

MINUTES OF THE BOARD OF DIRECTORS MEETING  
TIRZ 17 Redevelopment Authority/Memorial City Redevelopment Authority  
City of Houston, Texas  
January 25, 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 January 25, 2011, in the HEB Community Room, 9710 Katy Freeway, Houston, Texas.

Board members in attendance:

Charles Turet, Chair  
Dr. Zach Hodges  
Ken Arnold  
Ann T. Givens  
Dan Moody, III  
Brad Freels  
Glenn Airola

Consultants in attendance:

Michelle Lofton - ETI Bookkeeping Services  
Rafael Ortega, Derek St. John, and Robert Fiederlein - Lockwood, Andrews & Newnam, Inc. ("LAN")  
Trey Lary 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 12, which was considered after agenda item 13.

**2. Public Comments**

Ms. Virginia Gregory commented on drainage projects and amenities associated with Authority projects.

Mr. Cyd Dillahunty commented on flooding in his neighborhood in April 2009, and on detention and drainage in the area.

Mr. Dean Bixler commented on design of the Barryknoll improvement project.

Ms. Roberta Prazak commented on Fonn Villas, the Kimberley improvement project, and the budget for the Gessner widening project.

Mr. Ed Brown commented on the regional drainage study and Briar Branch study.

### **3. Minutes**

The Board reviewed the minutes of the December 7, 2010, meeting. Following discussion, Director Arnold moved to approve the minutes as submitted. The motion was seconded by Director Givens and carried by unanimous vote.

### **4. Financial and Bookkeeping Matters**

Ms. Lofton reviewed the financial reports for November and December and presented checks for payment by the Authority. Following review and discussion, Director Givens moved to approve the financial reports and the payment of the bills presented. Director Arnold seconded the motion, and it passed unanimously.

### **5. Annual disclosure of Investment Officers and Bookkeeper**

Mr. Lary stated that the Public Funds Investment Act requires the Authority's investment officers and bookkeeper to submit annual disclosure statements disclosing certain relationships set forth in the Public Funds Investment Act. The Board reviewed the disclosures of Michelle Lofton as the Authority's bookkeeper, and Mr. Walters and Director Turet as the Authority's investment officers. Director Arnold moved to accept the annual disclosure statements of the Investment Officers and bookkeeper and authorize filing of the disclosure statements with the Texas Ethics Commission. The motion was seconded by Director Airola and carried unanimously.

### **6. Annual review of Investment Policy and Resolution Regarding Annual Review of Investment Policy**

Mr. Lary stated that the Public Funds Investment Act requires an annual review of the Authority's Investment Policy and the investment strategies contained therein. He reviewed the current policy and stated there are no recommended changes to the policy. Following discussion and review, Director Arnold made and Director Moody

seconded a motion to adopt the Resolution Regarding Annual Review of Investment Policy. The motion passed unanimously.

**7. Resolution Establishing the Authorized Depository Institutions and Adopting List of Qualified Broker/Dealers with Whom the Authority May Engage in Investment Transactions**

Mr. Lary stated that the Public Funds Investment Act requires the Board to, at least annually, review, revise and adopt a list of qualified brokers that are authorized to engage in investment transactions with the Authority. He stated the Authority's bookkeeper has updated the list of qualified broker/dealers which is Exhibit A to the Resolution and which also includes the Authority's depository institutions. Following review and discussion, Director Arnold made a motion to adopt the Resolution Establishing the Authorized Depository Institutions and Adopting List of Qualified Broker/Dealers with Whom the Authority May Engage in Investment Transactions. Director Airola seconded the motion, and it was approved by unanimous vote.

**8. Kimberley Lane near Beltway 8 Improvement Project**

Mr. Fiederlein stated a Notice to Proceed for the Kimberley Lane improvement project was issued on January 3, 2011, and Triple B Services, L.L.P. has commenced phase 1 of the project. Mr. Fiederlein discussed the lighting installation planned for the project, and coordination of this project with City improvements in the area.

Mr. Fiederlein reviewed LAN's proposal for construction phase engineering services and stated no action on the proposal was necessary at this time.

**9. Barryknoll Improvement Project**

Mr. Fiederlein discussed the Barryknoll improvement project and noted that as a result of the recent stakeholder meetings, LAN is deferring presentation of its proposal to update the Preliminary Engineering Report.

**10. TIRZ 17 Regional Drainage Study Update**

Mr. St. John reported on stakeholder meetings with the City, the District, the City of Bunker Hill, and City of Hedwig Village. The Board discussed the timing of improvements to Barryknoll and finalization of the study.

**11, 13. Convene in Executive Session Pursuant to Section 551.072, Texas Government Code, to Deliberate the Purchase, Exchange, Lease or Value of Real Property and Convene in Executive Session Pursuant to Section 551.074, Texas Government Code, to Deliberate the Appointment, Evaluation, Reassignment, Duties, Discipline, or Dismissal of a Public Officer or Employee**

At 8:21 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 deliberate regarding the appointment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee.

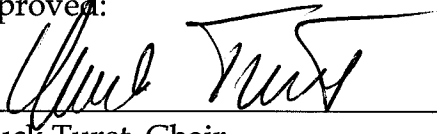
**12, 14. Reconvene in Open Session and Authorize Appropriate Action regarding the Purchase, Exchange, Lease or Value of Real Property and Regarding the Appointment, Evaluation, Reassignment, Duties, Discipline, or Dismissal of a Public Officer or Employee**

At 8:57 a.m., Director Turet announced the Board would reconvene in open session. Director Arnold moved to authorize discussions with Harris County Municipal Management District No. 1 regarding the possibility of the Authority hiring the Executive Director as a direct employee. Director Hodges seconded the motion, and it carried, with Director Airola abstaining from the vote.

**15. Adjournment**

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

Approved:



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Chuck Turet, Chair

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