

**MINUTES OF THE MEETING OF THE
TIRZ 17 REDEVELOPMENT AUTHORITY/MEMORIAL CITY REDEVELOPMENT AUTHORITY
CITY OF HOUSTON, TEXAS
BOARD OF DIRECTORS**

August 27, 2015

ESTABLISH QUORUM AND CALL MEETING TO ORDER.

The Board of Directors of the TIRZ 17 Redevelopment Authority/Memorial City Redevelopment Authority, City of Houston, Texas, held a regular meeting on Thursday, August 27, 2015, at 8:00 a.m., at the Four Points by Sheraton, 10655 Katy Freeway, Wycliffe Room, Houston, Texas 77024, inside the boundaries of the TIRZ, open to the public, and the roll was called of the duly appointed members of the Board, to-wit:

Position 1 – David A. Hamilton

Position 2 – John Rickel

Position 3 – Bob Tucker, *Asst. Secretary*

Position 4 – Ann T. Givens, *Chair*

Position 5 – Zachary R. Hodges

Position 6 – Brad Freels, *Vice-Chair*

Position 7 – Glenn E. Airola, *Secretary*

and all of the above were present, thus constituting a quorum. Also present were consultants Scott Bean and Linda Clayton, both of Hawes Hill Calderon, LLC; and Jessica Holoubek, Allen Boone Humphries Robinson, LLP. Others attending the meeting were Muhammad Ali and Derek St. John, both of Lockwood Andrews & Newman, Inc.; Gary Struzick and Bart Stanley, both of Klotz Associates, Inc.; Jim Webb, Goodman Corporation; Michelle Lofton, ETI Bookkeeping Services; James Vick, SWA; Kristen Hennings, Gunda Corporation; Jennifer Curley, COH - Economic Development; Jim Jard, Metro National; Council Member Jack Christie; Cody Holder, Harris County Precinct 4; Council Member Oliver Pennington, District G; John Jackson; Karen Kleypas; Virginia Gregory; Mary Blair; Ed Browne; Jim Shroff; Donna Freedman and Lori Davis Schubert. Chair Givens called the meeting to order at 8:03 a.m.

RECEIVE PUBLIC COMMENTS.

Cody Holder with Commissioner Jack Cagle's office introduced himself. He reported if anyone had any questions for Commissioner Cagle or himself he would provide contact information. John Jackson, resident of Frostwood, discussed drainage and increased flooding issues. Karen Kleypas, resident, discussed concerns of water levels getting higher and higher when it rains. She stated she was concerned that the TIRZ was taking the developer's interests over the homeowners. Virginia Gregory, resident, presented photographs of the Conrad Sauer detention facility and discussed concerns regarding the detention. Council Member Pennington reported he was aware of the problems with drainage and flooding issues and had confidence in the Board. He stated there was a lot more work that needs to be done. He requested the emphasis be on detention. Mary Blair, resident, discussed the detention pond pumps and the development at Gessner and I-10. Ed Browne, resident, discussed W-140 issues. Jim Shroff requested the Chair to answer questions after meeting and reported he would like copies of the rules stating no public comments during presentations. Donna Freedman, resident, discussed the flooding issues. Lori Shubert, resident, discussed the flooding issues and being the only resident on her street who flooded.

APPROVE MINUTES OF AUGUST 6, 2015, REGULAR MEETING.

Upon a motion duly made by Director Airola, and being seconded by Director Hodges, the Board voted unanimously to approve the Minutes of the August 6, 2015, Board meeting, as presented.

RECEIVE FINANCIAL AND BOOKKEEPER'S REPORT, INCLUDING PAYMENT OF INVOICES, REVIEW OF INVESTMENTS AND PROJECT CASH FLOW REPORTS.

Ms. Loftin presented the Bookkeeper's Report, invoices, investments and project cash flow reports, included in the Board agenda materials. Upon a motion duly made by Director Hamilton, and being seconded by Director Tucker, the Board voted unanimously to accept the Bookkeeper's Report and approved payment of invoices, as presented.

CONSIDER CANCELLING UNNEEDED INSURANCE POLICIES.

Ms. Clayton reported staff made a thorough review of the insurance policies held by the Authority. She reported during the review it was discovered that the Authority and TIRZ held insurance policies and under the tri-party agreement with the City the Authority is the one responsible for insurance coverage and the TIRZ does not need E&O and general liability insurance. She reported staff has verified with the Authority's attorney and is recommending that the insurance coverage for the TIRZ be canceled. She reported in reviewing the policies it was noted that the Authority held workers' compensation insurance and that the workers' compensation insurance is no longer required since the Authority does not have any employees and staff was recommending canceling the workers' compensation insurance. Upon a motion duly made by Director Rickel, and being seconded by Director Hamilton, the Board voted unanimously to cancel the workers' compensation insurance for the Authority.

CONSENT TO ASSIGNMENT OF DEVELOPMENT AGREEMENT REIMBURSEMENT RIGHTS FROM TOWN & COUNTRY PARTNERS LTD TO FROST BANK.

Ms. Holoubek reviewed the Security Agreement and Collateral Assignment, included in the Board agenda materials, and answered questions. Upon a motion duly made by Director Rickel, and being seconded by Director Hodges, the Board voted unanimously to approve the Security Agreement and Collateral Assignment, as presented.

RECEIVE SWA PROJECTS STATUS REPORT.

Mr. Vick provided an update on the project status for (a) Lumpkin – I-10 to Westview; (b) Lumpkin – Westview to Northbrook; (c) W-140 Briar Branch drainage improvements; (d) Town & Country West drainage and mobility improvements; and (e) North Gessner drainage and mobility improvements. A copy of SWA's report was included in the Board agenda materials. No action from the Board was required.

RECEIVE TIP CALL FOR PROJECTS UPDATE FROM THE GOODMAN CORPORATION.

Mr. Webb provided an update on Call for Projects including North Gessner, Memorial Drive and Town and Country West, a copy of his report is included in the Board agenda materials. He reported the North Gessner project looks like it will receive funding assistance. He reported a workshop was being held tomorrow. Director Hamilton requested a diagram of 2 year and 100 year impact. No action from the Board was required.

PRESENTATION BY KLOTZ ASSOCIATES REGARDING 30% DESIGN SUBMITTALS FOR THE CONRAD SAUER/MATHEWSON LANE PROJECT.

Mr. Jard provided a presentation on the Conrad Sauer Detention Basin Revitalization and Mathewson Ln 30% plans. The presentation depicted the conceptual and schematic plans of the proposed cross section and Mathewson Ln highlighting sidewalks, maintenance buffer, street lights, planted median and bike lane. No action from the Board was required.

RECEIVE REPORT FROM GUNDA CORPORATION REGARDING 30% DESIGN SUBMITTALS FOR THE CONRAD SAUER/MATHEWSON LANE PROJECT; AUTHORIZE ENGINEER COMMENTS ON BEHALF OF AUTHORITY.

Ms. Hennings provided a presentation on the Peer Review of 30% plans on Improvements to Conrad Sauer Detention Facility and Mathewson Lane. She reported the 30% plans provide an allowance of 1.5 acre feet to account for encroachments. Chair Givens went over the tasks included in the scope of services to be provided by Gunda at 30% review of the plan. There was general discussion regarding the capacity before improvements and what the capacity will be afterwards. The Board deferred authorizing engineer comments on behalf of the Authority until further discussion during the meeting.

RECEIVE UPDATE WITH REGARD TO CIP; DISCUSSION REGARDING BENEFITTED POPULATION ANALYSIS.

Mr. Bean reported comments had not been received back from the City regarding the CIP. Mr. Ali reported the City wants the projects to be scored using the City's formulas. There was general discussion regarding the prioritization of projects. Director Rickel made a motion to adopt scenario three as the recommended 5 year capital improvement plan, Director Tucker seconded the motion. Discussion opened regarding the motion. A poll was taken of the Board, Directors Rickel and Tucker voted aye; Directors Freels, Airola, Hamilton, Hodges and Givens voted nay. The motion did not pass. Upon a motion duly made by Director Rickel, and being seconded by Director Airola, the Board voted unanimously to appoint a CIP Renew Committee consisting of Director John Rickel, Director David Hamilton and Director Glenn Airola.

RECEIVE ENGINEER'S REPORT FROM LAN INCLUDING:

- a. Lumpkin Road Improvements Project construction status;**
- b. Approval of time modifications, changes in work or pay applications;**

Mr. Ali updated the Board on the Lumpkin Road Improvements project; status report included in the Board agenda materials. He reported the project was roughly 50% complete. He went over pay application number 7 and reported SER Construction had completed all requirements in the estimate and was recommending the Board approve. Upon a motion duly made by Director Tucker, and being seconded by Director Freels, the Board voted to approve pay application number 7 in the amount of \$1,133,687.14, as presented. Directors Hamilton, Rickel and Hodges were not present; a quorum was still present. The motion passes.

- c. Proposal for supplemental engineering services for Town & Country Boulevard design; and**

Mr. Ali went over the LAN proposal for supplemental engineering services for Phase II detailed design relating to Town & Country Blvd. drainage and mobility improvements, included in the Board agenda materials, and answered questions. Upon a motion duly made by Director Rickel, and being seconded by Director Hodges, the Board voted unanimously to approve the proposal submitted by LAN for supplemental engineering services to Town & Country drainage and mobility improvements Phase II detailed design in the amount of \$115,700, as presented.

- d. Other engineering matters and projects.**

A status report on ongoing activities related to the Memorial Drive mobility and drainage improvements was included in the Board agenda materials. No action from the Board was required.

RECEIVE ENGINEER'S REPORT FROM KLOTZ ASSOCIATES INCLUDING:

- a. Updates on W140 Channel Improvements and related flood mitigation improvements.**
- b. Updates on North Gessner drainage and mobility improvements.**
- c. Other engineering matters and projects.**

Mr. Stanley updated the Board on the Briar Branch drainage improvements and related flood mitigation and the North Gessner drainage and mobility improvements, status reports included in the Board agenda materials. Chair Givens reported it would be helpful to include LAN and Klotz in the CIP committee meetings. No action from the Board was required.

REVIEW OF ENGINEERING CONSULTANTS.

Director Tucker stated his desire that Klotz Associates be removed as an approved engineer of TIRZ 17 Memorial City Redevelopment Authority due to a conflict of interest. Director Tucker made a motion to remove Klotz Associates as an approved engineer for TIRZ 17. Director Rickel seconded the motion. Discussion opened regarding the motion. Director Hodges stated he was not for the motion. Director Hamilton stated engineers are held to high standards ethically and the Board reviewed their qualifications and the Board picked them because they are one of the best in the City. He stated he does not believe Klotz has done anything unethical. Director Freels agreed with Director Hamilton.

10:47 a.m. Director Hodges leaves the meeting; a quorum is still present.

A poll was taken of the Board. Directors Rickel and Tucker voted aye. Directors Freels, Airola, Hamilton and Givens voted nay. The motion did not pass. Upon a motion duly made by Director Rickel, and being seconded by Director Airola, the Board voted unanimously to authorize the Executive Director to begin a request for qualifications to add additional approved engineers.

CONVENE IN EXECUTIVE SESSION PURSUANT TO SECTION 551.071, TEXAS GOVERNMENT CODE, TO CONDUCT A PRIVATE CONSULTATION WITH ATTORNEY, WITH REGARD TO PENDING OR CONTEMPLATED LITIGATION.

Chair Givens announced an executive session and the Board convened at 10:38 a.m.

CONVENE IN EXECUTIVE SESSION PURSUANT TO SECTION 551.072, TEXAS GOVERNMENT CODE, TO DELIBERATE THE PURCHASE, EXCHANGE, LEASE OR VALUE OF REAL PROPERTY.

Chair Givens announced an executive session and the Board convened at 11:17 a.m.

11:44 a.m. Director Freels leaves meeting; a quorum is still present.

RECONVENE IN OPEN SESSION AND AUTHORIZE APPROPRIATE ACTION REGARDING PENDING OR CONTEMPLATED LITIGATION.

The Board reconvened in open session at 11:45 a.m. and no action was taken regarding pending or contemplated litigation.

RECONVENE IN OPEN SESSION AND AUTHORIZE APPROPRIATE ACTION REGARDING THE PURCHASE, EXCHANGE, LEASE OR VALUE OF REAL PROPERTY.

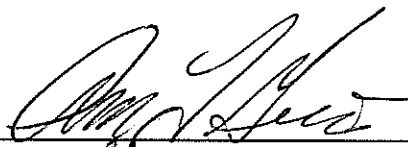
The Board convened in open session at 11:45 a.m. Upon a motion duly made by Director Rickel, and being seconded by Director Tucker, the Board voted unanimously to authorize Directors Freels, Rickel and Givens to continue negotiations with a Letter of Intent.

AUTHORIZE ENGINEER COMMENTS ON BEHALF OF AUTHORITY.

Upon a motion duly made by Director Airola, and being seconded by Director Hamilton, the Board voted unanimously to authorize Gunda Corporation to provide engineer comments to Metro National on behalf of the Authority.

ADJOURNMENT.

There being no further business to come before the Board, Chair Givens adjourned the meeting at 11:48 a.m.


Secretary *Chair*