

MINUTES OF THE BOARD OF DIRECTORS MEETING
TIRZ 17 Redevelopment Authority/
Memorial City Redevelopment Authority
City of Houston, Texas
February 5, 2008

The Board of Directors ("Board") of the TIRZ 17 Redevelopment Authority/
Memorial City Redevelopment Authority (the "Authority") met in regular session, open
to the public, on Tuesday, February 5, 2008, in the Memorial Hermann Hospital's
Memorial City Conference Center, 920 Frostwood, Houston, Texas, inside the
boundaries of the District.

Board members in attendance:

Charles Turet, Chair
Ken Arnold
Terry Cheng
Brenda Stardig Patrick

Board members not in attendance:

Carolina Weitzman
Dan Moody, III

City of Houston representatives in attendance:

Ralph DeLeon

Consultants in attendance:

Linda Canik - ETI Accounting Services
Trey Lary and Susan Hostetler - Allen Boone Humphries Robinson LLP ("ABHR")
Rafael Ortega, Chuck Rogers, and Derek St. John - Lockwood, Andrews & Newnam,
Inc. ("LAN")

Staff in attendance:

Pat Walters - Executive Director
Perry Pace - Project Manager

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

Charles Turet called the meeting to order.

2. Discuss and approve minutes of the January 15, 2008 Board Meeting

Following review and discussion, Ken Arnold moved to approve the minutes of the January 15, 2008 Board meeting as submitted. The motion was seconded by Terry Cheng and carried unanimously.

3. Receive financial report and approve payment of invoices

Linda Canik reviewed the financial report as of January 31, 2008. Ken Arnold made a motion to approve the financial report and payment of the invoices presented. Terry Cheng seconded the motion, and it passed unanimously, with Mr. Cheng abstaining from approval of invoices relating to LAN and TCB.

4. Adopt Amended Investment Policy

The Board reviewed an Amended Investment Policy. Trey Lary reviewed the revisions to the current policy, which he said was being updated to include information on the accounts that will be opened in connection with the Authority's bond issue. Following review and discussion, Ken Arnold made a motion to adopt the Amended Investment Policy, with Section 7.03 revised to add a reference to the Debt Service Reserve Fund. The motion was seconded by Terry Cheng, and passed unanimously.

5. Report on the status of the Gessner Widening Project

Chuck Rogers reported on the status of the Gessner widening project. He reported that the Texas Department of Transportation ("TxDOT") is preparing to advertise the project and that construction is anticipated to begin in June. No action was necessary regarding this agenda item.

6. Report on status of the Bunker Hill project

Chuck Rogers updated the Board on the status of the Bunker Hill project. He reported that LAN has been working with the school to coordinate the construction. Charles Turet requested that LAN provide updates to the school at least once a week so that the school has the latest information regarding the project. The Board discussed the insurance and indemnification provisions in the construction contract. Mr. Rogers stated he will send information to Ken Arnold regarding the indemnification provisions of the construction contract.

Chuck Rogers then reviewed the revised proposals for construction management and inspection services, owner's representation services, and material testing, for the Bunker Hill project. Ken Arnold requested that the Board consider the form of such proposals in advance, for future Authority projects. Following review and

discussion, Ken Arnold made a motion to approve (a) the construction management and inspection services proposal in the amount of \$389,777, (b) the owner's representation services proposal in the amount of \$105,405, and (c) the proposal for material testing and inspection services in the amount of \$147,904. The motion was seconded by Brenda Stardig Patrick and carried unanimously, with Terry Cheng abstaining.

7. Report on the status of the Kingsride Intersection Improvements

Chuck Rogers stated that the Authority received three bids for construction of the Kingsride intersection improvements. He reviewed the bid from Craven Partners in the amount of \$418,609. He recommended that the Board award the bid to the lowest responsible bidder, Craven Partners, and authorize the Authority's consultants and staff to finalize and execute the contract documents.

The Board then reviewed revised proposals for construction management and inspection services, construction phase services and owner's representation services, and material testing. Following review and discussion, Ken Arnold made a motion to (a) pending approval of the payment and performance bonds, award the contract for construction of the Kingsride intersection improvements to Craven Partners in the amount of \$418,609 and authorize ABHR and staff to finalize and execute the contract documents with Craven Partners; (b) approve the proposal for construction management and inspection services in the amount of \$50,867; (c) approve the construction phase services and owner's representation services proposal in the amount of \$21,824; and (d) approve the material testing proposal in the amount of \$8,359. The motion was seconded by Brenda Stardig Patrick and carried by unanimous vote, with Terry Cheng abstaining.

8. Approve LAN proposal to perform a North/South Mobility Study for the TIRZ 17 area

Pat Walters discussed the need to develop future Authority projects to be submitted to the City of Houston for inclusion on its Capital Improvement Plan. He recommended that the Board approve LAN's proposal for a north/south mobility study. Mr. Walters stated that LAN will identify and prioritize future road improvement projects. Rafael Ortega discussed the process by which LAN would identify such projects. Following review and discussion, Ken Arnold made a motion to approve LAN's proposal for a north/south mobility study, in the amount of \$49,500. The motion was seconded by Brenda Stardig Patrick, and carried unanimously, with Terry Cheng abstaining.

9. Report on the status of Queensbury Storm Sewer Project

Chuck Rogers reported on the status of the Queensbury storm sewer project. The Board then considered approving revised proposals for construction management and inspection services and contractor warranty monitoring, for construction phase services and owner's representation services, and for material testing.

Following review and discussion, Ken Arnold made a motion to approve (a) the proposal for construction management and inspection services and contractor warranty monitoring in the amount of \$38,378; (b) the proposal for construction phase services and owner's representation services in the amount of \$15,630; and (c) the proposal for material testing in the amount of \$13,294. The motion was seconded by Brenda Stardig Patrick, and passed unanimously, with Terry Cheng abstaining from the vote.

In response to a question by Mr. Arnold, Rafael Ortega updated the Board regarding the Rummel Creek drainage issues.

Mr. Ortega noted that bi-weekly construction updates will appear on the Authority web site under the "Projects" tab.

10. Responses to public comments received at the January 15, 2008 meeting

Pat Walters responded to public comments received at the previous Board meeting.

11. Public comment

Roberta Prazak presented comments regarding Brenda Stardig Patrick's qualifications, the impact of the construction on trees, revisions to plans, right-of-way issues, simultaneous construction projects on Gessner and Kingsride, and detention at Gessner and Kingsride.

Virginia Gregory presented comments regarding conflict of interest, the ditch and right-of-way at Long Point Woods, the Bunker Hill right-of-way, detention, and disclosure of the property owners in the Zone.

12. Adjournment

The Board welcomed Brenda Stardig Patrick.

There being no additional matters for the Board's consideration, Ken Arnold made a motion that the meeting be adjourned. Terry Cheng seconded the motion, and it carried unanimously.

Approved:



Charles Turet
Chairman
Memorial City Redevelopment Authority
dba TIRZ 17 Redevelopment Authority
City of Houston, Texas