

MINUTES OF THE BOARD OF DIRECTORS MEETING
TIRZ 17 Redevelopment Authority/Memorial City Redevelopment Authority
City of Houston, Texas
May 31, 2011

The Board of Directors (the "Board") of the TIRZ 17 Redevelopment Authority/Memorial City Redevelopment Authority (the "Authority") met in regular session, open to the public, on May 31, 2011, in the HEB Community Room, 9710 Katy Freeway, Houston, Texas.

Board members in attendance:

Charles Turet, Chair
Ann T. Givens
Brad Freels
Dan Moody, III

Board members not in attendance:

Dr. Zach Hodges
Ken Arnold
Glenn Airola

Consultants in attendance:

Michelle Lofton - ETI Bookkeeping Services
Rafael Ortega, Derek St. John, Robert Fiederlein, John Montalvo, and Brandon Cavendish - Lockwood, Andrews & Newnam, Inc. ("LAN")
Trey Lary, Jessica B. Holoubek, and Susan Hostetler - Allen Boone Humphries Robinson LLP

Staff in attendance:

Pat Walters - Executive Director

City of Houston Representatives in attendance:

Council Member Brenda Stardig
Todd Curry - Council Member Jolanda Jones' office
Corrie Rae - Council Member Brenda Stardig's office
Ralph De Leon and Tim Douglas - City of Houston (the "City")

1. Call Meeting to Order

Director Turet called the meeting to order. All agenda items were considered in order, except that status reports regarding agenda items 5-7 were considered before agenda item 3.

2. Public Comments

Ms. Roberta Prazak commented on the Board's quorum and composition.

Ms. Virginia Gregory commented on drainage, development, and the Barryknoll Improvement Project.

Ms. Lois Meyers commented on the proposed TIRZ budget, the Bunker Hill Improvement Project, and detention.

Mr. Chuck Davis commented on the budget, the regional drainage study, and the Bunker Hill Improvement Project.

3. Minutes

The Board reviewed the minutes of the April 26, 2011, meeting. Following discussion, Director Moody moved to approve the minutes as submitted. The motion was seconded by Director Givens and carried by unanimous vote.

4. Financial and Bookkeeping Matters

Ms. Lofton reviewed the financial report for April and presented checks for payment by the Authority. Following review and discussion, Director Givens moved to approve the financial report and the payment of the bills presented. Director Freels seconded the motion, and it passed unanimously.

5. Kimberley Improvement Project

Mr. Fiederlein updated the Board regarding the Kimberley Improvement Project. He reported that Phase 1 of the project is complete and work is progressing on Phases 2 and 3.

Mr. Fiederlein reviewed Change Order No. 1 to the contract, in the amount of \$41,069. Mr. Fiederlein noted the change order addresses unforeseen extra work due to conditions associated with the water line installation at the Beltway 8 frontage road including additional paving at Town and Country Boulevard. Mr. Montalvo reported the unit prices for the additional paving work were based upon the unit prices bid in the contract. Mr. Fiederlein and Mr. Ortega responded to questions from the Board regarding the differences between field conditions and the plans and specifications for the project. Following review and discussion and based upon the engineer's recommendation, Director Moody moved to approve Change Order No. 1 to the contract with Triple B Services, L.L.P., in the amount of \$41,069. The motion was seconded by Director Givens and carried by unanimous vote.

The Board then reviewed Change Order No. 2 to the contract, for a credit of \$185,000. Mr. Fiederlein noted that LAN continues to negotiate with the contractor regarding the cured-in-place sanitary sewer liner. Mr. Fiederlein noted that the City has approved the line. No action was taken regarding Change Order No. 2.

The Board reviewed and discussed Supplement No. 1 to LAN's Construction Management and Inspection Services Agreement for the project. Mr. Ortega reported that LAN will revise Supplement No. 1. The Board took no action regarding this agenda item.

6. Lumpkin Improvement Project

Mr. Fiederlein updated the Board regarding the Lumpkin Improvement Project.

7. Barryknoll Improvement Project

Mr. Fiederlein reported that LAN is incorporating the results of the Regional Drainage Study into the Preliminary Engineering Report for the Barryknoll Improvement Project.

8. Regional Drainage Study

Mr. St. John updated the Board regarding the Regional Drainage Study. He reported that a public meeting regarding the study is scheduled for June 29, 2011.

9. Convene in Executive Session Pursuant to Section 551.071, Texas Government Code, to Conduct a Private Consultation with Attorney to Discuss Pending or Contemplated Litigation, or a Settlement Offer and Pursuant to Section 551.072, Texas Government Code, to Deliberate the Purchase, Exchange, Lease or Value of Real Property

At 8:25 a.m., Director Turet announced the Board would convene in executive session to discuss pending or contemplated litigation, and to conduct a private consultation with its attorney regarding the purchase, exchange, lease, or value of real property.

10. Reconvene in Open Session and Authorize Appropriate Action regarding the Pending or Contemplated Litigation, or a Settlement Offer, and regarding the Purchase, Exchange, Lease or Value of Real Property

At 8:48 a.m., Director Turet announced the Board would reconvene in open session. Director Freels moved to authorize execution of an Option Contract and Purchase Agreement for real property, and to authorize payment of the option fee. The motion was seconded by Director Moody, and was approved by unanimous vote. Director Givens then moved to approve the Feasibility Study Period Proposal from LAN for professional engineering services. Director Moody seconded the motion, and it passed by unanimous vote. No action was taken regarding contemplated litigation or a settlement offer.

11. Proposed Project Plan and Reinvestment Zone Financing Plan Amendment

Mr. St. John reviewed a presentation regarding the Regional Drainage Study and Detention Analysis, and noted that in connection with the study and analysis, an 8-acre detention site was identified outside the Zone's boundaries. Mr. Walters noted the analysis underlying the Regional Drainage Study is complete. The Board reviewed a proposed First Amendment to the Project Plan and Reinvestment Zone Financing Plan, which expands the Zone's boundaries to allow the Authority to develop the tract for detention. The Board discussed the process of annexation and approval of an amended Project Plan and Reinvestment Zone Financing Plan, including approval by the City of Houston.

Following discussion, Director Moody moved to adopt the Resolution Adopting First Amendment to Project Plan and Reinvestment Zone Financing Plan and authorize submittal of the amendment to the City of Houston. Director Givens seconded the motion, and it passed unanimously.

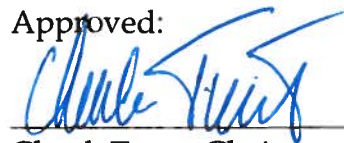
12. Proposed FY 2012 Budget

Mr. Walters reviewed a proposed budget for the fiscal year ending June 30, 2012 and the 2012-2016 CIP. Following discussion, Director Givens moved to adopt the budget for the fiscal year ending June 30, 2012 and authorize submission to the City. The motion was seconded by Director Freels and carried unanimously.

13. Adjournment

There being no additional matters for the Board's consideration, Director Freels moved to adjourn the meeting. Director Givens seconded the motion, and it passed unanimously.

Approved:



Chuck Turet, Chair

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