

MINUTES OF THE BOARD OF DIRECTORS MEETING
TIRZ 17 Redevelopment Authority/
Memorial City Redevelopment Authority
City of Houston, Texas
June 2, 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 June 2, 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
Glenn Airola
Zach Hodges
Dan Moody, III

Board members not in attendance:

Ken Arnold
Brad Freels

City of Houston representative in attendance:

Donna Capps
Andrea Roberts

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 May 5, 2009 meeting

The Board reviewed the minutes of the May 5, 2009, Board meeting. Following discussion, Director Hodges 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

Ms. Cox reviewed the financial report, and presented checks for payment from the general operating fund. Ms. Cox reviewed two additional checks, one to ETI Accounting Services and one to Equi-Tax, Inc., for monthly fees pursuant to the Authority's agreement with these entities. Ms. Cox noted that invoices from ETI Accounting Services and Equi-Tax, Inc. had been received after the bookkeeping report was prepared. She recommended payment of the invoices. Following review and discussion, Director Moody made a motion to approve the bookkeeper's report, and the payment of the invoices presented in the report, as well as the invoices to ETI Accounting Services and one to Equi-Tax, Inc. Director Hodges seconded the motion, and it passed unanimously.

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

Mr. Walters reported that the Authority's fiscal year 2010 budget is under review by the City of Houston, and he anticipates the budget will be approved. Director Turet noted that the proposed CIP includes several drainage projects. Mr. Walters updated the Board on the status of the Authority's Series 2009 bonds. No action was necessary for this agenda item.

5. Gessner Road Widening Project

Mr. St. John reported on the status of the Gessner widening project. He reported that J.D. Abrams is nearing completion of phase three of the road construction project. Mr. St. John reported that all utility conflicts with AT&T and CenterPoint Energy have been resolved. Mr. St. John reported that J.D. Abrams has submitted claims for project delay costs to the Texas Department of Transportation ("TxDOT"). He stated that TxDOT does not agree with the contractor's claims and the parties are reviewing the matter.

Mr. St. John reviewed a proposal from CenterPoint Energy for \$9,888 for the addition of two streetlights at the intersection of I-10 and Gessner. Following review and discussion, and based on the engineer's recommendation, Director Airola made

a motion to approve CenterPoint Energy's proposal in the amount of \$9,888. Director Moody seconded the motion, and it passed by unanimous vote.

Mr. St. John then discussed an addendum to the Authority's Enhanced Lighting Agreement with the City. He noted that the agreement has been updated to include the two streetlights to be installed at the intersection of I-10 and Gessner. Following review and discussion, Director Stardig made a motion to approve the addendum to the Enhanced Lighting Agreement. Director Moody seconded the motion, and it carried unanimously.

The Board then considered rewording of the lettering on the monument sign so that it reads "Memorial City District," rather than "Memorial City." Following discussion, Director Stardig made a motion to approve rewording of the sign to read, "Memorial City District." The motion was seconded by Director Airola and was approved by unanimous vote.

6. Gessner at Barryknoll intersection improvements

Mr. St. John updated the Board on the status of the intersection improvements to Gessner at Barryknoll. He noted that plans have been forwarded to TxDOT. Mr. St. John stated that the City is reviewing the right-of-way dedication for the project. He reviewed a proposal to remove a landowner's monument sign for \$13,305, and to remove an oak tree for \$1,425. Mr. St. John stated that the Authority will compensate for the tree removal per the City guidelines. He stated that the City arborist was consulted and agreed that the tree must be removed. Director Stardig requested additional information regarding the trees to be installed as compensation for the removal of the oak tree. Following review and discussion and based on the engineer's representation, Director Hodges made a motion to approve the removal of the monument sign and tree at a cost not to exceed \$14,730. Director Airola seconded the motion, and it passed unanimously.

Mr. St. John reported that it is necessary to relocate a streetlight in order to accommodate the intersection improvements. He reviewed a proposal by CenterPoint Energy to relocate the streetlight for \$2,369. Mr. St. John stated that, in order to preserve the project schedule, Mr. Walters had previously approved this proposal 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. Following review and discussion and based on the engineer's recommendation, Director Stardig made a motion to ratify the Executive Director's action approving the \$2,369 proposal from CenterPoint Energy. Director Moody seconded the motion, and it passed by unanimous vote.

7. Review rain event of April 27 and 28, 2009 and the City of Houston Flooding and Drainage Committee Meeting on May 18, 2009

Director Turet discussed the May 18, 2009 meeting with the City and the Authority's role in improving drainage in the area. Mr. St. John reviewed several documents regarding the rainfall event on April 27 and 28 and the meeting with the City on May 18, 2009. He stated that the Authority has offered to assist the City in its review of the April 2009 rain event. The Board discussed maintenance of area drainage ditches by the Harris County Flood Control District or other jurisdictions and asked LAN to request information regarding the maintenance and cleaning schedule for these drainage ditches. No action was necessary for this agenda item.

8. Bunker Hill Widening Project

Mr. St. John updated the Board on the status of the Bunker Hill widening project.

9. Update status of North Gessner Area Thoroughfare Improvement Project Preliminary Engineering Report ("PER")

Mr. St. John updated the Board on the status of the PER for the North Gessner area thoroughfare improvement project.

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

Mr. St. John reported that LAN has completed the PER for the drainage and mobility improvements to Memorial near Beltway 8. He reviewed the recommendations from the PER, including (1) the existing drainage at the site meets the City's requirements, (2) additional left turn lanes on Memorial east bound are needed, and (3) the roadway should be widened within the existing right-of-way.

Mr. St. John noted variances between the information in the City's comprehensive drainage plan for this area, and the information determined by the PER. The Board requested that LAN review additional alternatives to improve drainage. Following review and discussion, Director Moody made a motion to (1) accept LAN's recommendations to improve mobility on Memorial near Beltway 8, (2) authorize LAN to design facilities to implement the mobility improvements, (3) authorize LAN to review alternatives for drainage improvements to Memorial Drive near Beltway 8 and present such alternatives at a later meeting. Director Airola seconded the motion, and it passed unanimously.

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

Mr. St. John reported that LAN has completed the PER for the drainage improvements to Kimberly near Beltway 8. He reviewed options for improving drainage in this area. Mr. St. John stated that LAN recommends the Authority accept option 2, to raise Kimberly Lane roadway and install 5'x3' boxes. Following review and discussion and based on the engineer's recommendation, Director Moody moved to accept LAN's recommended option 2, to improve drainage at Kimberly Lane and Beltway 8. Director Stardig seconded the motion, and it passed by unanimous vote.

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

Director Turet updated the Board on the status of landscape improvements to esplanades on Westview.

14. Receive comments from the public

Ms. Carter commented on obtaining flood plain information directly from FEMA and obtaining information on sheet flow south of I-10.

Ms. Gregory commented on changes to land designations, detention for the Memorial City mall, a map from a previous Authority meeting, accuracy of maps presented at the meeting, and detention for the Fidelis and Trammell Crow properties.

Ms. Freedman commented on absence of City representatives during the public comments portion of the meeting, proposals to install detention ponds, and detention for the HEB and Trammell Crow properties.

Ms. Prazak commented on the agenda for the meeting, the lack of County representative at the meeting, the effect of removal of trees along Gessner, development of the HEB center from open land, fund transfers to other entities, and an obelisk at Barryknoll and Gessner.

Ms. Strassner commented on accuracy of the maps presented at the meeting, the need to install drainage before roadways are constructed, the impact of the W151

study, following option 4 of the Kimberly PER, cleaning and maintaining ditches, and comparison of homes flooded after Tropical Storm Allison and Hurricane Ike.

Mr. Wolford commented on flooding at his home and in his neighborhood in recent years.

Mr. Rawl commented on the need to consider global drainage improvements and the impact of specific drainage projects on the areas as a whole, the need for the Authority to spearhead a global drainage study and solution, and accuracy of maps presented.

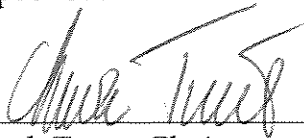
Mr. Tomlinson commented on the validity and use of engineering studies.

Ms. Myers commented on her efforts to have drainage at her property addressed.

15. Adjournment

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

Approved:



Chuck Turet, Chairman

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