

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

February 5, 2014

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 February 5, 2014, in the Commons meeting room at HCC Spring Branch Campus, 1010 West Sam Houston Parkway, Houston, Texas.

Board members in attendance:

Ann T. Givens, Chair
Brad Freels, Vice Chair
Glenn Airola, Secretary
Bob Tucker, Assistant Secretary
Zachary R. Hodges, Director
John Rickel, Director

Board members not in attendance:

David A. Hamilton, Director

Staff in attendance:

Don Huml - Executive Director

Consultants in attendance:

Michelle Lofton - ETI Bookkeeping Services
Muhammad Ali - Lockwood, Andrews & Newnam, Inc. ("LAN")
Trey Lary, Jessica Holoubek, and Kristen Hogan - Allen Boone Humphries Robinson LLP ("ABHR")
Gary Struzick - Klotz Associates, Inc. ("Klotz")
Amy Harbert - SWA Group

City of Houston representatives in attendance:

Ralph De Leon and Jack Valinski - City of Houston (the "City")

1. Call Meeting to Order

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

2. Public Comments

Ms. Donna Freeman commented on the lack of detention ponds within the Authority. She reviewed a letter that she plans to send to various persons and entities.

Ms. Roberta Prazak commented on the Local Interaction Group meeting, including discussions about the Regional Drainage Study ("RDS"). She also commented on the monthly invoices from LAN and ABHR and director service on other boards.

Ms. Virginia Gregory commented on right-of-way acquisition matters, including the Authority's prior agreement with the City related to same.

3. Minutes of December 3, 2013 Meeting

The Board reviewed the minutes of the December 3, 2013, meeting. Following discussion, Director Hodges moved to approve the minutes as submitted. The motion was seconded by Director Freels and carried unanimously.

4. Financial and Bookkeeping Matters

Ms. Lofton reviewed the financial reports for November and December and presented checks for payment by the Authority. Mr. Huml reviewed the contracts between the Authority and LAN. After review and discussion, Director Freels moved to approve the financial reports and payment of the bills presented. The motion was seconded by Director Givens and carried unanimously.

5. Local Interaction Group Report and Update

Director Rickel inquired about the status of the RDS final report in response to public comments. Mr. Huml said the RDS is moving forward and a report should be issued soon following completion and review by LAN and Klotz. Director Givens clarified prior comments regarding the scope of the RDS. She encouraged members of the community to contact her or another Board member with any questions pertaining to Authority matters.

6. Terminate Agreement with Spring Branch Management District for Maintenance of Westview Esplanade

Ms. Holoubek reported that Memorial City Management District ("MCMD") has agreed to assume maintenance of the Westview esplanade improvements constructed by the Authority between Beltway 8 and Shadowdale, which are currently being maintained by Spring Branch Management District ("SBMD"). She said MCMD authorized execution of a letter to the City requesting that the Westview esplanade improvements be added to MCMD's Maintenance Agreement with the City. The Board reviewed a proposed letter to SBMD terminating the agreement between the Authority and SBMD for maintenance of the esplanade improvements. Following discussion and

review, Director Givens moved to authorize execution of the letter to SBMD. The motion was seconded by Director Freels and carried unanimously.

7. Lumpkin Road Improvement Project

Ms. Harbert reviewed three amenity design options prepared by SWA Group for Lumpkin Road landscaping and pedestrian lighting. She noted the pedestrian lighting options are for the west side of Lumpkin only. The Board discussed the portion of Lumpkin north of Westview that is not currently within the boundaries of City of Houston Tax Increment Reinvestment Zone No. 17 (the "Zone"), but is contemplated for annexation into the Zone. Mr. De Leon commented on the level of improvements constructed within management districts and consultant costs related to the project. Director Rickel discussed the budget for the Lumpkin Road amenity improvements and the possibility of constructing the project in phases, with the portion north of Westview to be completed in the future following annexation and coordination with the City. Mr. Huml discussed LAN's design of Lumpkin Road paving and drainage improvements to I-10 and the need to finalize a decision on landscaping and pedestrian lighting in order for LAN to finalize and submit its plans to the City. He reported on discussions with MCMD and SBMD regarding maintenance of Lumpkin Road improvements. The Board discussed using the MCMD's lighting standards and ensuring a commitment for maintenance of Lumpkin Road improvements constructed by the Authority. Discussion ensued regarding the options for Lumpkin Road landscaping and lighting amenity packages.

Director Rickel made a motion to authorize SWA Group to proceed with design of (1) a reduced scope for Option 3 landscaping from I-10 to Westview only and (2) Option C lighting. Director Tucker seconded the motion.

Director Airola entered the meeting. Discussion ensued regarding the landscaping and lighting included in each of the design options and the possibility of the MCMD paying the cost for the improvements in excess of City standards. Director Rickel then amended his motion to authorize SWA Group to proceed with design of (1) a reduced scope for Option 3 landscaping from I-10 to Westview only and (2) Option C lighting and to request the MCMD pay the cost for enhancements above City standards. Director Tucker seconded the amended motion, Director Hodges abstained, Director Givens voted nay, and the motion passed by a majority vote of three ayes and one nay.

Mr. Huml reviewed a Work Order No. 4 from SWA Group for detailed design and bidding phase services for the Lumpkin Road amenity improvements for \$72,450. The Board concurred to table consideration of Work Order No. 4, pending determination of the fee for the revised scope of landscaping work.

Mr. Ali reviewed a Memorandum of Understanding from the City regarding Westview Road Detention Basin maintenance. Mr. Ali reported that although the detention basin is located outside of the Zone boundaries, it serves land within the Zone. In response to questions, Mr. Ali said the construction contract for the pond excavation includes a 2-year maintenance period before the City assumes maintenance. Upon discussion and review, Director Rickel moved to approve the Memorandum of Understanding from the City. Director Tucker seconded the motion, which passed unanimously.

Mr. Huml said the attorneys for the Authority and Houston Community College are working on a Right of Entry and Maintenance Agreement. The Board tabled this item.

Ms. Harbert quoted a revised fee of \$60,000 for Work Order No. 4 from SWA Group, based on the reduced scope of work for the Lumpkin Road landscaping improvements. After review and discussion, Director Rickel moved to approve Work Order No. 4 in the revised amount not to exceed \$60,000. Director Freels seconded the motion, which passed by unanimous vote.

Mr. Huml reviewed a proposal for a phase II environmental assessment of the Lumpkin detention basin for an initial cost of approximately \$7,000 if no hazardous materials are discovered. Mr. Ali responded to questions from the Board regarding the phase I assessment previously conducted and the City's requirements to remediate any environmental issues in connection with construction on City property. After review and discussion, Director Freels moved to approve the proposal for a limited phase II environmental assessment. Director Rickel seconded the motion, which passed unanimously.

8. W140 Detention Basin Project

Mr. Ali updated the Board regarding the Briar Branch detention basin package by L.N. McKean, Inc. He reviewed and recommended payment of Pay Estimate No. 4 in the amount of \$185,250. Following review and discussion and based upon the engineer's recommendation, upon a motion made by Director Tucker and seconded by Director Freels, the Board voted unanimously to approve Pay Estimate No. 4 in the amount of \$185,250 to L.N. McKean, Inc.

9. Barryknoll East Improvement Project

Mr. Ali updated the Board on the Barryknoll East Roadway and Drainage Improvement Project by Texas Sterling Construction Co. ("Texas Sterling"). He reviewed and recommended payment of Pay Estimate No. 8 in the amount of \$68,177.13. Following discussion and review and based upon the engineer's

recommendation, Director Hodges moved to approve Pay Estimate No. 8 in the amount of \$68,177.13 to Texas Sterling. The motion was seconded by Director Freels and carried unanimously.

10. Executive Director's Report

Mr. Huml reported regarding his work for the Authority during December and January and reviewed a schedule of projects in progress. He reported on possible grant opportunities and progress on the website updates. He also reported on a change in HEB's rules for use of its meeting room and said the Authority will need to alternate meeting locations or identify a new meeting location.

11. Discuss Employment Review and Compensation Committee

Mr. Huml left the meeting. Director Givens discussed the timing for Mr. Huml's employment review. The Board considered appointing a compensation committee to review Mr. Huml's performance. After discussion, the Board agreed the committee should be comprised of Directors Givens, Hamilton, and Airola. Director Givens asked each Board member to send her their comments on Mr. Huml's performance. Mr. Huml then re-entered the meeting.

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

At 5:06 p.m., Director Givens announced the Board will meet in executive session to deliberate the purchase, exchange, lease or value of real property.

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

At 6:16 p.m., Mr. Huml announced the Board will reconvene in open session.

14. Authorize Offer to Purchase Real Property

Director Hodges moved to authorize the negotiation and execution of a purchase and sale agreement for a certain tract of real property. Director Givens seconded the motion. Upon Director Rickel's request for a record vote on the motion, Directors Givens, Hodges, and Airola voted aye, Directors Rickel and Tucker voted nay, and Director Freels abstained. Thus, the motion passed by majority vote of three ayes and two nays.

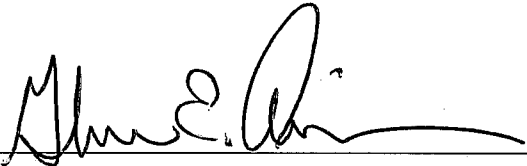
Director Airola then moved to authorize offers to purchase right-of-way dedication on two tracts of real property and drainage easements on two tracts of real

property. Director Freels seconded the motion, Director Hodges abstained, and the motion passed by a vote of five ayes and no nays.

15. Adjournment

There being no additional matters for the Board's consideration, the meeting was adjourned.

Approved:



Secretary, Board of Directors

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