

MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding (MOU) is entered into on _____ (herein referred to as the "Effective Date") by and between:

Jack Burgher, Partner, BCS Capital LLC, 1940 Fountain View Drive, Suite 220, Houston, Texas 77057 (herein referred to as "Party"); and the

City of Montgomery, City Council, by affirmative vote for motion to accept this Memorandum of Understanding and authorize the Mayor, Sara Countryman, to sign same, 101 Old Plantersville Road, Montgomery, Texas 77316 (herein referred to as the "City").

Parties may be referenced individually as "Party" and collectively as "Parties."

PURPOSE

The purpose of this MOU is to establish a good-faith foundation between the Parties for future collaborative efforts that are mutually beneficial. The Parties agree to work together in a cooperative and coordinated manner to achieve each Party's individual goals and the collective goals of the partnership.

This MOU is designed to detail the specifics of meeting requirements for development between the Parties to the mutual benefit of the parties and the communities they serve.

DURATION OF MOU

This MOU becomes effective on the date it is signed by both parties. The MOU is non-binding and it remains in force and effect unless explicitly terminated, in writing, by both parties.

DEFINITIONS

Subject Tract - Approximately 32.72 acres, within the John Corner Survey, Abstract 9, being out of a called 84.1 acre tract of land recorded in the name of Mara Moja Holdings in Montgomery County Clerk's File (MCCF) Number 2004110206 and being out of Restricted Reserve "B" of Mara Mojaville, a subdivision recorded in Cabinet "Z"; Sheet 1624, of the Montgomery County Map Records (MCMR).

Rampy Lake Parcel - Approximately 115.73 acres, being Tracts 2-R, 2-T, 1-N, and 2T-13, of the John Corner Survey, Abstract 9, Montgomery County, Texas.

Feasibility Study – Study prepared by the City Engineer, WGA, on serviceability of Subject Tract by the City. The study is dated January 2025 and was presented to City Council at the January 28, 2025 Council meeting.

Drainage Study – Prior approved drainage study conducted by Carter Burgess, dated November 17, 2006.

ROLES AND RESPONSIBILITIES

To achieve Parties' mutual desires, each party agrees to the following roles and responsibilities:

1. As requested, Party agrees that a minimum of 3 acres of the Subject Tract will be marketed and/or developed as a hotel use only for a period of 3 years commencing upon the acceptance of this Memorandum.
2. Party understands and accepts that certain waterline improvements are required for development of the Subject Tract. Any projects in the City's CIP (Capital Improvement Projects) list, including but not limited to the Feasibility Study's recommended improvements including the 12" waterline along Highway 105 to the western boundary of the tract and the 12" waterline along Buffalo Springs from the northern property line of Home Depot to Lone Star Parkway) ~~will be offset by a credit of Impact Fees associated with the Subject Tract to Party. Additionally, Developer is eligible for collecting a pro-rata share of the waterline cost from adjacent developers as outlined in Sec. 90-105 of the City of Montgomery Code of Ordinances.~~ Public waterline improvements are to be designed and constructed by the City at the Party's expense.
3. Party understands and accepts that certain sanitary sewer line improvements are required for development of the Subject Tract. This includes extension of a gravity sanitary sewer line along SH-105 to ~~Lift Station No. 12 the western boundary of the tract~~ and as required north along CB Stewart to serve the northern portion of the Subject Tract. ~~The City may wish to further extend the gravity sanitary sewer line along SH-105 all the way to C.B. Stewart Drive, if the City decides to proceed with this work, the City agrees to pay a pro-rata share of the cost of the gravity sanitary sewer line extension to complete the work which will allow the City to eliminate Lift Station No. 12.~~ Public gravity sanitary sewer improvements are to be designed and constructed by the City at the Party's expense.
4. Party understands and accepts that certain improvements to Buffalo Springs Drive are required including removing and replacing existing asphalt roadway with a concrete roadway from the existing end of the concrete roadway near the northern boundary of the Home Depot site to the north side of the intersection

between Buffalo Springs Drive and CB Stewart Drive. Any additional roadway improvements to Buffalo Springs Drive will be based on the results of a Traffic Impact Analysis conducted by the Party and submitted to the City for review and approval. In addition, unless recommended by the Traffic Impact Analysis, it is not anticipated that improvements to CB Stewart will be warranted. Public roadway improvements are to be designed and constructed by the City at the Party's expense. The improvements to Buffalo Springs Drive will need to be completed prior to the development of either the hotel site or multi-family site.

~~5.~~

~~6.5.~~ The City ~~agrees~~ understands the Subject Tract and Rampy Lake Parcel are planned to drain to Rampy Lake with a drainage study incorporating a timing analysis methodology in correlation with the approved Drainage Study; however, it shall be modified to Atlas 14 rainfall estimates. The drainage study will need to incorporate the impacts to Rampy Lake and ensure that the capacity of the lake is capable of handling the additional runoff with ~~out~~ impacting downstream property owners. Once approved and the Subject Tract is platted, the drainage report addressing the Subject Tract and Rampy Lake Parcel, will not expire for the Subject Tract.

~~7.6.~~ The City agrees ~~conceptually to approve~~ to a storm sewer and/or ditch as needed to convey developed flow from the Subject Tract through the Rampy Lake Parcel to meet the intent of the approved Drainage Study. Additionally, the City agrees to authorize the encroachment of these storm sewer facilities into Buffalo Springs Drive ROW subject to an encroachment agreement between Party and City. The City also agrees to allow upgraded drainage facilities (within Lonestar Parkway ROW (roadside ditch, driveway culverts, etc) for an ultimate outfall into Stewart Creek subject to be reviewed and approved by the City. ~~These improvements are required because the Home Depot and Kroger developments did not provide an allowance for neighboring tracts to drain through their properties in accordance with the approved Drainage Study.~~

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~~8.7~~ City agrees to enter into a 380 agreement or other mechanism to reimburse Party for all work on City of Montgomery public infrastructure, including public roadway, public waterline, and public sanitary sewer, not to exceed described costs above estimated at \$4,000,000 without the improvements to CB Stewart. If a Traffic Impact Analysis is conducted and improvements to CB Stewart are recommended, the total reimbursement is not to exceed -estimate to Party increases to \$4,850,000.

~~9.8~~ The City understands that the development of the Subject Tract and fulfillment of the Party's obligations in this Memorandum are dependent and contingent on the acceptance of the Party's application to rezone approximately 13-14.5 acres of the north portion of the Subject Tract to multifamily use being approved by the City.

COMMUNICATION BETWEEN PARTIES

The stated purpose and roles and responsibilities of the MOU will likely drive the level of communication necessary for a successful understanding between Parties. Once lines of communication are established, it will be critical for each Party to be diligent in their efforts to communicate with the other Party or parties.

AMENDMENTS

The terms of this MOU may be amended upon written approval by both original Parties and their designated representatives.

ASSIGNS

Party may assign the MOU at their discretion. In the event the Party does not close on the Subject Tract, MOU shall automatically assign Party's interest to the current Subject Tract owner.

The undersigned Parties acknowledge and agree to this MOU:

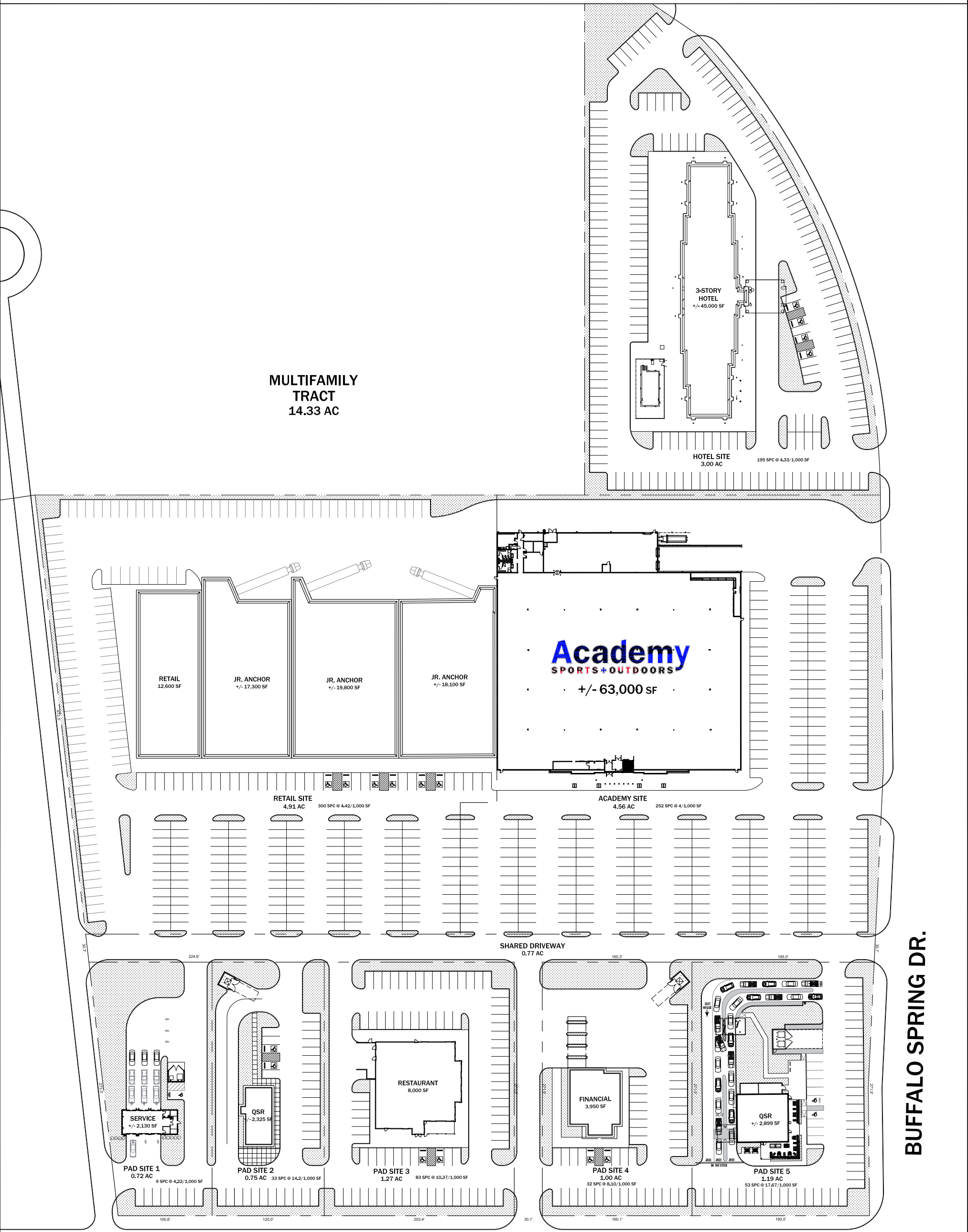
SIGNATURES

FOR City of Montgomery

Sara Countryman, Mayor

FOR BCS Capital LLC

Jack Burgher, Partner



01 SITE PLAN - OPT 1
SCALE: 1" = 30'-0"

DRAFT

LEFCO INVESTMENTS INC
532648

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532648

HAJJ INVESTMENTS LTD
450383

R=62'
Lane Width = 14'

WOODLANDS METHODIST CHURCH
480134

LEFEVRE INVESTMENTS
31298

MARA MOJA HOLDINGS
331739

MARA MOJA HOLDINGS, LTD
348649

MARA MOJA HOLDINGS
392833

AMJJ LLC
433121

AMJJ LLC
433122

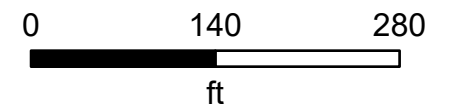
HOME DEPOT USA INC
471203

Buffalo Springs Drive Extension and Roundabout



Legend

- Proposed Pavement
- Mountable Curb
- Center Median
- Proposed Divided Median
- Tax Parcels



ArcGIS Web Map



Disclaimer: This product is offered for graphical purposes only and may not be suitable for legal, engineering, or surveying purposes. The information shown on this exhibit represents the approximate location of property, municipal boundaries or facilities.



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Engineer's Cost Estimate
BCS Capital
Buffalo Springs Dr. Improvements
3/5/2025

ITEM No.	DESCRIPTION	QUANTITY	UNIT	UNIT PRICE	COST
<u>UNIT A: REINFORCED CONCRETE PAVING</u>					
1	Move-in and start up, including all permits, performance, payment, and maintenance bonds	1	LS	\$ 39,000	\$ 39,000
2	Site Preparation (to rid the areas to be paved & filled of vegetation, debris, asphalt, concrete, and organic matter, including stripping existing topsoil where fill is proposed, stockpiling topsoil, replacing topsoil over filled areas and to provide positive drainage)	1	LS	13,000	13,000
3	Sawcut existing asphalt pavement	114	LF	16	1,900
4	Remove and dispose of existing asphalt pavement and base layers. All material removed shall become the property of the Contractor and shall be disposed of offsite in a legal manner.	5823	SY	12	69,900
5	Excavation of additional width.	2763	SY	12	33,200
6	Eight inch (8") thick reinforced concrete pavement performed in accordance with the City of Montgomery Standard Specifications, DES. CONT., Proof roll subgrade.	8586	SY	75	644,000
7	HMAC, Dense Graded Type "D" (3-Inch Thick) including tack coat, subgrade, complete in place.	144	SY	60	8,700
8	Eight inch (8") thick subgrade preparation performed in accordance with the City of Montgomery Standard Specifications, Complete in place.	8586	SY	5	43,000
9	Eight inch (8") thick subgrade stabilization performed in accordance with the City of Montgomery Standard Specifications, "Lime Stabilized Subgrade". (70 lbs per SY)	301	TON	374	112,400
10	Connect proposed concrete pavement to existing concrete via dowel and epoxy, complete in place	42	LF	6	300
11	Temporary traffic control devices as needed for the duration of the project, (flaggers, cones, etc.), per TMUTCD, includes installation, maintenance and removal, complete in place	1	LS	5,000	5,000
12	Remove and reset signage	1	EA	250	300
13	Remove signage	3	EA	250	800
14	Pavement striping	1	LS	20,000	20,000
15	Additional Signs	20	EA	250	5,000

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Engineer's Cost Estimate
BCS Capital
Buffalo Springs Dr. Improvements
3/5/2025

ITEM No.	DESCRIPTION	QUANTITY	UNIT	UNIT PRICE	COST
<u>UNIT B: STORM WATER POLLUTION CONTROL</u>					
14	Hydromulch Seed all areas disturbed by construction (Spec. Item 4241)	12531	SY	1	12,600
15	Stabilized Construction Access (Spec. Item 4711)	1	EA	1,100	1,100
16	Enforcement of TPDES Requirements (Spec. Item TPDES General Requirements) and General Source Controls (Spec Item 4811). To include the maintenance of SWPPP for Duration of Paving Contract.	1	LS	4,000	4,000
17	Concrete Truck Washout Area	1	EA	1,620	1,700
18	Reinforced Filter Fabric Fence (Spec. Item 4311)	3126	LF	4	11,500
19	Rock Filter Dams	6	EA	\$ 1,100	\$ 6,600
				Construction Subtotal	\$ 1,034,000
				Contingencies (20%)	\$ 206,800
				Engineering, Surveying, and Construciton Services (18%)	\$ 223,400
				Construciton Materials Testing (2%)	\$ 24,900
				TOTAL	\$ 1,489,100

Notes:

- 1 All values rounded up to the nearest hundred.
- 2 This estimate is based on my best judgement as a design professional familiar with the construction industry. We cannot and do not guarantee that bids will not vary from this cost estimate.
- 3 This is not a proposal for engineering services but an estimate for planning purposes.

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City Portion Sewer being proposed in this scope.
Waterline will be extended in the future Developer



- Legend
- Tax Parcel
 - City ETJ
 - City Limits
 - Tract Boundary
- Water
- Hydrant
 - Water Main Valve
 - Water Main
 - Proposed Water Main
- Sanitary Sewer
- Sanitary Sewer Gravity Main
 - Proposed Gravity Main
 - Sanitary Sewer Manhole
 - Lift Station

Exhibit C Utilities Layout

Feasibility Study



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Preliminary Cost Estimate
BCS Capital
City of Montgomery
March 5, 2025

<u>ITEM</u>	<u>DESCRIPTION</u>	<u>QUANTITY</u>	<u>UNIT</u>	<u>UNIT COST</u>	<u>TOTAL COST</u>
General ⁽⁴⁾					
1	Mobilization, Bonds, and Insurance	1	LS	\$ 20,000	\$ 20,000
2	Construction Staking	1	LS	2,500	2,500
3	Site Restoration	1	LS	6,500	6,500
4	Traffic Control Plan	1	LS	17,000	17,000
5	Trench Safety System	5509	LF	2	11,000
6	Storm Water Pollution Prevention Plan	1	LS	4,000	4,000
Total General Costs					\$ 61,000
Waterline - Developer					
7	12-Inch C900 PVC Waterline (via Open Cut Construction)	3324	LF	100	332,400
8	Additional Cost 16-Inch Steel Casing via Jack and Bore	75	LF	225	16,900
9	Fire Hydrants	8	EA	8,000	66,500
10	12-inch Wet Connect & Removal of Plug and Clamp	1	EA	2,000	2,000
11	12-inch Gate Valve	9	EA	5,000	45,000
12	2" Blowoff Valve and Box	1	EA	2,500	2,500
Total Developer Costs					\$ 662,700
Sanitary Sewer - Developer					
13	8" PVC Sanitary Sewer	1822	LF	80	145,800
14	4' Manhole	5	EA	10,000	45,600
15	Core into Existing Manhole	3	EA	2,000	6,000
Total Developer Costs					\$ 662,700
Sanitary Sewer - City					
16	8" PVC Sanitary Sewer	438	LF	80	35,000
17	Core into Existing Manhole	2	EA	2,000	4,000
Total City Costs					\$ 39,000
				Subtotal	\$ 762,700
				Contingencies (20%) ⁽⁴⁾	\$ 153,000
				Engineering, Surveying, Construction Services (18%)	\$ 138,000
				Construction Material Testing (2%) ⁽⁴⁾	\$ 16,000
Total Construction Cost					\$ 1,070,000
City Pro-Rata Share Cost					\$ 58,000
Developer Pro-Rata Share Cost					\$ 1,012,000

Notes:

- (1) All values rounded up to the nearest hundred.
- (2) This estimate is based on my best judgement as a design professional familiar with the construction industry. We cannot
- (3) This includes topographic survey, construction staking, construction materials testing, reproduction, advertising expenses,
- (4) Value owed by each party will be based on pro-rata share of the total linear footage of the proposed waterline extension.