

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

October 28, 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 Wednesday, October 28, 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 with the exception of Director Airola, 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.; Edward Conger and Bart Standley, both of Klotz Associates, Inc.; Michelle Lofton, ETI Bookkeeping Services; Joseph Ellis, McCall Gibson Swedlund Barfoot PLLC; James Vick, SWA; Jennifer Curley, COH - Economic Development; Amy Peck, Chief of Staff CM Stardig; Herman Sieck; Dona Ray; Marilyn Marsh; Vickie Johnson; Karen Kleypas; Virginia Gregory; David Tansey; Cynthia Neely; Kay Haslam; Diana Cooper; Greg Johnson; Peter Tomlinson; Michael Sharp; Leslie Dickey; Shirley Sutton; Bill Bedman; Jim Shroff; Lynn McBride; Bruce Nichols; Gwyn Buzzini; John Jackson; Roberta Prazak; Hugh Rawl; Arlis Brodie; Don McGuirt; Lois Meyers; Jim Muckle; Barbara Hunt; Joe Short; Ed Browne and Donna Freedman. Chair Givens called the meeting to order at 2:00 p.m.

RECEIVE PUBLIC COMMENTS.

Karen Kleypas discussed concerns with the Conrad Sauer detention. David Tansey expressed his concerns regarding flooding and adequacy of detention. Diana Cooper, resident of Royal Oaks, discussed her concerns with changes to the Conrad Sauer detention. Cynthia Neely discussed W153 drainage and the need to build detention. Kay Haslam discussed bayou backing up into the W153 and concerns. Ed Browne discussed issues of flooding. Virginia Gregory discussed flooding and the Authority's website. Jim Shroff discussed the Gessner project including consideration in the design to include beautification enhancements and drainage friendly sidewalks. Roberta Prazak discussed flooding issues. Donna Freedman discussed the Board composition. Lois Meyers discussed detention ponds to solve the flooding problem.

APPROVE MINUTES OF SEPTEMBER 29, 2015, REGULAR MEETING.

Upon a motion duly made by Director Hamilton, and being seconded by Director Hodges, the Board voted unanimously to approve the Minutes of the September 29, 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 financial and bookkeeper's report and went over invoices, included in the Board agenda materials. Upon a motion duly made by Director Hodges, and being seconded by Director Tucker, the Board voted unanimously to accept the financial and bookkeeper's report and approved payment of invoices, as presented.

CONSIDER COMBINED MEETING DATE FOR NOVEMBER AND DECEMBER.

There was general discussion regarding combining the November and December board meetings due to the holidays. The consensus was to schedule the meeting for December 10, 2015, at 8:00 a.m. subject to room availability.

RECEIVE AND CONSIDER FY2015 ANNUAL FINANCIAL REPORT FROM McCALL GIBSON SWEDLUND BARFOOT PLLC.

Mr. Ellis presented the FY2015 Annual Financial Report, included in the Board agenda materials. He reported it was an unmodified opinion which was a clean opinion. He went over page 10, Statement of Activities and Governmental Funds Revenues, Expenditures and Changes in Fund Balances. He provided an overview of page 26, Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual. He answered questions presented by the Board. Upon a motion duly made by Director Rickel, and being seconded by Director Freels, the Board voted unanimously to approve the FY2015 Annual Financial Report, as presented.

CONFLICT OF INTEREST DISCLOSURE REQUIRED UNDER CHAPTER 176 OF THE TEXAS LOCAL GOVERNMENT CODE, INCLUDING REVIEW OF DISCLOSURES FORMS ADOPTED BY THE TEXAS ETHICS COMMISSION AND APPROVE LIST OF LOCAL GOVERNMENT OFFICERS FOR THE AUTHORITY.

Ms. Holoubek reviewed the Memorandum regarding conflict of interest disclosure required under Chapter 176 of the Texas Local Government Code and disclosure forms adopted by the Texas Ethics Commission, included in the Board agenda materials. She discussed the legislation update regarding income and gifts and the threshold for requirement of disclosure. She reported pursuant to Chapter 176 of Texas Local Government Code, the District will maintain a List of Local Government Officers. She then reviewed the List of Local Government Officers. After review and discussion, and upon a motion duly made by Director Hamilton, and being seconded by Director Rickel, the Board voted unanimously to approve and authorize execution of the list of Local Government Officers and directed that the list be filed appropriately and retained in the Districts official records.

RECEIVE INFORMATION ON CORRECTION TO THE 2014 ANNEXATION.

Mr. Bean reported lots on the east side of Springrock were inadvertently annexed into the tax increment reinvestment zone. He reported the metes and bounds survey were incorrect which facilitated the annexation of these properties. Ms. Curley explained there is no effect of private property owners to be included in the boundary of the tax increment reinvestment zone. She reported no additional assessment or taxes would be imposed because of the annexation. She explained the increment would

stay in the zone area instead of being placed in the City's general fund. Mr. Bean reported the surveyor is preparing a corrected metes and bounds to correct the error. He provided an overview on the process of going through City Council to correct the error. Ms. Curley reported the City will be working towards fixing the error. She reported she would contact City's legal department to see if a letter could be written to the property owners indicating an error was made and the City is working toward rectifying the situation. No action from the Board was required.

RECEIVE PRESENTATION FROM KLOTZ ASSOCIATES WITH REGARD TO CONRAD SAUER DETENTION BASIN.

A presentation was given on the Conrad Sauer Detention – Mathewson Lane Project. Mr. Standley provided an overview and answered questions on the project location, drainage area boundary, history of the Conrad Sauer detention, proposed improvements, capacity breakdown, detention summary and flood profile benefits 2 year and 10 year. A copy of the presentation will be uploaded to the website. No action from the Board was required.

RECEIVE PROPOSAL FROM GUNDA CORPORATION FOR REVISED SCOPE OF SERVICES FOR THE EVALUATION OF THE CONRAD SAUER/MATHEWSON LANE PROJECT.

This item was tabled.

RECEIVE AGREED-UPON PROCEDURES REPORT FROM McCALL GIBSON SWEDLUND BARFOOT PLLC FOR PHASE I REIMBURSEMENT COSTS PURSUANT TO DEVELOPMENT AGREEMENT WITH LIPEX PROPERTIES, LP; AUTHORIZE REIMBURSEMENT PAYMENT.

This item was tabled.

CIP UPDATE.

Mr. Bean reported he had not received any feedback from Public Works. No action from the Board was required.

RECEIVE ENGINEER'S REPORT FROM LAN INCLUDING:

a. Lumpkin Road Improvements Project construction status;

Mr. Ali reported concrete work south of Westview is completed and the basin is anticipated to be completed in the next few days. The project report is included in the Board agenda materials.

b. Consider approval of time modifications, changes in work or pay applications;

Upon a motion duly made by Director Tucker, and being seconded by Director Rickel, the Board voted to approve pay application no. 9 in the amount of \$1,849,101.02 payable to SER Construction. Director Hodges abstained.

c. Consider bid tabulation and contractor recommendation for Four Points by Sheraton parking extension;

Mr. Ali provided a brief overview of the parking lot extension project. He reported one bid had been submitted from Corner Rock Construction in the amount of \$260,736.35. He reported LAN reviewed the bid and find the pricing appropriate for the work involved. Mr. Ali reported they are waiting on the permits from the City for the project. Upon a motion duly made by Director Hamilton, and being seconded by Director Hodges, the Board voted to approve awarding the contract upon acceptance by the City to Corner Rock Construction in the amount of \$260,736.35. Director Freels abstained.

d. Consider proposal for engineering services related to Queensbury and Town and Country Intersection Safety Improvements;

This item was tabled.

e. Presentation on proposed Memorial Drive Drainage and Mobility Improvements;

Mr. Ali gave a presentation on the Memorial Drive Drainage and Mobility Improvements. The presentation covered several topics, including objective, status, project limits, no adverse impacts criteria, existing conditions and proposed conditions. Mr. Ali reported the Impact Analysis Report is done during the detail design stage. No action from the Board was required. A copy of the presentation will be uploaded to the TIRZ website.

f. Other engineering matters and projects.

Lockwood, Andrews & Newman, Inc.'s report on other engineering matters and projects 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.

Mr. Conger provided an update on the W140 channel improvements and related flood mitigation improvements, copies of the reports are included in the board agenda materials. No action from the Board was required.

b. Updates on North Gessner.

Mr. Conger provided an update on the North Gessner Drainage and Mobility Improvements project, a copy of report is included in the Board agenda materials. No action from the Board was required.

c. Other engineering matters and projects.

Mr. Conger answered questions regarding straws and Springrock. He reported they were all maintained within the right of way. No action from the Board was required.

RECEIVE SWA PROJECTS STATUS REPORT.

Mr. Vick updated the Board on current status of projects, a copy of the report is included in the Board agenda materials. No action from the Board was required.

RECEIVE TIP CALL FOR PROJECTS UPDATE FROM THE GOODMAN CORPORATION.

Mr. Bean reported Houston-Galveston Area Council's transportation policy council approved the 2015 call for projects 10 year plan. He reported this included \$2.7 million in funding for the North Gessner project and \$10.4 million for the Memorial Drive project. A copy of Goodman Corporation's update is included in the Board agenda materials. No action from the Board was required.

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.

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

An executive session was called at 4:23 p.m.

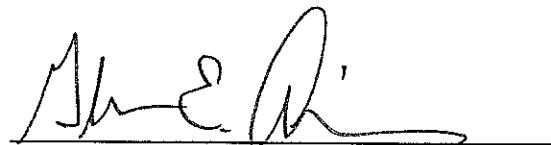
RECONVENE IN OPEN SESSION AND AUTHORIZE APPROPRIATE ACTION REGARDING PRIVATE CONSULTATION WITH ATTORNEY, WITH REGARD TO PENDING OR CONTEMPLATED LITIGATION.

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

The Board reconvened in open session at 5:05 p.m. Upon a motion duly made by Director Rickel, and being seconded by Director Hamilton, the Board voted unanimously to authorize execution of a right of entry agreement amendment subject to final cost not to exceed \$50,000.

ADJOURNMENT.

There being no further business to come before the Board, Chair Givens adjourned the meeting at 5:06 p.m.


Secretary