

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

October 28, 2014

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 October 28, 2014, at Four Points by Sheraton, 10655 Katy Freeway, Wycliffe Room, Houston, Texas 77024.

Board members in attendance:

Ann T. Givens, Chair
Brad Freels, Vice Chair
Glenn Airola, Secretary
Bob Tucker, Assistant Secretary
John Rickel, Director
Zachary R. Hodges, Director

Board members not in attendance:

David A. Hamilton, Director

Staff in attendance:

Don Huml - Executive Director

Consultants in attendance:

Michelle Lofton of ETI Bookkeeping Services
Raphael Ortega and Muhammad Ali of Lockwood, Andrews & Newnam, Inc. ("LAN")
Ramesh Gunda of Gunda Corporation, LLC
Jessica Holoubek and Kristen Hogan of Allen Boone Humphries Robinson LLP ("ABHR")
Gary Struzick and Ed Conger - Klotz Associates, Inc. ("Klotz")
Steve Bonjonia of Property Acquisition Services, LLC ("PAS")
Jim Webb and Barry Goodman of The Goodman Corporation ("TGC")

City of Houston (the "City") representatives in attendance:

Jennifer Curley
City Council Member Oliver Pennington

1. Call Meeting to Order

Having established that a quorum of the Board was present, Mr. Huml called the meeting to order.

2. Public Comments

Mr. David Caddy commented on the W151 channel and a related presentation by the Harris County Flood Control District. He also commented on potential detention sites.

Mr. Ed Browne commented on the letter sent to Memorial City Redevelopment Authority from Brown & Gay Engineers, Inc. ("Brown & Gay"), on behalf of the City of Spring Valley Village, regarding its review of the Briar Branch detention basin impact analysis report and models. He then commented on potential detention sites, including the bus barn.

Ms. Virginia Gregory, on behalf of the City of Spring Valley Village, commented on the Brown & Gay letter, detention flows from commercial development, actual detention capacity compared to that reflected in analyses, and prior correspondence from the Harris County Flood Control District.

Ms. Roberta Prazak commented on lack of representation at today's meeting from Councilmember Oliver Pennington's office and Councilmember Brenda Stardig's office. She reiterated Mr. Caddy's comments regarding the W151 channel. She also commented on discussions at the super neighborhood meeting regarding proposed work at Bendwood Park.

Ms. Donna Freedman commented on the limited time available for public comments at Authority meetings. She commented on issues identified in the letter from Brown & Gay. She also commented on charges from Klotz for attending the Shadow Oaks Homeowners Association meeting.

3. Minutes of September 30, 2014 Meeting

The Board reviewed the minutes of the September 30, 2014, regular meeting. Following review and discussion, Director Givens moved to approve the minutes as submitted. The motion was seconded by Director Airola and carried unanimously.

4. Financial and Bookkeeping Matters

Ms. Lofton reviewed the financial report for September and presented checks for payment by the Authority. After review and discussion, Director Tucker moved to approve the financial report and payment of the bills presented. The motion was seconded by Director Hodges and passed by unanimous vote.

5. Ratify FY 2015 Operating Budget and 2015-2019 CIP Plan as Amended by CIP Committee

The Board reviewed the 2015 operating budget and 2015-2019 CIP Plan, as revised by the CIP Committee. Upon a motion made by Director Givens and seconded by Director Rickel, the Board voted unanimously to approve the budget and CIP Plan as amended and authorize submittal to the City.

6. Report on Status of Annexation and Discuss Second Amendment to Project Plan and Reinvestment Zone Financing Plan

Ms. Holoubek distributed and reviewed the proposed Second Amendment to Project Plan and Reinvestment Zone Financing Plan associated with the proposed annexation of property into the TIRZ 17 boundaries. She said the maps will be incorporated as exhibits prior to submission to City Council for approval, which is currently scheduled for December 3, 2014. Ms. Holoubek said the final amendment will be presented to the Board for ratification following City approval. After review and discussion, Director Hodges moved to adopt a Resolution Approving Second Amendment to Project Plan and Reinvestment Zone Financing Plan and authorize submittal of the amendment to the City. Director Freels seconded the motion, which passed unanimously.

7. Provide Copy of Insurance Renewal for Workers Compensation for Record

Mr. Huml presented correspondence from Texas Municipal League along with declarations of coverage for the Authority's 2014-2015 worker's compensation coverage.

8. Presentation to the Board by Moody Rambin: Town & Country Blvd. and Queensbury Lane Intersection

Mr. Dan Moody gave a presentation regarding the history of discussions and plans for the intersection of Town & Country Blvd. and Queensbury Lane and the City's request for the intersection to be realigned. Mr. Gunda gave a presentation on the proposed realignment plans. Mr. Moody requested that the Board consider accelerating the project. In response to questions from the Board, Mr. Huml said the project is included in the CIP, but is not included in the proposed 2015 budget. Discussion ensued regarding justification for the project in anticipation of additional office building construction and traffic. Mr. Moody responded to questions regarding his intent to preserve existing trees in the right-of-way, noting any trees that are unable to be preserved will be replaced with new trees. Ms. Holoubek responded to questions regarding a proposed development agreement between the Authority and Moody Rambin for the project, which agreement would require Moody Rambin to finance the project, subject to be reimbursed by the Authority in the future. Mr. Gunda reviewed the projected schedule and costs for the project.

9. Authorize Negotiation and Preparation of Development Agreement with Moody Rambin for the Purpose of Realignment of the Town & Country Blvd. and Queensbury Lane Intersection

The Board considered authorizing preparation of a term sheet for a proposed development agreement between the Authority and Moody Rambin for the realignment of the Town & Country Blvd./Queensbury Lane intersection. After discussion, Director Airola moved to authorize Ms. Holoubek to coordinate with Moody Rambin and the City to prepare a term sheet for the Board's consideration. Director Hodges seconded the motion, Director Freels abstained, and the motion carried.

10. Presentation to the Board by The Goodman Corporation: Available Funding Opportunities

Mr. Webb gave a presentation to the Board regarding potential grant funds available for projects included in the Authority's CIP, including a current call for projects from the Houston-Galveston Area Council ("H-GAC"). He responded to questions from the Board regarding eligibility requirements and the process for applying for grant funds. Mr. Webb discussed requirements related to preparation of bidding documents for projects proposed for grant funding, noting such requirements do not cause significant delays or additional costs. Messrs. Goodman and Webb responded to questions regarding previous success of TGC to secure grant funds for its clients, the likelihood of receipt of grant funds for Authority projects, and TGC's services to assist with preparation of Authority projects to pursue grant funding. Mr. Webb said he is meeting with the City on October 29, 2014, to discuss three projects eligible for grant funds currently available through the H-GAC call for projects. He then reviewed other grant funding options in addition to the current H-GAC call for projects.

11. Review and Approve Proposal from The Goodman Corporation for Professional Services in Order to Assist TIRZ 17 to Identify and Implement Grant Funding Opportunities

In response to questions from the Board, Mr. Huml said the CIP Committee included \$100,000 in the 2015 budget for pursuing grant funds for Authority projects. After review and discussion, Director Freels moved to approve the proposal from TGC to assist the Authority with identifying and applying for grant funding opportunities for an annual total cost not to exceed \$135,000. Director Hodges seconded the motion. Director Rickel asked Mr. Huml to provide an accounting of the incurred costs with each monthly invoice submitted by TGC. The Board agreed its engagement of TGC will be re-evaluated after one year. Upon calling for a vote on the pending motion, all of the Board members in attendance voted aye and the motion passed by unanimous vote.

12. Task Order from Klotz for CIP #1734B, Bunker Hill Bridge and Related Flood Mitigation Phase I Preliminary Engineering Report, Contingency on City Council Approval

The Board reviewed a proposal from Klotz to (1) prepare a phase I preliminary engineering report for proposed improvements to the storm sewer systems referred to as "straws" to drain the subdivisions and (2) conduct a feasibility assessment of potential improvements to the Bunker Hill Road bridge at Briar Branch. After review and discussion, Director Givens moved to approve the proposal from Klotz for a fee of \$156,745, subject to City Council approval of the 2015 budget. Director Tucker seconded the motion. Director Rickel encouraged Klotz to engage with Mr. Ed Browne on the work. Upon calling for a vote on the pending motion, all of the Board members in attendance voted aye and the motion passed by unanimous vote.

Director Tucker commented on the isolated area along Lumpkin and the possibility of installing lighting and/or an emergency phone for safety purposes. Director Givens discussed cleanout work needed in the Briar Branch channel and the possible installation of lighting along the channel.

13. Task Order from LAN for CIP #1734, W140 Channel Improvements, Response to Brown and Gay Letter

Mr. Huml reviewed a proposal from LAN to prepare a response to the letter from Brown & Gay for a fee not to exceed \$10,150. Mr. Ali discussed the work required to prepare a technical response letter, including preparation of exhibits and tables to respond to specific questions from Brown & Gay. Discussion ensued regarding whether incurring additional costs to respond to the Brown & Gay letter is necessary since the Harris County Flood Control District previously approved the Briar Branch detention basin impact analysis report and all requested data has been provided to Brown & Gay by the Authority. After discussion, Director Freels moved to authorize LAN to proceed with preparation of a response of Spring Valley is willing to split the associated cost. Director Rickel seconded the motion, which passed unanimously.

14. Barryknoll East Improvement Project

Mr. Ali updated the Board on the Barryknoll East roadway and drainage improvement project by Texas Sterling Construction Co. He noted the project is complete and the contractor is addressing punch list items. Mr. Ali reviewed and recommended payment of Pay Estimate No. 16 in the amount of \$55,772.91. Director Rickel discussed a section of asphalt that does not appear to be the same quality surface as the remainder of the road. Mr. Ali said he will address the issue with the contractor. Following discussion and review and based upon the engineer's recommendation,

Director Rickel moved to approve Pay Estimate No. 16 in the amount of \$55,772.91 to Texas Sterling Construction Co. The motion was seconded by Director Givens and carried unanimously.

15. Executive Director's Report

Mr. Huml noted the written Executive Director's report is included in the meeting materials and includes status reports on Authority projects.

16. Convene in Executive Session Pursuant to Section 551.072, Texas Government Code, to Deliberate the Purchase, Exchange, Lease or Value of Real Property

At 9:29 a.m., Mr. Huml announced the Board would convene in executive session to deliberate the purchase, exchange, lease or value of real property. All attendees left the meeting except the Board members, Mr. Huml, Ms. Curley, Ms. Holoubek, Ms. Hogan, Mr. Ortega, Mr. Ali, and Mr. Struzick.

17. Reconvene in Open Session and Authorize Appropriate Action Regarding the Purchase, Exchange, Lease or Value of Real Property

At 9:48 a.m., Mr. Huml announced the Board would reconvene in open session. Upon reconvening in open session, Director Givens moved to authorize Director Freels to continue negotiating and execute a purchase and sale agreement. Director Hodges seconded the motion, which passed unanimously.

18. Review and Approve Task Order from Klotz for CIP #1735, Detention Basins Feasibility Study

The Board reviewed a proposal from Klotz to prepare a feasibility analysis associated with the proposed construction of a regional detention basin. Following review, Director Rickel moved to approve the proposal from Klotz for a fee of \$39,500. Director Airola seconded the motion, which carried by unanimous vote.

19. Review and Approve Task Order from LAN for Professional Engineering Consulting Services

The Board reviewed a proposal from LAN for engineering consulting services associated with implementation of the Authority's CIP. Director Rickel moved to approve the proposal for services to be provided on an hourly basis with the total cost not to exceed \$40,000. Director Givens seconded the motion, which passed unanimously.

20. Adjournment

There being no additional matters for the Board's consideration, Director Rickel moved to adjourn the meeting. Director Hodges seconded the motion, which passed unanimously.

Approved:

A handwritten signature in black ink, appearing to be "M. E. A.", written over a horizontal line.

Secretary, Board of Directors

TIRZ 17 Redevelopment Authority City of Houston, Texas