

MINUTES OF THE BOARD OF DIRECTORS MEETING
TIRZ 17 Redevelopment Authority/
Memorial City Redevelopment Authority
City of Houston, Texas
September 29, 2009

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 September 29, 2009, in the HEB Community Room, 9710 Katy Freeway,
Houston, Texas.

Board members in attendance:

Charles Turet, Chair
Zach Hodges
Ken Arnold
Brad Freels
Glenn Airola
Brenda Stardig

Board members not in attendance:

Dan Moody, III

City of Houston representatives in attendance:

Julia Gee

Consultants in attendance:

Paula Cox and Pat Hall - ETI Bookkeeping Services
Rafael Ortega - Lockwood, Andrews & Newnam, Inc. ("LAN")
Trey Lary and Susan Hostetler - Allen Boone Humphries Robinson LLP ("ABHR")
Joseph Ellis - McCall Gibson Swedlund Barfoot PLLC

Staff in attendance:

Pat Walters - Executive Director
Perry Pace - Project Manager

1. Call meeting to order, take attendance and verify that a quorum is present

Director Turet called the meeting to order. All agenda items were considered in
order with the exception of the executive session, which occurred before the
previous agenda item had been fully discussed.

2. Receive comments from the public

Ms. Williams commented on meeting notices and drainage and flooding in the area.

Mr. Davidson commented on construction of Gessner north of I-10 and upcoming events.

Mr. Freedman commented on Harris County Community College, the upcoming public meeting regarding W151, and the Authority's policies.

Mr. Brown commented on the need for drainage improvements to the north side of I-10 and thanked the Authority for drainage improvements on the south side.

Ms. Myers commented on overflow of detention areas and detention requirements.

Mr. Rowland commented on the public comments, on the Memorial at Beltway 8 drainage improvements project and the Kimberly drainage project, the W151 study, and the Town & Country project.

Ms. Gregory commented on commercial development and detention.

3. Discuss and approve minutes of the August 11, 2009 meeting

The Board reviewed the minutes of the August 11, 2009, Board meeting. Following discussion, Director Airola moved to approve the minutes of the meeting as submitted. The motion was seconded by Director Hodges, and carried by unanimous vote.

4. Financial and bookkeeping matters, including payment of invoices and review of investments and project cash flow report

Ms. Cox reviewed the financial report, and presented checks for payment. Following review and discussion, Director Hodges made a motion to approve the bookkeeper's report, and the payment of the invoices presented in the report. Director Arnold seconded the motion, and it passed unanimously.

5. Fiscal year 2009 audit and authorize submittal to the City of Houston

Mr. Ellis reviewed the audit with the Board and discussed reporting changes from the previous fiscal year. Mr. Arnold asked Mr. Ellis whether anything improper or problematic had come to his or his firm's attention during the course of performing

the audit. Mr. Ellis replied that he had not seen anything improper or problematic. Following review and discussion, Director Arnold made a motion to approve the audit for the fiscal year ending June 30, 2009. The motion was seconded by Director Freels and carried by unanimous vote.

6. Review of insurance coverage and authorize renewal of insurance

The Board reviewed and discussed the results of Mr. Kainer's review of the insurance coverage for the Authority and the Tax Increment Reinvestment Zone. The Board concurred that no changes were needed to the current policies. After review and discussion, Director Airola made a motion to renew the Authority's insurance coverage with the Texas Municipal League intergovernmental risk pool. Director Arnold seconded the motion, and it passed unanimously.

7. Bunker Hill Widening Project

Mr. Ortega updated the Board on the status of the Bunker Hill project. He reviewed the results of the storm sewer siltation inspection. He noted there was no material blockage in the existing or new storm sewer systems. The Board directed LAN to work with the City to clear any areas of concern in the storm sewer system, and to involve the contractor if it is found that the contractor's work on Bunker Hill caused blockage.

8. Gessner Road Widening Project

Mr. Ortega reported on the status of the Gessner widening project. He recommended that the Board approve: (1) Change Order No. 18 in the amount of \$8,011.15, for electrical work; (2) Change Order No. 19 for a credit of \$7,778.72, relating to the ground boxes for street lights; (3) Change Order No. 20 in the amount of \$1,868.15, for replacement of a crosswalk signal pole; and (4) Change Order No. 21 in the amount of \$93,495.37, as the negotiated settlement with JD Abrams for work slowdown due to utility conflicts. Mr. Walters noted the crosswalk signal pole was hit by a car but that the pole is not covered by the City's insurance because the City has not yet accepted the intersection. Following review and discussion and based on the engineer's recommendations, Director Arnold made a motion to approve Change Order Nos. 18-21 to the contract with J.D. Abrams. Director Hodges seconded the motion, and it carried by unanimous vote.

9. Gessner at Barryknoll intersection improvements

Mr. Ortega updated the Board on the status of the intersection improvements to Gessner at Barryknoll. No action was needed for this agenda item.

10. Memorial near Beltway 8 Drainage and Mobility Improvements

Mr. Ortega reviewed options and related costs to increase the level of drainage protection above the City's required 2-year level of service. The Board took no action regarding this agenda item.

11. Kimberly at Beltway 8 Drainage Improvements

Mr. Ortega stated that LAN is reviewing the size of the storm sewer trunk line and reconstruction of the roadway. The Board took no action regarding this agenda item.

12. Upper reaches of W151 study and Harris County Flood Control District W151 Implementation Study

Mr. Ortega reported that the Harris County Flood Control District's W151 Implementation Study has been completed. Mr. Ortega reviewed a proposal from LAN for the Upper Reaches W151 Study. He noted the proposal will be presented for the Board's action at the October meeting.

Mr. Ortega stated that the Authority has scheduled a public meeting on October 15, 2009 to discuss the study and the Authority's drainage projects. The Board took no action regarding this agenda item.

13. Convene Executive Session pursuant to Chapter 551.072, Texas Government Code, to deliberate the purchase, exchange, lease or value of real property

At 8:52 a.m., Director Turet announced the Board would convene in executive session to conduct a private consultation with its attorney regarding the purchase, exchange, lease or value of real property.

14. Reconvene in Open Session an authorize appropriate action regarding the purchase, exchange, lease or value of real property

At 9:24 a.m., Director Turet announced the Board would reconvene in open session. The Board took no action.

15. Town and Country West Drainage and Mobility Improvements

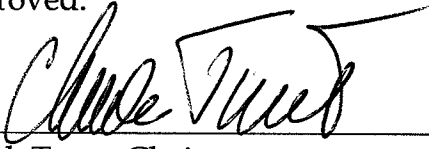
The Board discussed the Town and Country west drainage and mobility improvements project. Mr. Ortega reviewed LAN's agreement regarding right-of-way work. He also reviewed and recommended the Board approve the proposal of Kuo and Associates for survey work. Following review and discussion, Director Hodges made a motion to approve the survey work by Kuo and Associates in an

amount not to exceed \$9,570.96, and the agreement with LAN for right-of-way work in an amount not to exceed \$155,282.50. Director Arnold seconded the motion, and it passed by unanimous vote.

16. Adjournment

There being no additional matters for the Board's consideration, Director Stardig moved to adjourn the meeting. The motion was seconded by Director Airola, and passed unanimously.

Approved:



Chuck Turet, Chairman

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