

**MINUTES OF THE JOINT MEETING OF THE
TIRZ 17 REDEVELOPMENT AUTHORITY/MEMORIAL CITY REDEVELOPMENT AUTHORITY and
TAX REINVESTMENT ZONE NUMBER SEVENTEEN, CITY OF HOUSTON, TEXAS
BOARD OF DIRECTORS**

May 30, 2017

ESTABLISH QUORUM AND CALL MEETING TO ORDER.

The Board of Directors of the TIRZ 17 Redevelopment Authority/Memorial City Redevelopment Authority and Tax Reinvestment Zone Number Seventeen, City of Houston, Texas, held a regular joint meeting on Tuesday, May 30, 2017, at 8:00 a.m., at the Four Points by Sheraton, 10655 Katy Freeway, Wycliffe Room, Houston, Texas 77024, inside the boundaries of the TIRZ, open to the public, and the roll was called of the duly appointed members of the Board, to-wit:

Position 1 – Marshall B. Heins
Position 2 – John Rickel
Position 3 – David P. Durham
Position 4 – Ann T. Givens, *Chair*

Position 5 – Zachary R. Hodges
Position 6 – Brad Freels, *Vice-Chair*
Position 7 – Glenn E. Airola, *Secretary*

and all of the above were present, thus constituting a quorum. Also present were Scott Bean, Linda Clayton and Elisa Rodriguez, all with Hawes Hill & Associates, LLP; Jessica Holoubek, Allen Boone Humphries Robinson, LLP; and Michelle Lofton, ETI Bookkeeping Services. Others attending the meeting were Jennifer Curley, COH - Economic Development Dept.; Council Member Greg Travis, District G; Auggie Campbell; Laurie Rosenbaum and Karen Glynn, both of City of Bunker Hill; Ben Gillis and Pat Walters, Memorial City Management District; Muhammad Ali and Derek St. John, both of LAN; Morena Arredondo, Klotz Associates; James Vick, SWA; Kristin Blomquist, FirstSouthwest; Mike Vandewater, HCFCD; Margaret Dunlap, Metro; Kay Haslam, Virginia Gregory, Jim Shroff, John Jackson, Dean Bixler, Ed Browne, Mike Fiuzat, Kelley Landwermyer, Donna Freedman, Cynthia Neely and Lois Myers. Chair Givens called the meeting to order at 8:00 a.m.

RECEIVE PUBLIC COMMENTS.

Kay Haslam commented on the drainage path for proposed detention at the sports field on Spring Branch ISD property, and diverting the Sam Houston trunk line into W153. Virginia Gregory commented that she has not seen anything to improve the drainage situation from the beginning of the TIRZ to present day. She commented that the Springrock homes have still not been de-annexed. John Jackson stated that he is a resident of Frostwood and has worked with Bruce Nichols and other residents on the Flooding and Drainage Committee. He stated our approach has always been to be cooperative and to work with the system, and that Frostwood believes the upcoming CIP should address detention including the plan for subsurface detention on the playing fields. He personally thanked the Board for being responsive to Frostwood's needs. Ed Browne stated that there is a mistake in the public comments from the last meeting on March 31, 2017, where it says that he stated "he is concerned the neighborhood representatives are in collusion and that there is a lack of transparency." He stated that he was talking about the detention ponds along Buffalo Bayou and that he said that maybe you have told someone in the neighborhood about it, but we have not heard anything. He stated that he said talk to us and maybe we will agree with you. He stated that he never said anything about collusion and requested the comment regarding collusion be stricken from the March 31, 2017 minutes. He stated Frostwood is a member of RAF and we are not working against the neighborhoods but working with them, so please remove the word collusion. He commented on the W140 project. Mike Fiuzat commented on the rain events and flooding. He stated he looks forward to the CIP moving forward and resolving some of the problems. Lois Myers commented on the proposed detention on the school property and a previous WPM report regarding detention and development.

APPROVE MINUTES OF MARCH 31, 2017, REGULAR MEETING.

Upon a motion duly made by Director Durham, and being seconded by Director Freels, the Board voted unanimously to approve the March 3, 2017 minutes, as amended removing the comment regarding "collusion" from Ed Browne's comments.

RECEIVE FINANCIAL AND BOOKKEEPER'S REPORT, INCLUDING PAYMENT OF INVOICES, REVIEW OF INVESTMENTS AND PROJECT CASH FLOW REPORTS.

Ms. Lofton presented the Bookkeeper's Report and went over invoices, included in the Board agenda materials, and answered questions. Upon a motion duly made by Director Rickel, and being seconded by Director Heins, the Board voted unanimously to accept the Bookkeeper's Report and approved payment of invoices, as presented.

PROPOSAL FROM MCGRATH & CO. TO PERFORM PRE-AUDIT SERVICES.

Mr. Bean reviewed the proposal from McGrath & Co. to perform pre-audit services, included in the Board agenda materials. He reported the estimated fee for the services is \$9,500.00.

PROPOSAL FROM MCCALL GIBSON SWEDLUND BARFOOT PLLC TO PREPARE AUDITS.

Mr. Bean reviewed the proposal from McCall Gibson Swedlund Barfoot PLLC to prepare the Annual Audit of Financial Statements, included in the Board agenda materials. He stated this is an evergreen contract and the Authority has the option to terminate the contract with a 30-day notice. He reported estimated fees to prepare the FY2017 Audit range between \$9,750 and \$10,750.

Upon a motion duly made by Director Airola, and being seconded by Director Rickel, the Board voted unanimously to (a) approve the proposal from McGrath & Co. to prepare the financial statements as of June 30, 2017, for an estimated fee of \$9,500.00, as presented; and (b) approve the proposal from McCall Gibson Swedlund Barfoot PLLC to prepare the Annual Audit of Financial Statements, including the FY2017 Audit for an estimated fee of \$9,750.00 to \$10,750.00, as presented.

REVIEW ARBITRAGE REBATE REPORT FOR THE SERIES 2011 & 2011A BONDS.

Ms. Holoubek reviewed the computation of Arbitrage Rebate for the Series 2011 and 2011A Bonds. She stated the calculation is prepared every 5 years and the Authority does not owe any rebate. No action from the Board was required.

CIP COMMITTEE.

a. Amendment to agreement with Hawes Hill Calderon, LLP. (sic)

Mr. Rickel reported the CIP Committee has reviewed the Amendment to Agreement with Hawes Hill & Associates, LLP, included in the Board agenda materials, and is recommending for approval. He stated the amendment provides for an increase in the monthly rate from \$7,500.00 to \$8,000.00 per month. Upon a motion duly made by Director Rickel, and being seconded by Director Heins, the Board voted unanimously to approve the Amended Contract for Consulting and Management Services, as presented.

b. Proposed FY2018 CIP.

Mr. Rickel reviewed the CIP projects included in the Board agenda materials. He stated that project T-1735A "Detention Basin A" should be named "SBMSA Sports Field" and the project is contingent upon a 7 to 8-year life extension of the TIRZ. Mr. Rickel stated the CIP Committee has reviewed the CIP and is recommending for approval. Ms. Curley stated it is her recommendation and that she believes there needs to be community input

before renaming Detention A. After full discussion, and upon a motion duly made by Director Rickel, and being seconded by Director Freels, the Board called a vote for approval of the FY2018 CIP. Directors Rickel, Freels, Airola, Hodges, Durham and Heins voted aye. Chair Givens voted nay. The motion passed to approve the FY2018 CIP, as discussed, renaming T-1735A to SBMSA Sports Field.

c. Project Update Report from LAN, including;

Mr. Ali provided an update on the Town & Country round-a-bout, reconstruction and drainage improvements. He stated the rendering in the board materials include the final configuration of the Town & Country round-a-bout.

i. Conveyance of right-of-way to City of Houston for Town & Country Way.

Ms. Holoubek reviewed the Public Street Right-of-Way Easement Conveyance and the Temporary Public Access Easement, both included in the Board agenda materials.

ii. Bid Tabulations and Award of Contract for Town & Country Way Project.

Mr. Ali reported four qualified bids were received for the Town & Country Boulevard project. He reviewed the bid tabulations, included in the Board agenda materials, and reported SER was the low bid in the amount of \$8,478,677.80. He reported SER Construction is qualified and has previously demonstrated its capability of performing the quality of work required for this project and LAN is recommending awarding the contract to the low bidder SER Construction.

Mr. Ali reviewed the proposal from LAN for construction management and inspection services, the proposal from LAN for construction phase services and proposal from LAN for construction materials testing services, all included in the Board agenda materials, and answered questions. Director Rickel requested the construction proposals be in an amount not to exceed. Mr. Ali stated he was in agreement to make a change to the proposals to an amount not to exceed.

Upon a motion duly made by Director Rickel, and being seconded by Director Durham, the Board voted to (a) authorize the right-of-way conveyance to the City; (b) award the contract to SER Construction Partners, LLC in the amount of \$8,478,677.80, and authorize execution of the contract; (c) approve the LAN proposal for construction management and inspection services in an amount not to exceed \$425,300.00; (d) approve the LAN proposal for construction phase services in an amount not to exceed \$80,000.00; and (e) approve the LAN proposal for construction materials testing services in an amount not to exceed \$268,600.00. Director Freels abstained. The motion passed.

d. Project Update Report from Klotz Associates.

Ms. Arredondo presented an update on the N. Gessner drainage and mobility improvements project and the Briar Branch channel improvements, straws and bridge project. The monthly status reports are included in the Board agenda materials. She stated she is the project manager for the N. Gessner project and Mr. Standley will be the point of contact. She reported Klotz is waiting to receive final approval and execution of an Advanced Funding Agreement for the TxDOT grant for the N. Gessner project. No action from the Board was required.

e. Project Update Report from Goodman Corporation.

The Progress Report from The Goodman Corporation is included in the Board agenda materials for review.

f. Project Update Report from SWA, including;

i. Work authorization for Town & Country Way Construction Phase Services.

Mr. Vick provided an update on current projects, a Status Report is included in the Board agenda materials. He reviewed work order #16 for professional design services – construction administration services for the Town & Country West Drainage and Mobility Improvements, included in the Board agenda materials. Upon a motion

duly made by Director Airola, and being seconded by Director Heins, the Board voted unanimously to approve Work Order #16 from SWA for professional services in the amount of \$29,720.00, as presented.

CONVENE IN EXECUTIVE SESSION PURSUANT TO SECTION 551.071, TEXAS GOVERNMENT CODE, TO CONDUCT A PRIVATE CONSULTATION WITH ATTORNEY, WITH REGARD TO PENDING OR CONTEMPLATED LITIGATION.

The Board convened in Executive Session at 8:54 a.m.

RECONVENE IN OPEN SESSION AND AUTHORIZE APPROPRIATE ACTIONS REGARDING PRIVATE CONSULTATION WITH ATTORNEY.

The Board reconvened in Open Session at 9:02 a.m.

Upon a motion duly made by Director Rickel, and being seconded by Director Heins, the Board voted unanimously to authorize execution of a Power of Attorney to Allen Boone Humphries Robinson, LLP.

ADJOURNMENT.

There being no further business to come before the Board, Chair Givens adjourned the meeting at 9:03 a.m.



Secretary