

MINUTES OF THE BOARD OF DIRECTORS MEETING
TIRZ 17 Redevelopment Authority/
Memorial City Redevelopment Authority
City of Houston, Texas
October 7, 2008

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 7, 2008, in the Memorial Hermann Hospital's Memorial City
Conference Room, 920 Frostwood, Houston, Texas, inside the boundaries of the District.

Board members in attendance:

Charles Turet, Chair
Brenda Stardig Patrick
Glenn Airola
Ken Arnold
Brad Freels

Board members not in attendance:

Zachary Hodges
Dan Moody, III

City of Houston representatives in attendance:

Robert Fiederlein

Consultants in attendance:

Paula Cox - ETI Accounting Services
Rafael Ortega, Jesse Chavez, Derek St. John - Lockwood, Andrews & Newnam, Inc.
("LAN")
Trey Lary and Susan Hostetler - Allen Boone Humphries Robinson LLP ("ABHR")
Duncan Lamme - RBC Capital Markets

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. Agenda items 3 and 4 were taken out
of order. All remaining agenda items were considered in order.

2. Minutes of the August 26, 2008 Board meeting

The Board reviewed the minutes of the August 26, 2008, Board meeting. Following discussion, Director Stardig Patrick moved to approve the minutes of the meeting as submitted. The motion was seconded by Director Airola and carried unanimously.

3. Financial report and payment of invoices

Ms. Hall reviewed the financial report as of September 30, 2008, and presented checks for payment from the general operating fund and the capital projects fund. Following review and discussion, Director Stardig Patrick made a motion to (1) approve payment of the invoices presented and (2) authorize future bond proceeds or other funds to be used to reimburse the operating account for capital funds expenditures to Conrad Construction Co., Ltd., as necessary. Director Airola seconded the motion, and it passed unanimously.

4. FY 2009 Bond Issue

Mr. Lamme and Mr. Lary discussed the fiscal year 2009 bond issue, including a proposed schedule for issuance of the bonds and the designation of a law firm to serve as underwriter's counsel. Mr. Lamme recommended the Authority consider designating Fulbright & Jaworski, Andrews & Kurth, or Bracewell & Guilani as underwriter's counsel. Mr. Walters distributed information on these firms to the Board with the exception of Director Arnold, who stated that he will be abstaining from participation in the selection of underwriter's counsel. The Board discussed fees associated with the bond issue. Director Arnold asked that Mr. Walters determine the cash flow requirements for current Authority projects. No action was necessary for this agenda item.

5. First Amendment to Administrative Services Agreement with Memorial City Management District

The Board reviewed a proposed amendment to the Authority's Administrative Services Agreement with Memorial City Management District. Following discussion, Director Arnold made a motion to authorize execution of the First Amendment to Administrative Services Agreement. Director Freels seconded the motion, which carried by unanimous vote, with Director Airola abstaining from the vote.

6. Report on the status of the Gessner Road widening project

Mr. Ortega reported on the status of the Gessner widening project. He stated there are no pay estimates for the Board's consideration. Mr. Ortega stated that the

City has required additional waterline easements for the 12" waterline along Gessner Road. He reviewed and recommended acceptance of a proposal from Kuo & Associates, Inc. to survey and prepare metes and bounds descriptions for nine parcels, at a cost not to exceed \$19,440. Following review and discussion and based upon the engineer's recommendation, Director Arnold made a motion to approve the proposal of Kuo & Associates, Inc. Director Stardig Patrick seconded the motion, which passed by unanimous vote.

Mr. Ortega stated that the contractor is evaluating the resident's claim that his fence had been damaged by the construction. Mr. Ortega reported that LAN is reviewing the change orders received from the Texas Department of Transportation and he will report on the change orders next month.

7. Report on status of the Bunker Hill widening project

Mr. Ortega reported on the status of the Bunker Hill widening project. He reported there are no pay estimates or change orders for the Board's consideration. The Board discussed the City's acquisition of right-of-way for the project. Director Arnold asked that LAN confirm that its Project Impact Costs schedule match its project expense log and update the schedule as necessary. The Board took no action regarding the Bunker Hill widening project.

8. Report on the status of the Kingsride intersection improvements

The Board did not receive a report regarding the Kingsride intersection improvements and took no action regarding this project.

9. Report on the status of the Queensbury storm sewer improvements

The Board did not receive a report regarding the Queensbury storm sewer improvements and took no action regarding this project.

10. Report on parks, trails, and greenspace

The Board did not receive a report regarding parks, trails, and greenspace improvements and took no action regarding this agenda item.

11. Report on preliminary planning work on Gessner and Barryknoll northbound right turn lane

The Board did not receive a report regarding preliminary planning work on Gessner and Barryknoll northbound right turn lane and took no action regarding this agenda item.

12. Report on preliminary planning work on Bunker Hill south drainage and intersection improvements

The Board did not receive a report regarding preliminary planning work on Bunker Hill south drainage and intersection improvements and took no action regarding this agenda item.

13. Report on preliminary planning work on Memorial near Beltway 8 drainage improvements

The Board did not receive a report regarding preliminary planning work on Memorial near Beltway 8 drainage improvements and took no action regarding this agenda item.

14. Report on preliminary planning work on Kimberly and Beltway 8 drainage improvements

The Board did not receive a report regarding preliminary planning work on Kimberly and Beltway 8 drainage improvements and took no action regarding this agenda item.

15. Report on preliminary planning work on Town and Country Boulevard and Queensbury signalization

The Board did not receive a report regarding preliminary planning work on Town and Country Boulevard and Queensbury signalization, and took no action regarding this agenda item.

16. Responses to public comments received at prior meeting

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

17. Public comments

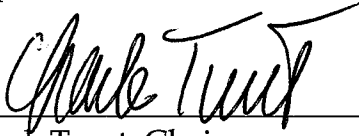
Ms. Gregory commented on recent flooding, the removal of neighborhood signs, the elevation of Bunker Hill, the bulkhead at the apartments behind the Fidelis development, and neighborhood street lights. The Board asked Mr. Walters to call CenterPoint Energy regarding street lights.

Ms. Prazak commented on the Town & Country Way/Fonvillas project, the Memorial City Hollow crosswalk, the Authority's payment to the Memorial City Management District for administrative services, and plans for Barryknoll.

18. Adjournment

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

Approved:

A handwritten signature in black ink, appearing to read "Chuck Turet", written over a horizontal line.

Chuck Turet, Chairman

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