

MINUTES OF THE BOARD OF DIRECTORS MEETING
TIRZ 17 Redevelopment Authority/
Memorial City Redevelopment Authority
City of Houston, Texas
October 27, 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 October 27, 2009, in the HEB Community Room, 9710 Katy Freeway, Houston, Texas.

Board members in attendance:

Charles Turet, Chair
Dr. Zach Hodges
Ken Arnold
Dan Moody, III
Brenda Stardig

Board members not in attendance:

Brad Freels
Glenn Airola

Consultants in attendance:

Paula Cox and Pat Hall – ETI Accounting Service and Equi-Tax, Inc.
Derek St. John and Ozzie Garza – Lockwood, Andrews & Newnam, Inc. ("LAN")
Trey Lary and Sharon Covan – Allen Boone Humphries Robinson LLP ("ABHR")

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 at 7:32 a.m.

2. Receive comments from the public.

City of Houston Councilmember Jolanda Jones commented on flooding concerns and area detention ponds. She inquired about the Public Improvement Development Contract between TIRZ 17, the Authority and the City of Houston (the "City") and specifically about the list of potential public improvements included in such agreement. Councilmember Jones asked if there is a regulatory requirement

for new development located within the boundaries of TIRZ 17 to provide detention facilities. She also asked if the Authority has plans to acquire property for detention.

Ms. Virginia Gregory commented on a recommendation by Walter P. Moore for two detention ponds located to the north and south of Interstate 10. She questioned the choice of pine trees in the landscaping plan. She represented that residents do not want pine trees on the west side of Bunker Hill and on the east side there are transmission lines in the area. Ms. Gregory also discussed plantings near Briar Branch Creek and said that the line-of-sight conflict at Long Branch has not been resolved.

Mr. Ed Brown also commented on the Public Improvement Development Contract as well as discussions he had with Jim Blackburn, the attorney for the Memorial City Drainage Coalition. Mr. Brown stated that he has been advised by Mr. Blackburn that TIRZ 17 and the Authority are in breach of the Public Improvement Development Contract with respect to construction of detention ponds. Mr. Brown encouraged the Authority to purchase land for detention before it is developed. Mr. Turet requested that Mr. Brown ask Mr. Blackburn to prepare a letter to the Authority describing the alleged breach of contract.

Ms. Donna Freedman said that she obtained a copy of the Public Improvement Development Contract through an open records request. She commented on the removal of the railroad tracks and gateway markers.

Mr. Hugh Rawls requested that public comments be allowed at the end of the meeting as well as the beginning. He also commented on flooding, drainage and the expansion of studies to include W153 located north of Interstate 10, W140 and surrounding residential areas.

Mr. James Lucas commented on sidewalk construction on Long Point south of his property. He said that a tree on his property was removed and that some of his property was encroached upon when the sidewalk was laid. Mr. Lucas stated his desire to have another tree planted or to be paid for the tree that was removed. Mr. Turet requested that Mr. Lucas submit his request in writing to the Authority.

Mr. Oliver Pennington commented on flooding, drainage and hydraulic issues. He requested that the Authority look at drainage issues and to include other jurisdictions.

Ms. Roberta Prazak commented on the impact of W153 from the Town and Country and City Center developments and detention in the area of Fonn Villas, the 153 ditch and flooding across Memorial Drive. She requested that the projects on the agenda be identified more clearly.

3. Discuss and approve minutes of the September 29, 2009 meeting

The Board reviewed the minutes of the September 29, 2009, Board meeting. Director Arnold noted a correction to the minutes. Following discussion, Director Moody moved to approve the minutes of the meeting, as corrected. The motion was seconded by Director Stardig, 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 Arnold made a motion to approve the bookkeeper's report and the payment of the invoices presented in the report. Director Stardig seconded the motion, and it passed unanimously.

5. TIRZ 17 public meeting held October 15, 2009

Mr. Walters discussed the public presentation given by the Authority and its consultants on October 15, 2009. He stated that the purpose of the presentation was to inform the public of the drainage and mobility projects included in the TIRZ 17 2010-2014 Capital Improvement Plan. He said that representatives from the City and the Harris County Flood Control District participate in the presentation, which was attended by approximately 100 members of the public. Director Arnold asked Mr. Walters to review the total expenditures to date for drainage projects. Director Turet discussed the Authority's coordination with other jurisdictional authorities to expand the regional drainage study to include areas north of the Katy Freeway.

Mr. Lary discussed the legal authority of TIRZ 17 with respect to public works projects, including specifically drainage and detention projects. He stated that TIRZ 17 does not have any regulatory authority with respect to permitting or approving private development within its boundaries. He further stated that such authority resides with the City, Harris County and Harris County Flood Control District. Mr. Lary said that all public works projects financed by TIRZ 17 must be reviewed and approved by the City's Public Works Department. He further stated that the Public Improvement Development Contract between the City, TIRZ 17 and the Authority, the purpose of which is to outline policies and procedures for acquiring property in connection with public improvement projects to be financed by TIRZ 17, does include a list of potential transportation, utility and drainage improvement projects, but that such contract does not create a legal obligation for any of the City, TIRZ 17 or the Authority to pursue such projects.

Ms. Jones asked for clarification as to the seven-year term of the Public Improvement Development Contract. Mr. Arnold said that such contract will be due for renewal in the near future. Ms. Jones asked that the public be allowed to comment at the end of the Authority meeting. Director Turet said that in the past, comments from the public were taken at the end of the meeting, but members of the public asked that they be allowed to speak at the beginning of the meeting due to constraints on everyone's time. He further stated that the Authority's meetings are patterned after the City Council's meetings, who also receive public comment at the beginning of their agenda.

6. Bunker Hill Widening Project

Mr. St. John updated the Board on the status of the Bunker Hill project. He said that the project is scheduled for completion in November, 2009. Mr. St. John said that LAN is working with Mr. Lucas regarding the right-of-way and tree issue. Mr. St. John said that the line-of-sight landscaping issues and overhead conflicts are being addressed. No action was taken on Change Order No. 8.

7. Gessner Road Widening Project

Mr. St. John reported on the status of the Gessner widening project. He said that the project is in the final phase and is scheduled for substantial completion in November, 2009. He discussed the private power pole conflict. Mr. St. John asked the Board to consider a proposal from Facilities Electric in the amount of \$7,140 to relocate the power pole that is in conflict with the signal pole's decorative base. He said that in the past, the Authority has paid for resolution of a private utility conflict. Following review and discussion and based on the engineer's recommendation, Director Arnold made a motion to approve the proposal from Facilities Electric in the amount of \$7,140 to relocate the power pole. Director Moody seconded the motion, which passed by unanimous vote.

8. Gessner at Barryknoll intersection improvements

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

9. North Gessner Preliminary Engineering Report

Mr. St. John presented a power-point presentation regarding the Phase I engineering report on the North Gessner road project. Mr. Turet asked if there has been public input on the project. Mr. St. John said that public input is part of Phase II and a public meeting will be scheduled. Mr. Turet requested that ample notice of the meeting be provided to the public. Mr. Pennington asked that the Authority not

move forward with the North Gessner improvements until the impact south of I-10 can be examined.

Mr. Walters suggested forming a sub-committee to study recommendations from the North Gessner Preliminary Engineering Report. Mr. Walters said that he would coordinate with the Board members to determine who is interested in serving on the committee and to schedule a meeting time.

10. TIRZ 17 Regional Drainage Study Proposal

There was no action on this item.

11. Barryknoll Drainage Improvement Proposal

The Board deferred action on the Barryknoll Drainage Improvement proposal. Mr. Turet said that W153 is not currently in the study and urged that this ditch be added to the study.

12. Memorial near Beltway 8 Drainage and Mobility Improvements

Mr. St. John said that the Phase I Environmental Site Assessment ("ESA") has been completed and a potential soil issue was identified in the ESA. The Board considered approving a proposal from LAN for a Phase II ESA. Mr. Arnold said that the scope of the Phase II ESA would depend on the information already obtained by Moody Rambin. After discussion, Director Arnold moved to approve the proposal for a Phase II ESA. Director Hodges seconded the motion, which passed by unanimous vote.

13. Kimberly at Beltway 8 Drainage Improvements

Mr. St. John said that the Phase I Environmental Site Assessment ("ESA") has been completed and a potential soil issue was identified in the ESA. The Board considered approving a proposal from LAN for a Phase II ESA. Mr. Arnold said that the scope of the Phase II ESA would depend on the information already obtained by Moody Rambin. After discussion, Director Arnold moved to approve the proposal for a Phase II ESA. Director Hodges seconded the motion, which passed by unanimous vote.

16. Town and Country West Drainage and Mobility Improvements

The Board discussed the Town and Country west drainage and mobility improvements project. The Board considered approving a proposal from LAN for a Phase I Environmental Site Assessment ("ESA") for this project. After review and discussion, Director Arnold moved to approve the proposal for a Phase I ESA. Director Moody seconded the motion, which passed by unanimous vote. The Board

recommended that LAN contact Director Freels to determine if information pertinent to the ESA is available.

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

At 9:36 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.

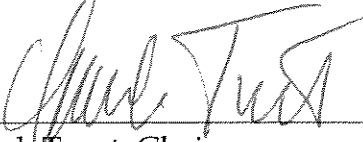
14. Reconvene in Open Session and authorize appropriate action regarding the purchase, exchange, lease or value of real property

At 10:03 a.m., Director Turet announced the Board would reconvene in open session. The Board took no action.

16. Adjournment

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

Approved:



Chuck Turet, Chairman

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