

**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**

December 8, 2016

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 Thursday, December 8, 2016, 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, with the exception of Director Heins, thus constituting a quorum. Also present were Scott Bean, Linda Clayton and Elisa Rodriguez, all of Hawes Hill Calderon, LLC; 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; Laurie Rosenbaum and Karen Glynn, both with City of Bunker Hill; Kristin Blomquist, First Southwest; Muhammad Ali, LAN; Edward Conger, Klotz Associates; James Vick, SWA; Kay Haslam, Jim Shroff, Hugh Rawl, John Jackson, Donna Freedman, Nicole Durio, David Tresch, Bruce Nichols, Lois Myers, Ed Browne and Auggie Campbell. Chair Givens called the meeting to order at 8:01 a.m.

RECEIVE PUBLIC COMMENTS.

Kay Haslam discussed the LAN engineering design plan, and W153 draining of surface water and passing through one culvert. Bruce Nichols stated contrary to public comments at the last meeting there is nothing secret or underhanded about the TIRZ's efforts to extend reconstruction of Memorial Drive eastward to Gessner. He stated Frostwood supports the project to improve drainage and reduce flooding. Lois Myers discussed the lack of detention ponds. She stated the detention pond east of Costco was put in for the benefit of the developer. She further discussed the straws to be installed and flaws. She stated the need to require developers to put in their own detention under buildings. Ed Browne discussed the article regarding Houston and flooding in the Tribune, referencing the problems with development causing long term economic damage. Donna Freedman discussed a town hall meeting that was held in April of 2015 at the Memorial Middle School regarding the TIRZ proposal to improve Memorial Drive including storm water drainage and flooding.

APPROVE MINUTES OF NOVEMBER 10, 2016, REGULAR MEETING.

Upon a motion duly made by Director Rickel, and being seconded by Director Durham, the Board voted unanimously to approve the Minutes of the November 10, 2016, Board meeting, as presented.

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. Upon a motion duly made by Director Hodges, and being seconded by Director Durham, the Board voted unanimously to accept the Bookkeeper's Report and approved payment of invoices, as presented.

REPORT ON BOND REFUNDING.

Ms. Blomquist distributed a handout regarding the Pricing Summary for the Tax Increment Contract Revenue Refunding Bonds, Series 2016, a copy is attached as Exhibit A. She stated there was a gross savings just under \$1.7 million with an annual savings of approximately \$167,000. No action from the Board was required.

UPDATE FROM CHAIR ON CIP COMMITTEE.

Chair Givens provided an update and requested Director Durham to take her spot on the CIP Committee. The Committee board members would include Director Brad Freels, Director John Rickel and Director David Durham. She requested the Committee to begin meeting once-a-month and report back to the Board. Upon a motion duly made by Director Hodges, and being seconded by Chair Givens, the Board voted unanimously to appoint Director Durham to the CIP Committee.

CIP UPDATES:

a. Report from LAN on Town & Country, Memorial Drive, and Sub-Regional Detention Analysis.

Mr. Ali presented the Engineer's Report on current projects, included in the Board agenda materials. He reported they were currently working on a live water line conflict on the Four Points by Sheraton parking lot extension project. He stated a sub-regional detention analysis meeting with Flood Control was scheduled for December 20. He provided an update on the Memorial Drive Improvements and stated they are working on a proposed project schedule. He provided an update on the Town & Country Reconstruction project and stated once the right-of-way acquisition agreements were finalized they would be ready to advertise for bids. There was general discussion regarding TIP for call projects and timing for application. No action from the Board was required.

b. Consider Pay Estimate No. 1 for Four Points by Sheraton project from Corner Rock Construction in the amount of \$57,442.37.

Mr. Ali reviewed Pay Application No. 1 from Corner Rock Construction in the amount of \$57,442.37. He distributed a handout of Pay Application No. 2 from Corner Rock Construction in the amount of \$52,902.85, a copy is attached as Exhibit B. He reported LAN has reviewed both pay applications and the contractor has complied with all requirements and recommends approval for payment. Upon a motion

duly made by Director Rickel, and being seconded by Director Airola, the Board voted to (1) approve Pay Application No. 1 from Corner Rock Construction in the amount of \$57,442.37, as presented; and (2) approve Pay Application No. 2 from Corner Rock Construction in the amount of \$52,902.85, as presented. Director Freels abstained. The motion passed.

c. Report from Klotz Associates on W-140 and Straws.

Mr. Conger presented the Monthly Status Report for the Briar Branch W-140 Channel Improvements, Straws and Bunker Hill Bridge, included in the Board agenda materials, and answered questions. He stated they were working on the drainage impact plan to submit to Flood Control by end of the year. He stated the geotechnical work has been completed and anticipates receiving a report in the next two weeks. No action from the Board was required.

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; AND CONVENE IN EXECUTIVE SESSION PURSUANT TO SECTION 551.072, TEXAS GOVERNMENT CODE, TO DELIBERATE THE PURCHASE, EXCHANGE, LEASE OR VALUE OF REAL PROPERTY.

An executive session was called at 8:36 a.m.

RECONVENE IN OPEN SESSION AND AUTHORIZE APPROPRIATE ACTIONS REGARDING PRIVATE CONSULTATION WITH ATTORNEY; AND RECONVENE IN OPEN SESSION AND AUTHORIZE APPROPRIATE ACTIONS WITH REGARD TO PENDING OR CONTEMPLATED LITIGATION AND REGARDING THE PURCHASE, EXCHANGE, LEASE OR VALUE OF REAL PROPERTY.

The Board reconvened in open session at 9:12 a.m. No action was taken.

ADJOURNMENT.

There was general discussion regarding the next meeting to be scheduled January 24, 2016, at 8:00 a.m., subject to room availability.

There being no further business to come before the Board, Chair Givens adjourned the meeting at 9:14 a.m.



Secretary CHAIR GIVENS

List of Exhibits:

- A. Tax Increment Contract Revenue Refunding Bonds, Series 2016 – Price Summary
- B. Pay Application No. 2 from Corner Rock Construction in the amount of \$52,902.85

Memorial City Redevelopment Authority
 Tax Increment Reinvestment Zone No. 17
 Tax Increment Contract Revenue Refunding Bonds, Series 2016
 Pricing Summary

Bidder	Bid Rate	All-In Interest Cost
Trustmark National Bank	2.410%	2.695%
Regions Bank (a)	2.710%	3.003%
BBVA Compass Bank	2.830%	3.124%
First Tennessee Bank	2.890%	3.185%

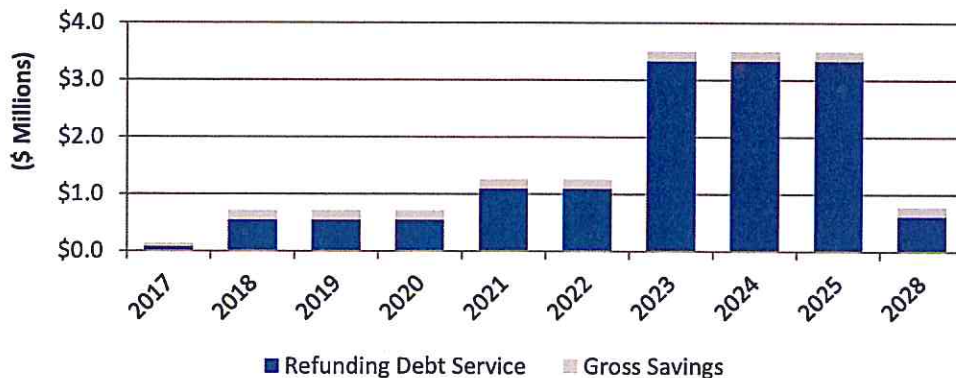
(a) Required an increased ABT to 1.35x

Refunding Statistics

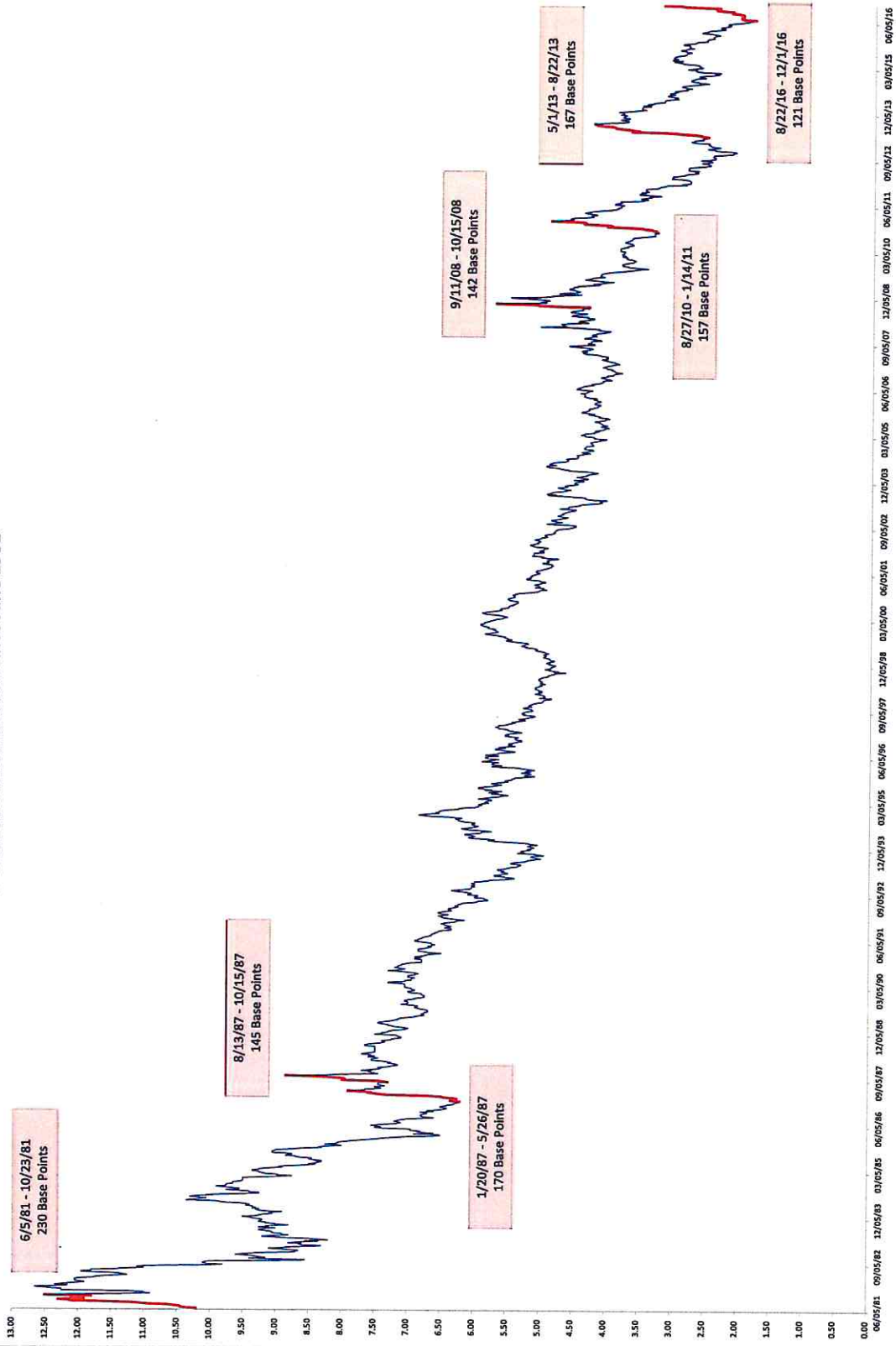
	10/24/2016 Meeting	11/22/2016 Final Numbers
Dated/Delivery Date	12/29/2016	12/22/2016
Par Amount	\$ 18,070,000	\$ 17,955,000
Gross Savings	1,841,707	1,841,707
Avg Annual Savings	153,476	167,428
Net Present Value (NPV) Savings	1,374,456	1,584,537
NPV % Savings	7.818%	9.006%
Interest Rate	2.450%	2.410%
All-In True Interest Cost	2.870%	2.695%
Avg Coupon of Refunded Bonds	4.023%	4.023%

Summary of Refunded Bonds	Total Par Amount	Maturities	Coupon
Tax Increment Contract Rev Bds Ser 2008	\$ 5,235,000	2020-2027	4.450%
Tax Increment Contract Rev Bds Ser 2011A	12,360,000	2022-2026	3.850%
	<u>\$ 17,595,000</u>		

Refunding Debt Service



7 Dramatic Rate Increases Since June 1981



— AAA GO 20-yr 06/03/1981 - 11/30/2016 Weekly —
Data Copyright © 2016 Thomson Reuters, Municipal Market Data - 800-367-8215

EX B



**Lockwood, Andrews
& Newnam, Inc.**
A LEO A DALY COMPANY

December 2, 2016

Scott Bean
Memorial City Redevelopment Authority
c/o Hawes Hill Calderon, LLP
PO Box 22167
Houston, Texas 77227-2167

Reference: Four Points by Sheraton
LAN Project No.: 120-11792-003
WBS No. N-T17000-0017-3
Corner Rock Construction, LLC Pay Est. No. 2

Dear Mr. Bean:

Corner Rock Construction, LLC has submitted estimate No. 2 in the amount of \$52,902.85 for work performed during the month of November, 2016

Based on our review, Corner Rock Construction, LLC has complied with all requirements stated in the estimate and we recommend payment of **\$52,902.85**.

The following billing information is to be used for payment:

Corner Rock Construction, LLC
2322 Eaglerock Dr.
Houston, TX 77080

If you have any questions or require additional information, please feel free to contact me at (713)266-6900.

Sincerely,

Muhammad Ali, P.E.
Project Manager

MA:rlb

Enclosures: Pay Est. No. 2



CORNER ROCK CONSTRUCTION LLC

December 2, 2016

Mr. Rick Butler
Lockwood, Andrews & Newnam, Inc.
2925 Briarpark Dr. Suite 400
Houston, TX 77042

Re: Four Points by Sheraton Parking Lot Project Pay Application #2 – 10655 Katy Fwy, Houston, TX 77024

Dear Rick,

Attached is our Pay Application #2 for the Four Points by Sheraton Parking Lot. I have attached the Schedule of Values, Document 00642 Certification of Payment to Subcontractors and Suppliers, and a Conditional Waiver and Release on Progress Payment. Please let us know if you need anything else in order to process this payment.

If you have any questions regarding this request, please contact me at 713-973-2924.

Sincerely,

Rosalie O. Brockman

Corner Rock Construction, LLC

Formerly Cornerstone Construction Group

A Woman and Minority Owned Business

ROSALIE@CRCLLC.BIZ

2322 Eaglerock Dr.
Houston, Texas 77080
Phone: 713.973.2924
Fax: 832.433.7225

Four Points by Sheraton Parking Lot Extension
 Project No: WBS No. N-117000-0017-3
 10655 Katy Freeway
 Houston, TX 77024

Owner:
 Memorial City Redevelopment Authority TIFZ17
 c/o LAN 2925 Briar Park Dr.
 Houston, TX 77042

Contractor:
 Corner Rock Construction, LLC
 2322 Eaglerock Dr.
 Houston, TX 77080

PAY APPLICATION #:

DATE:
 PERIOD THRU:

12/02/16
 12/01/16

Base Bid	Description of Work	Unit of Measure	Estimated Quantity	Unit Price	Contract Amount	Previous Quantities	Current Quantities	Quantities to Date	Current Amount	Amount to Date	% Completed	Remaining Units to Install	Dollar Amt Remaining
1	Mobilization	LS	1.00	\$20,775.00	\$20,775.00	0.50	0.00	0.50	\$0.00	\$10,387.50	50%	0.50	\$10,387.50
2	Traffic Control and Regulations	LS	1.00	\$1,000.00	\$1,000.00	1.00	0.00	1.00	\$0.00	\$1,000.00	100%	0.00	\$0.00
3	Tree Plant and Protection	LS	1.00	\$5,000.00	\$5,000.00	1.00	0.00	1.00	\$0.00	\$5,000.00	100%	0.00	\$0.00
4	Inlet Protection	EA	5.00	\$120.00	\$600.00	2.00	3.00	5.00	\$360.00	\$800.00	100%	0.00	\$0.00
5	Filter Fabric Fence	LF	180.00	\$7.80	\$1,501.00	180.00	0.00	180.00	\$0.00	\$1,501.00	100%	0.00	\$0.00
6	Clearing and Grubbing	AC	0.21	\$53,357.14	\$11,205.00	0.21	0.00	0.21	\$0.00	\$11,205.00	100%	0.00	\$0.00
7	Demolition	LS	1.00	\$32,095.00	\$32,095.00	0.97	0.03	1.00	\$882.85	\$32,095.00	100%	0.00	\$0.00
8	Site Restoration including Landscaping	LS	1.00	\$14,920.00	\$14,920.00	0.00	0.00	0.00	\$0.00	\$0.00	0%	0.00	\$0.00
9	Type C Manhole Complete in Place	EA	1.00	\$24,900.00	\$24,900.00	0.00	1.00	1.00	\$24,900.00	\$24,900.00	100%	0.00	\$0.00
10	12 in HDPE Storm Sewer Pipe, Complete in Place	LF	188.00	\$84.82	\$14,249.76	0.00	188.00	188.00	\$12,877.46	\$12,877.46	81%	15.00	\$1,272.30
11	Type A Inlets, Complete in Place	EA	3.00	\$4,413.33	\$13,239.99	0.00	3.00	3.00	\$13,239.99	\$13,239.99	100%	0.00	\$0.00
12	8 in Lime Stabilized Subgrade	SY	1,065.00	\$35.19	\$37,477.35	0.00	0.00	0.00	\$0.00	\$0.00	0%	1,065.00	\$37,477.35
13	4 in Hot Mix Asphalt Base Course, Complete in Place	SY	833.00	\$32.46	\$27,039.18	0.00	0.00	0.00	\$0.00	\$0.00	0%	833.00	\$27,039.18
14	2 in Asphaltic Concrete Pavement, Complete in Place	SY	833.00	\$20.85	\$17,368.05	0.00	0.00	0.00	\$0.00	\$0.00	0%	833.00	\$17,368.05
15	6 in Monolithic Concrete Curb and Gutter	LF	\$43.00	\$23.90	\$12,877.70	0.00	0.00	0.00	\$0.00	\$0.00	0%	543.00	\$12,877.70
16	Pavement	SY	88.00	\$45.19	\$4,428.62	0.00	0.00	0.00	\$0.00	\$0.00	0%	88.00	\$4,428.62
17	Milling Asphalt Pavement	SY	15.00	\$82.80	\$1,242.00	0.00	0.00	0.00	\$0.00	\$0.00	0%	15.00	\$1,242.00
18	Thermoplastic Pavement Markings	LS	1.00	\$2,700.00	\$2,700.00	0.00	0.00	0.00	\$0.00	\$0.00	0%	1.00	\$2,700.00
19	Wrought Iron Fence	LF	185.00	\$39.04	\$7,222.40	0.00	0.00	0.00	\$0.00	\$0.00	0%	185.00	\$7,222.40
20	Wrought Iron Gate	EA	1.00	\$877.50	\$877.50	0.00	0.00	0.00	\$0.00	\$0.00	0%	1.00	\$877.50
21	Pole Mounted Site Light Fixture	EA	1.00	\$2,800.00	\$2,800.00	0.00	0.00	0.00	\$0.00	\$0.00	0%	1.00	\$2,800.00
22	Concrete Foundation for Site Lighting Fixture	EA	1.00	\$3,003.20	\$3,003.20	0.00	0.00	0.00	\$0.00	\$0.00	0%	1.00	\$3,003.20
23	50A MCB Panelboard	EA	1.00	\$1,125.00	\$1,125.00	0.00	0.00	0.00	\$0.00	\$0.00	0%	1.00	\$1,125.00
24	1" Sched 40 PVC UG Conduit in Trench	LF	175.00	\$10.00	\$1,750.00	0.00	0.00	0.00	\$0.00	\$0.00	0%	175.00	\$1,750.00
25	3/4" EMT Conduit	LF	50.00	\$4.50	\$225.00	0.00	0.00	0.00	\$0.00	\$0.00	0%	50.00	\$225.00
26	#10 AWG Copper Conductors	LF	615.00	\$1.32	\$811.80	0.00	0.00	0.00	\$0.00	\$0.00	0%	615.00	\$811.80
27	#12 AWG Copper Conductors	LF	120.00	\$1.69	\$202.80	0.00	0.00	0.00	\$0.00	\$0.00	0%	120.00	\$202.80
	Total Original Contract				\$286,738.35								
28	CO#1 Tree Removal and New Trees	EA	1.00	\$5,446.93	\$5,446.93	0.00	0.60	0.60	\$3,246.91	\$3,246.91	60%	0.40	\$2,200.02
	Total of Change Orders				\$5,446.93								
	CONTRACT TOTALS				\$286,183.28				\$55,687.21	\$116,162.66			\$180,030.42

Conditional Waiver and Release on Progress Payment
(Pursuant to Texas Property Code §53.284(b))

Project: Four Points by Sheraton Parking Lot Extension

WBS No: N-T17000-0017-3

On receipt by the signer of this document of a check from Memorial City Redevelopment Authority (person with whom signer contracted) in the sum of \$ 52,902.85 payable to Corner Rock Construction LLC (payee or payees of check) and when the check has been properly endorsed and has been paid by the bank on which it is drawn, this document becomes effective to release any mechanic's lien right, any right arising from a payment bond that complies with a state or federal statute, any common law payment bond right, any claim for payment, and any rights under any similar ordinance, rule, or statute related to claim or payment rights for persons in the signer's position that the signer has on the property of Four Points by Sheraton (owner) located at 10655 Katy Freeway Houston, TX 77024 (location) to the following extent: Parking lot Extension - including but not limited to Demolition, Clearing & Grubbing, Lime Stabilization, Asphalt base & pavement, Electrical, Fencing, Painting, and Landscaping (job description).

This release covers a progress payment for all labor, services, equipment, or materials furnished to the property or to Memorial City Redevelopment Authority person with whom signer contracted) as indicated in the attached statement(s) or progress payment request(s), except for unpaid retention, pending modifications and changes, or other items furnished.

Before any recipient of this document relies on this document, the recipient should verify evidence of payment to the signer.

The signer warrants that the signer has already paid or will use the funds received from this progress payment to promptly pay in full all of the signer's laborers, subcontractors, materialmen, and suppliers for all work, materials, equipment, or services provided for or to the above referenced project in regard to the attached statement(s) or progress payment request(s).

Date 12/1/2016

Corner Rock Construction LLC (Company Name)

By [Signature] (Signature)

President (Title)

STATE OF Texas §

COUNTY OF Harris §

This instrument was ACKNOWLEDGED before me by Rosalie O Brockman (signer's name), as President (title) of Corner Rock Construction LLC (company) known to me to be the person whose name is subscribed to the foregoing instrument, who after being duly sworn acknowledged to me that the same was the act of Corner Rock Construction LLC (company) and that he/she executed same as an act of such company for the purposes and consideration stated therein.

Given under my hand and seal of office, this the 1 day of DECEMBER, 2016.



[Signature]
NOTARY PUBLIC STATE OF TEXAS

Document 00642

**CERTIFICATION OF PAYMENT
TO SUBCONTRACTORS AND SUPPLIERS**

The undersigned, Rosalie O Brockman, states that she is the President
Affiant Title
of Corner Rock Construction LLC
Contractor

and that she is duly authorized to execute this Certification of Payment to Subcontractors and Suppliers; that Contractor has made payments to Subcontractors and Suppliers for all labor, materials, equipment, and services furnished to date for Work on Project No. N-T17000-0017-3 in the amounts for which Contractor has been paid; that the labor, materials, equipment, and services covered by this Certificate of Payment have been furnished in accordance with and all in compliance with the Contract Documents; that no sums have been withheld by Contractor for Subcontractors and Suppliers as a result of any allegations of deficiencies in the Work; and that such payments were made in accordance with the Contract Documents and with the laws of the State of Texas.

[Handwritten Signature]
Affiant's Signature

SWORN AND SUBSCRIBED before me on 12/01/2016
Date

[Handwritten Signature]
Notary Public in and for the State of TEXAS



Rosalie O Brockman Tiffany Nicole Reyes
Print or type name

My Commission Expires: July 25, 2018
Expiration Date

END OF DOCUMENT