

MINUTES OF THE BOARD OF DIRECTORS MEETING
TIRZ 17 Redevelopment Authority/
Memorial City Redevelopment Authority
City of Houston, Texas
October 2, 2007

A meeting of the Board of Directors (“Board”) of the TIRZ 17 Redevelopment Authority/ Memorial City Redevelopment Authority, was held on Tuesday, October 2, 2007 at 7:30 a.m. in the Memorial Hermann Hospital’s Memorial City Conference Center, 920 Frostwood, Houston, Texas 77024. The meeting was open to the public.

Board members in attendance:

Charles Turet, Chair
Terry Cheng
Carolina Weitzman
Ken Arnold

Board members not in attendance:

Dan Moody, III

City of Houston representatives in attendance:

Robert Fiederlein

Consultants in attendance:

Linda Canik – ETI Accounting Services
Trey Lary, Hannah Brook, Susan Hostetler – Allen Boone Humphries Robinson LLP (“ABHR”)
Rafael Ortega, Chuck Rogers, Derek St. John – Lockwood, Andrews & Newnam, Inc. (“LAN”)
Mike McCall – McCall, Gibson & Company, PLLC

Staff in attendance:

Pat Walters, Executive Director

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

Charles Turet called the meeting to order. He noted that because a quorum was not present, the Board would first receive information on Agenda Item Nos. 10 and 8, which required no action. After such discussion, a quorum was established. All other agenda items were considered in order.

2. Discuss and approve minutes of the August 7, 2007 Board meeting

Terry Cheng moved that the Board approve the minutes of the August 7, 2007. The motion was seconded by Carolina Weitzman and carried unanimously.

3. Receive Financial Report and approve payment of invoices

Linda Canik reviewed the financial report as of August 31, 2007. The Board also reviewed the contract expense report. Rafael Ortega presented and reviewed a preliminary cash flow budget by project, for the fiscal year. He stated that the City of Houston has requested a cash flow showing TIRZ expenditures, by project. Mr. Ortega noted that the cash flow budget shows installment payments for the projects with the Texas Department of Transportation (“TxDOT”) because the Authority will request to pay for the projects over time; however, he stated that TxDOT typically requires all payment before construction commences. The Board discussed the amount of funding the Authority will request from the Harris-Galveston Area Council of Governments.

Carolina Weitzman made a motion that the Board approve the financial report and payment of the invoices presented. Ken Arnold seconded the motion, and it passed unanimously, with Terry Cheng abstaining from the vote.

4. Update on status of City approval of FY 08 Operating Budget and 2008-2013 CIP Plan and authorize appropriate action

Mr. Walters noted that the City Council has approved the Authority’s fiscal year 2008 operating budget as submitted. The Board discussed the 2008-2013 CIP and requested that LAN prepare a prioritization for other projects in the budget. Terry Cheng made a motion that the Board adopt the 2008 fiscal year budget and 2008-2013 CIP plan. The motion was seconded by Ken Arnold, and carried unanimously.

5. Discuss and take necessary action regarding FY07 audit performed by McCall Gibson

Mike McCall reviewed the fiscal year 2007 audit and discussed reporting changes from the previous year. He reviewed the Management Discussion and Analysis, as well as requirements for Statement of Accounting Standards No. 112 (“SAS 112”). He stated that the City has requested that the Authority respond to the additional internal control required by SAS 112 for fiscal year 2008. Ken Arnold made a motion that the Board approve the fiscal year 2007 audit. Terry Cheng seconded the motion, and it carried by unanimous vote.

6. Report on TIRZ-Area Drainage action plan and authorize appropriate action

Derek St. John distributed a preliminary plan for the Queensbury Drainage Project. Derek St. John stated that 90% drawings have been submitted to the City for approval, and the project is ready to be advertised.

The Board further considered authorization of \$3,500 to repair displaced storm sewer joints at the corner of Queensbury Lane and Town & Country Lane. Rafael Ortega reported that the work was performed in connection with an ongoing, non-Authority project by Simmons Vedder. He noted that the work would have been much more expensive had LAN not coordinated the Authority repair project with the contractor’s work. Mr. Ortega reported that the City inspector approved the repair.

Ken Arnold made a motion that the Board authorize LAN to advertise for bids for the Queensbury Drainage Project and approve the \$3,500 expenditure to Simmons Vedder for repair of the storm sewer joints at the corner of Queensbury Lane and Town & Country Lane. Terry Cheng seconded the motion, and it carried unanimously.

7. Report on status of the Bunker Hill Project and authorize appropriate action

Rafael Ortega updated the Board on the status of the Bunker Hill Project. He reviewed a proposal from TCB to supplement its Phase II engineering work at a cost of \$7,795. Following discussion, Chuck Turet made a motion that the Board approve TCB's proposal for \$7,795. The motion was seconded by Carolina Weitzman, and carried unanimously, with Terry Cheng abstaining.

8. Report on status of Gessner widening project and authorize appropriate action

Rafael Ortega discussed TxDOT's delay in letting the Gessner widening contract, and the resulting impact on Authority projects. He stated that in response to a concern of TxDOT regarding placement of storm sewers to maximize turn lanes, Klotz will have a change in scope for the project. Rafael Ortega stated that Klotz is preparing the change order, and it will be presented at a future meeting. Chuck Rogers reported on the meeting with the Parks Department. Rafael Ortega discussed the level of state funding for the project. No action was necessary for this agenda item.

9. Report on the status of Kingsride Intersection Improvements and authorize appropriate action

Rafael Ortega stated that due to public concern, it was recommended that the signal light at Frostwood and Kingsride be removed from the proposed Kingsride improvements. Rafael Ortega stated that the warrant study recommended the need for a traffic signal at this location; however it was determined to delay installation of the signal until construction is completed at I-10 and at Gessner and Kingsride. No action was necessary for this agenda item.

10. Report on status of TIRZ 17 Website and authorize appropriate action

Derek St. John updated the Board on the proposed website. The Board asked LAN to email them their biographies for updating and revision. The Board further discussed the domain name for the site, and agreed on the domain name HoustonTIRZ17.org.

11. Responses to public comments received at the August 7, 2007 board meeting

Pat Walters reported that he and Rafael Ortega responded to Virginia Gregory's request regarding testing and samples. Pat Walters stated that there has been a response to Roberta Prazak's request regarding bikeways and pedestrian tunnels for the Bunker Hill project. Regarding Ms. Prazak's request for the Phase II studies at the Shell site, Mr. Walters stated that the study is not complete and will probably be ready in a couple months. Regarding Mr. Rawls's request for improvements to the right turn lane northbound on Gessner at

Barryknoll, Charles Turet requested that LAN review this turn lane and see if these issues may be addressed. Rafael Ortega requested that this item be added to the agenda for the November meeting. Pat Walters and Charles Turet addressed Donna Freedman's statements regarding public involvement in the Gessner widening project. The Board considered holding another public meeting regarding TIRZ projects.

12. Public comment

Donna Freedman expressed her displeasure at the Board's decision to add a traffic light and make other improvements to traffic flow into and out of properties on Bunker Hill. She also expressed her objection to MetroNational's plan to build a pedestrian crossing over Gessner, replace an apartment complex with condominiums, and to other projects to increase the value of their properties within the TIRZ.

Roberta Prazak expressed her desire to increase the width of the proposed Bunker Hill pavement and bridge over Briar Branch to accommodate bicycle lanes. She also objected to the construction necessary to install the drainage improvements under Gessner as such construction would temporarily restrict access by ambulances and fire engines to the hospital. She asked about the TIRZ master plan.

12. Adjournment

There being no additional matters for the Board's consideration, Carolina Weitzman made a motion that the Board adjourn the meeting. Ken Arnold seconded the motion, which carried unanimously.

Approved:



Charles Turet, Chair
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