

MINUTES OF THE BOARD OF DIRECTORS MEETING
TIRZ 17 Redevelopment Authority/Memorial City Redevelopment Authority
City of Houston, Texas
March 29, 2011

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 March 29, 2011, in the HEB Community Room, 9710 Katy Freeway, Houston, Texas.

Board members in attendance:

Charles Turet, Chair
Dr. Zach Hodges
Ken Arnold
Glenn Airola
Dan Moody, III

Board members not in attendance:

Ann T. Givens
Brad Freels

Consultants in attendance:

Michelle Lofton - ETI Bookkeeping Services
Derek St. John and Robert Fiederlein - Lockwood, Andrews & Newnam, Inc. ("LAN")
Jessica B. Holoubek and Susan Hostetler - Allen Boone Humphries Robinson LLP ("ABHR")

Staff in attendance:

Pat Walters - Executive Director

City of Houston Representatives in attendance:

Todd Curry - Council Member Jolanda Jones' office
Corrie Rae - Council Member Brenda Stardig's office
Jesse Bounds - Finance and Economic Development Department, City of Houston (the "City")

1. Call Meeting to Order

Director Turet called the meeting to order. All agenda items were considered in order with the exception of agenda item 11, which was considered after agenda item 12, and agenda item 6 was considered both before and after item 7.

2. Public Comments

Ms. Roberta Prazak commented regarding the TIRZ budget.

3. Minutes

The Board reviewed the minutes of the February 22, 2011, meeting. Following discussion, Director Arnold moved to approve the minutes as submitted. The motion was seconded by Director Hodges and carried by unanimous vote.

4. Financial and Bookkeeping Matters

Ms. Lofton reviewed the financial report for February and presented checks for payment by the Authority. Following review and discussion, Director Hodges moved to approve the financial report and the payment of the bills presented. Director Moody seconded the motion, and it passed unanimously.

5. Kimberley Improvement Project

Mr. Fiederlein updated the Board regarding the Kimberley Improvement Project. He reported that Phase 1 of the project is near completion. He reviewed and recommended payment of Pay Application No. 2 in the amount of \$167,116.44. Mr. Fiederlein reported that additional construction management services may be required due to the complexity of the project. Mr. Fiederlein discussed conveyance of right-of-way and finalization of maintenance agreements needed for the project.

Following review and discussion and based upon the engineer's recommendation, Director Hodges moved to approve payment of Pay Application No. 2 in the amount of \$167,116.44 to Triple B Services. The motion was seconded by Director Arnold and carried by unanimous vote.

6. TIRZ 17 Regional Drainage Study Update

Mr. St. John reported that the Harris County Flood Control District and the City continue to review the Regional Drainage Study. He reported on the March 2, 2011, stakeholder meeting to discuss the study. The Board discussed the steps needed to finalize the Regional Drainage Study.

7. Barryknoll Improvement Project

Mr. Fiederlein reviewed LAN's proposal for a supplemental Phase 1 preliminary engineering report for the Barryknoll Improvement Project, at an estimated cost of \$106,178. No action was taken regarding this agenda item.

8. Wisterwood Improvement Project

Mr. Walters reported on the Wisterwood esplanade enhancements. He stated the improvements are complete and the irrigation system has been accepted by the City's Adopt an Esplanade Program. Mr. Walters reported the Memorial City Management

District will maintain the improvements once the project is finalized. He reviewed Pay Application No. 1 in the amount of \$13,051.95 and noted the landscape architect has recommended payment of the pay application. Following review and discussion and based upon the landscape architect's recommendation, Director Arnold moved to approve Pay Application No. 1 in the amount of \$13,051.95 to Houston Landscapes Unlimited. The motion was seconded by Director Moody, and carried unanimously.

9. HPD Enforcement Activity

Mr. Walters reported that the Houston Police Department's Northwest Command has assigned extra officers to patrol the area. He reviewed results of the increased patrols.

10, 12. Convene in Executive Session (Pursuant to Section 551.072, Texas Government Code, to Deliberate the Purchase, Exchange, Lease or Value of Real Property, and Pursuant to Section 551.071, Texas Government Code, to Conduct a Private Consultation with Attorney to Discuss Pending or Contemplated Litigation, or a Settlement Offer

At 8:00 a.m., Director Turet announced the Board would convene in executive session to conduct a private consultation with its attorney regarding the purchase, exchange, lease, or value of real property, and to discuss pending or contemplated litigation.

11, 13. Reconvene in Open Session and Authorize Appropriate Action regarding the Purchase, Exchange, Lease or Value of Real Property, and regarding Contemplated Litigation, or a Settlement Offer, including Engage Special Counsel

At 8:43 a.m., Director Turet announced the Board would reconvene in open session. Director Arnold moved to authorize the Director Turet, ABHR, and LAN to negotiate and finalize an Option and Purchase Agreement and to authorize Director Turet to execute such agreement. The motion was seconded by Director Moody and was approved by unanimous vote. Director Arnold then moved to engage Hoover Slovacek LLP as special counsel. Director Airola seconded the motion, and it passed by unanimous vote.

14. Adjournment

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

Approved:

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

Chuck Turet, Chair

TIRZ 17 Redevelopment Authority/Memorial City Redevelopment Authority
City of Houston, Texas