

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

January 27, 2015

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 January 27, 2015, at Four Points by Sheraton, 10655 Katy Freeway, Wycliffe Room, Houston, Texas 77024.

Board members in attendance:

Brad Freels, Vice Chair
Glenn Airola, Secretary
Bob Tucker, Assistant Secretary
John Rickel, Director
Zachary R. Hodges, Director
David A. Hamilton, Director

Board members not in attendance:

Ann T. Givens, Chair

Staff in attendance:

Don Huml - Executive Director

Staff in attendance:

Don Huml - Executive Director

Consultants in attendance:

Muhammad Ali of Lockwood, Andrews & Newnam, Inc. ("LAN")
Jessica Holoubek and Veronica Seguin of Allen Boone Humphries Robinson LLP ("ABHR")
Wayne Lotz and Gary Struzick - Klotz Associates, Inc. ("Klotz")
Michelle Lofton of ETI Bookkeeping Services
James Vick of SWA Group

City of Houston (the "City") representatives in attendance:

Jennifer Curley
Oliver Pennington
Brenda Stardig

Other

Sherry Weesner of Scenic Houston

1. Call Meeting to Order

Having established that a quorum of the Board was present, Mr. Huml called the meeting to order.

Council Member Pennington discussed concerns over the time constraints of the meeting and the non-inclusion of a public comment agenda item. He then encouraged the Board to continue to pursue the purchase of new detention sites.

Director Freels moved to open the meeting to public comment. Director Rickel seconded the motion, which passed unanimously.

Council Member Stardig voiced her concerns over the non-inclusion of a public comment agenda item due to time constraints. She then discussed drainage issues for residential neighborhoods in the District.

Ms. Virginia Gregory commented on the importance of certain drainage issues relating to the Conrad Sauer detention site that need to be addressed.

Mr. Ed Browne requested the Board to investigate the viability of the North Gessner tract as a possible detention site which may alleviate some District drainage issues.

Ms. Roberta Prazak commented on the addition of a public comment section to the meeting agenda without its inclusion on the agenda. She then requested the Board to investigate the viability of the 77024 post office as a possible detention site or police or fire substation. She commented on the importance of an increased police presence in the District.

Ms. Donna Freedman commented on the non-inclusion of a public comment agenda item due to time constraints.

2. Minutes of December 4, 2014, and January 8, 2015, Meetings

The Board reviewed the minutes of the December 4, 2014, regular meeting and the January 8, 2015, special meeting.

Director Rickel noted that the January 8, 2015, minutes note a directive for Klotz to provide a cost-benefit analysis of the Conrad Sauer detention project to the Board prior the next meeting. Mr. Huml stated he requested the cost-benefit analysis from Klotz and was informed that it would be presented at today's meeting.

Following review and discussion, Director Freels moved to approve the minutes of the December 4, 2014, regular meeting and the January 8, 2015, special meeting, as submitted. The motion was seconded by Director Hamilton and carried unanimously.

3. Approve Second Amendment to Project Plan as Approved by the City of Houston

Ms. Holoubek presented and reviewed a proposed Second Amendment to the District's Project Plan and Reinvestment Zone Financing Plan that has been approved in final form from the City of Houston and requested the Board ratify adopting of the resolution adopting such said Amendment. Following review and discussion, Director Tucker moved to ratify adoption of the Resolution Adopting Second Amendment to Project Plan and Reinvestment Zone Financing Plan. Director Hodges seconded the motion, and it passed unanimously.

4. Financial and Bookkeeping Matters

Ms. Lofton reviewed the financial report for December and presented checks for payment by the Authority. After review and discussion, Director Airola moved to approve the financial report and payment of the bills presented. The motion was seconded by Director Rickle and passed by unanimous vote.

5. Clarification to Comment No. 11 in the October 28, 2014, Meeting Minutes

Mr. Huml clarified his comments from the October 28, 2014, meeting wherein he stated the CIP Committee has included \$100,000 in the 2015 budget for pursuing grant funds for Authority projects. He stated that was said in error and that the amount allocated for the Goodman Corporation contract can be reallocated in the 2016 budget.

6. Grant Funding Opportunities Update

There was no discussion on this item.

7. Open Discussion Regarding Revised Klotz Report Entitled "Feasibility Analysis Report for Additional Detention West of Gessner Road" dated December 10, 2014 (the "Report")

Mr. Klotz reviewed previous discussions and meetings regarding the Report analyzing the feasibility of acquiring and developing a 9.5 acre tract near the intersection of Westview Dr. and Conrad Sauer Dr., west of Gessner Rd. (the "Tract"), for a regional detention basin to improve drainage and flooding both inside and outside the boundaries of the Zone (the "Project"). He stated that the Report concludes that the Project is not economically feasible based on the cost of the Project as compared to the

value of the property removed from the 100-year floodplain. He stated the Report only reflects an economic analysis and does not consider non-economic factors per the original directive Klotz received from the City of Houston to conduct the Report. Mr. Klotz discussed the methodology used to conduct the Report. He stated there are no adopted standard City or Harris County Flood Control methodologies that could have been used to conduct the analysis.

Mr. Klotz addressed questions from the Board regarding the differences in analyses between the Report and the Conrad Sauer study.

The Board discussed additional factors that should be incorporated into a cost/benefit analysis based on existing circumstances, such as real estate prices, repeat storm events, timing and priorities of the Authority. Mr. Klotz stated that additional factors could be incorporated into the Report if directed by the Board.

Mr. Klotz stated that the Report followed LAN specifications and incorporated all information provided by LAN. Mr. Ali stated that LAN provided specifications for the Report based on a previously accepted methods.

The Board discussed its concern over the Report being submitted to the City prior to the Board approval. Ms. Curley stated that the City had requested the Report and that the City understood the Report was in draft form, when received, and would have allowed for additional comments and revisions to the Report.

After discussion, Director Rickel moved to table discussion on the Report and authorize LAN to review the Report and provide an independent analysis on said Report. Director Hamilton asked Mr. Klotz to speak to any potential professional and/or licensing conflicts between LAN and Klotz. Mr. Klotz responded by indicating that Klotz would need to carefully consider professional engineering licensing issues related to the request. Discussion ensued regarding the benefits and concerns over engaging a third-party engineering firm to conduct the review. The Board, Mr. Klotz and Mr. Ali discussed the processes involved in conducting collaborative and independent review of the Report. Director Hamilton expressed concerns over LAN being able to conduct an independent review of the Report. Director Freels proposed that a Report review committee be established, consisting of Directors Hamilton, Rickel and himself to meet with representatives of Klotz and LAN to further review and discuss the Report. Director Rickel rescinded his original motion and moved to table the Report and authorize the proposed Report review committee to meet as discussed. Director Hamilton seconded the motion, which passed unanimously. Mr. Huml reminded the Board that per the new TIRZ guidelines any report would need to be submitted to Public Works and Engineering first before going to the Mayor's Office.

Director Rickel moved to add an item to “review and evaluate engineering consultants’ performance and services agreements” to the next agenda. Director Tucker seconded the motion, which passed with all Directors voting for the motion with the exception of Director Hodges who voted against.

8. Open Discussion Regarding Agenda Setting Policy

Ms. Holoubek reviewed with the Board options for the Board to consider with respect to policy and procedures for setting the agenda. The Board considered various procedures for setting the agenda. After discussion, Director Hamilton made a motion to authorize any Board member to add an item to the agenda. Director Hamilton rescinded his motion and after further discussion, Director Rickle moved to authorize the Chair to set the agenda, provided that the addition of any agenda item requested by a Board member be added to the agenda if it has been rejected by the Chair of the Board if a second Board member supports the addition of said item. Director Hamilton seconded the motion, which passed unanimously.

9. Special Presentation to the Board by Sherry Weesner P.E. regarding “Scenic Houston”

Ms. Weesner presented and reviewed a Streetscape Resource Guide and responded to questions from the Board on her presentation. She stated that she supports and encouraged the development and adoption of streetscape design standards in the Authority.

10. Lumpkin Road Improvements Project

Mr. Huml presented and reviewed a task order from SWA Group, in the amount of \$18,200, for CIP #1709 Lumpkin Road Improvements landscaping and construction phase services. After review and discussion, Director Airola moved to approve the task order from SWA Group, in the amount of \$18,200, for CIP #1709 Lumpkin Road Improvements landscaping and construction phase services. Director Hodges seconded the motion, which passed unanimously.

Ms. Holoubek presented and reviewed a Temporary Right of Entry Construction Agreement between the Authority, Dresser-Rand Company, and SER Construction Partners, LLC for access and reconfiguration of a driveway on the Dresser-Rand Company property. After review and discussion, Director Rickle moved to approve the Temporary Right of Entry Construction Agreement. Director Tucker seconded the motion, which passed unanimously.

Mr. Ali reported on the construction status of the Lumpkin Road Improvements Project.

The Board reviewed Change Order No. 1 to the Lumpkin Road Improvements Project, in the amount of \$\$2,255,471.80, to SER Construction Partners, LLC, for alternate bid items for work along Lumpkin Road between Westview Drive and Northbrook Drive. After review and discussion, Director Rickle moved to approve Change Order No. 1. Director Airola seconded the motion, which passed unanimously.

11. Special Presentation to the Board by SWA Group about “Streetscape Design Standards”

Mr. Vick made a presentation to the Board on streetscape design standards.

12. Adopt and Approve Streetscape Design Standards

Upon addressing comments and questions from the Board, Mr. Vick stated that he will work to revise and clarify the streetscape design standards to better reflect the Board’s vision and intentions for streetscape design standards within the authority. The Board concurred to table further review and adoption until such revisions are made to the proposed streetscape design standards.

13. Town and Country West Drainage and Mobility Improvements Project

Mr. Huml presented and reviewed a task order from SWA Group, in the amount of \$88,600 for CIP #1717 Town and Country West Drainage and Mobility Improvements detailed design, construction documentation and bidding phase services. After review and discussion, Director Rickel moved to approve the task order from SWA Group, in the amount of \$88,600 for CIP #1717 Town and Country West Drainage and Mobility Improvements detailed design, construction documentation and bidding phase services. Director Airola seconded the motion, which passed with all directors voting for the motion, with the exception of Director Freels who abstained.

14. Memorial Drive Drainage and Improvement Project

Mr. Huml reported that the Memorial Drive Drainage and Improvement Project is currently in the design phase and that a town hall meeting regarding the Project is currently scheduled for March 11, 2015, at 6:30 p.m. at Memorial Middle School. Director The Board requested that an agenda be posted for the town hall meeting.

15. Executive Director’s Report

Mr. Huml apologized for excluding the “public comment” section from the Authority’s agenda for the month. He then reviewed the Executive Director’s report,

including an update on the status of Authority projects and anticipated issues for the year ahead.

16. Convene in Executive Session Pursuant to Section 551.072, Texas Government Code, to Deliberate the Purchase, Exchange, Lease or Value of Real Property

At 10:26 a.m., Mr. Huml announced the Board would convene in executive session to deliberate the evaluation of an employee. All attendees left the meeting except the Board members, Ms. Holoubek, Ms. Seguin, Mr. Ali, Mr. Struzick, and Ms. Curley.

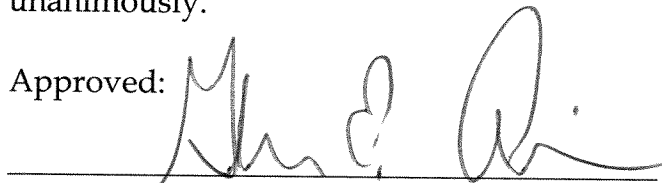
17. Reconvene in Open Session and Authorize Appropriate Action Regarding the Purchase, Exchange, Lease or Value of Real Property

At 10:53 a.m., Mr. Huml announced the Board would reconvene in open session. Upon reconvening in open session, no action was taken.

18. Adjournment

There being no additional matters for the Board's consideration, Director Rickel moved to adjourn the meeting. Director Airola seconded the motion, which passed unanimously.

Approved:



Secretary, Board of Directors

TIRZ 17 Redevelopment Authority City of Houston, Texas