske, LLC will create 12 jobs, 8.2 million dollar capital investment, and they will be building a 150,000 square foot warehouse facility which will generate between \$590,000 to \$665,000 in annual payroll. The proposed incentive of \$267,091 will be paid out as performance is met over a 7 year period.

<u>For</u>	<u>Against</u>	<u>Abstained</u>	<u>Absent</u>
George Waggoner			
Raymond McDonald			
Chip VanSteenberg			
Duke Coon			
Seth Gibson			
Keaton Hineman			

Toby Powell

The motion was passed and adopted.

Item 5. CONSIDER APPROVAL OF A TENANT IMPROVEMENT GRANT IN THE AMOUNT OF \$400,000 PAYABLE TO VGXI, INC. UPON THE START OF CONSTRUCTION OF ITS RESEARCH AND DEVELOPMENT FACILITY IN THE R.A. DEISON TECHNOLOGY PARK.

This item was deferred at the request of Danielle Scheiner to allow additional time to prepare the written grant agreement.

- Item 6. CONSIDER APPROVAL OF AN ECONOMIC DEVELOPMENT GRANT TO HOME DEPOT USA, INC., AND/ OR TRAMMELL CROW COMPANY PROVIDING INFRASTRUCTURE FUNDING IN THE AMOUNT OF \$4,640,000 FOR THE EXTENSION OF FM 1314/ PORTER ROAD.

This item was deferred at the request of Danielle Scheiner to allow additional time to prepare the final agreement.

- Item 7. CONSIDER APPROVAL FOR PAYMENT OF DESIGN FEES NOT TO EXCEED \$3 MILLION FOR OSCAR JOHNSON COMMUNITY CENTER RELOCATION

A Motion by **Director VanSteenberg** seconded by **Director McDonald** to:

APPROVED DESIGN FEES NOT TO EXCEED \$2 MILLION

<u>For</u>	<u>Against</u>	<u>Abstained</u>	<u>Absent</u>
George Waggoner			
Raymond McDonald			
Chip VanSteenberg			
Duke Coon			
Seth Gibson			
Keaton Hineman			

Toby Powell

The motion was passed and adopted.

- Item 8. At 4:49 pm the Chairman recessed the regular meeting for an Executive Session to deliberate the offer of financial incentive and deliberate concerning the sale, purchase, exchange or value of real property.

At 5:14 pm the Chairman reconvened the regular meeting.

- Item 9. CONTRACT(S)/OFFER(S) FOR SALE AND PURCHASE OF LAND

No contracts or agreements were presented.

- Item 10. Executive Director's Report - Danielle Scheiner gave an updated activity and status report.

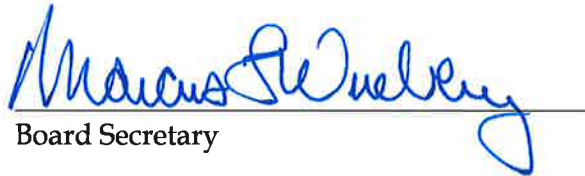
Item 11. Payment of Invoices – no invoices were presented for payment.

Item 12. With no further items for discussion, the meeting was adjourned at 5:19 pm.

CERTIFICATE OF CORPORATE SECRETARY

I hereby certify that the above and foregoing minutes were approved and adopted by majority vote of the Board of Directors on the 16 day of January, 2020.

Signed this 16 day of January, 2020.

  
Board Secretary