

MINUTES OF THE BOARD OF DIRECTORS MEETING
TIRZ 17 Redevelopment Authority/
Memorial City Redevelopment Authority
City of Houston, Texas
May 5, 2009

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 May 5, 2009, in the Community Room of the HEB Store, 9710 Katy
Freeway, inside the boundaries of the Authority.

Board members in attendance:

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

Board members not in attendance:

Dan Moody, III

City of Houston representative in attendance:

Donna Capps

Consultants in attendance:

Paula Cox - ETI Accounting Services
Rafael Ortega and Derek St. John - Lockwood, Andrews & Newnam, Inc. ("LAN")
Jessica Holoubek and Susan Hostetler - Allen Boone Humphries Robinson LLP
("ABHR")

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. All agenda items were considered in
order.

2. Discuss and approve minutes of the April 7, 2009 meeting

The Board reviewed the minutes of the April 7, 2009, Board meeting. Following discussion, Director Stardig moved to approve the minutes of the meeting as submitted. The motion was seconded by Director Airola, and carried unanimously.

3. Financial and bookkeeping matters, including payment of invoices and review of investments and project cash flow report

4. Review the progress of the FY 2010 Budget and the 2010-2014 Capital Improvement Plan ("CIP")

Ms. Cox reviewed the financial report, and presented checks for payment from the general operating fund. The Board reviewed the project log, project cash flow report, and schedule of impact costs. Mr. Walters summarized his work with the City of Houston regarding the fiscal year 2010 budget and the 2010-2014 CIP. Following review and discussion, Director Arnold made a motion to approve the bookkeeper's report and payment of the invoices presented in the financial report. Director Airola seconded the motion, and it passed unanimously.

5. Review the progress of the Authority's Tax Increment Contract Revenue Bonds, Series 2009

Mr. Walters reported that the Authority's bond issue has funded. No action was necessary for this agenda item.

6. Gessner Road Widening Project

Mr. St. John reported on the status of the Gessner widening project. Mr. St. John discussed resolution of utility conflicts with AT&T and CenterPoint Energy. He reviewed a proposal from CenterPoint Energy for \$1,728 to relocate a streetlight at the intersection of Gessner and Barryknoll. Mr. St. John noted that the pole must be moved to meet ADA requirements. Following review and discussion, and based on the engineer's recommendation, Director Arnold made a motion to approve CenterPoint Energy's proposal in the amount of \$1,728. Director Freels seconded the motion, and it passed by unanimous vote.

Mr. St. John discussed the relocation of a CenterPoint Energy power pole. He noted that the relocation required a temporary disruption in service to the Memorial City Mall and therefore work was performed after hours. Mr. Walters noted that he authorized the work pursuant to the Board's Resolution authorizing him to commit up to \$10,000 of the Authority's funds in situations requiring a prompt response. Mr. St. John reviewed and recommended that the Board ratify the Executive

Director's action approving CenterPoint Energy's \$1,193 proposal for relocation of the power pole. Following review and discussion, Director Arnold made a motion to approve the \$1,193 proposal of CenterPoint Energy to relocate a power pole. Director Airola seconded the motion, and it passed by unanimous vote.

The Board then discussed Change Order No. 12 in the amount of \$18,159.51, regarding the monument sign hardware. Mr. Ortega stated that LAN reviewed the plans, per the Board's direction. He stated that LAN recommends the Board approve Change Order No. 12. The Board reviewed options relating to Change Order No. 12 and the contract with the Texas Department of Transportation ("TxDOT"). Director Freels made and Director Airola seconded a motion to remove the monument sign from the TxDOT contract. Upon the question being called, Directors Freels and Airola voted aye, and Directors Arnold, Hodges, Turet, and Stardig voted no. The motion failed. Director Arnold then made a motion to approve Change Order No. 12. The motion was seconded by Director Hodges, and carried unanimously. The Board instructed LAN to inform TxDOT that the Authority does not agree with this change order.

The Board then reviewed Change Order No. 15 in the amount of \$51,112.74 for sanitary sewer work to eliminate a conflict with storm sewer box culverts. Mr. St. John reviewed details of the change order. Following review and discussion and based on the engineer's recommendation, Director Arnold made a motion to approve Change Order No. 15 in the amount of \$51,112.74. Director Stardig seconded the motion, and it passed by unanimous vote.

8. Gessner at Barryknoll intersection improvements

Mr. Walters updated the Board on the status of the intersection improvements to Gessner at Barryknoll. No action was necessary for this agenda item.

9. Bunker Hill Widening Project

Mr. St. John updated the Board on the status of the Bunker Hill widening project. He reviewed several exhibits regarding the recent rainfall event on April 28. The Board asked LAN to post the exhibits on the Authority's web site. The Board discussed flooding in the area as a result of the heavy rain on April 28. Mr. St. John discussed ponding and sheetflow in the area. The Board discussed the impact of the Authority's improvements on drainage.

The Board then reviewed Change Order No. 6 to the Bunker Hill construction contract. Following review and discussion and based on the engineer's recommendation, Director Airola made a motion to approve Change Order No. 6 in the amount of \$19,939.50. Director Stardig seconded the motion, and it carried by unanimous vote.

9. North Gessner Area Thoroughfare Improvement Plan Project Preliminary Engineering Report ("PER")

Mr. Ortega reviewed a proposal for \$709,032, for engineering services for preparation of a PER regarding improvements to Gessner Road from IH-10 to Long Point, and improvements to Witte Road from IH-10 to Long Point and Long Point to Conrad Sauer. Mr. Ortega reported during preparation of the PER, he will seek the Board's input regarding specific improvements. The Board discussed improvements to Westview and noted that, at previous public meetings, residents have indicated that they do not want Westview to be improved. Mr. Ortega noted that the PER does not include Westview. Following review and discussion and based on the engineer's recommendation, Director Arnold made a motion to approve LAN's proposal for preparation of a PER for improvements to Gessner Road from IH-10 to Long Point, and improvements to Witte Road from IH-10 to Long Point and Long Point to Conrad Sauer. Director Stardig seconded the motion, and it passed by unanimous vote.

10. Update status of preliminary engineering on Memorial near Beltway 8 Drainage and Mobility Improvements

Due to time constraints and to allow sufficient time for public comments, the Board did not consider this agenda item.

11. Update status of preliminary engineering on Kimberly at Beltway 8 Drainage Improvements

Due to time constraints and to allow sufficient time for public comments, the Board did not consider this agenda item.

12. Town and Country West Drainage and Mobility Improvements

Due to time constraints and to allow sufficient time for public comments, the Board did not consider this agenda item.

13. Parks, Trails and Green Space

Due to time constraints and to allow sufficient time for public comments, the Board did not consider this agenda item.

14. Convene Executive Session pursuant to Chapter 551.071, Texas Government Code, to conduct a private consultation with attorney to discuss pending or contemplated litigation

15. Reconvene in Open Session and authorize appropriate action regarding contemplated litigation

The Board did not meet in executive session.

16. Receive comments from the public

Mr. Davidson commented on the annexation of Spring Branch into the Houston Community College System.

Ms. Freedman commented on the annexation of Spring Branch into the Houston Community College System, the schedule for Bunker Hill and Frostwood improvements, recent flooding in the area, use of microphones at the Board meeting, detention at the HEB shopping center, the death caused by the flooding, dissolution of the TIRZ, and the City's response to concerns regarding flooding and drainage.

Ms. Strassner commented on change orders to the Authority projects, the City's design requirements for drainage, the Authority's work regarding drainage, the need for a study of overall drainage, and ponding along Bunker Hill.

Mr. McQuilling discussed flooding in the Long Meadows neighborhood, and the possibility that recent flooding may change the FEMA flood designations for the neighborhood.

Mr. Rawl commented on flooding of homes in Frostwood on April 28, obtaining more information about the Bunker Hill South, Barryknoll and Frostwood drainage projects in the CIP, impact on development of the mall on drainage into the Frostwood neighborhood, the need to prioritize detention improvements.

Ms. Prazak commented on the death from flooding at the Rummel Creek ditch, TIRZ involvement with the Rummel Creek ditch, removal of land from the flood plain, the Rummel Creek study, and the difference between the flooding that occurred and the engineer's exhibits regarding drainage and sheet flow.

Ms. Gregory commented on flooding in the area, the Authority's priorities of mobility and drainage improvements, and the elevation of and detention for the HEB property.

Mr. Ochs commented on the impact of the recent rains on his street and overall drainage problems, and the need to prioritize drainage issues.

Mr. Brown commented on efforts to make City and Harris County Flood Control aware of flooding issues, the Briar Branch Creek drainage study, neighborhood flooding, detention at the Fidelis property, and the extent of drainage problems in the City.

Mr. Klein commented on the Authority's actions regarding flooding in the area, the impact of commercial development on flooding, the need to prioritize drainage improvements to Frostwood, and the Authority's responsibility to improve drainage.

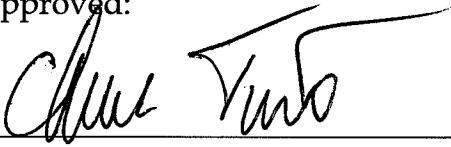
Mr. Holmes commented on flooding in his neighborhood and the Authority's role in drainage improvements.

Ms. Peck commented on prioritizing drainage improvements.

17. Adjournment

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

Approved:



Chuck Turet, Chairman

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