

MINUTES
HARRIS COUNTY IMPROVEMENT DISTRICT NO. 4

March 11, 2016

The Board of Directors (the "Board") of Harris County Improvement District No. 4 d/b/a The Energy Corridor District (the "District") met in regular session, open to the public, on the 11th day of March, 2016, at 14701 St. Mary's Lane, Suite 290, Houston, Texas, inside the boundaries of the District, and the roll was called of the members of the Board:

David W. Hightower	President
Robert Halick	Vice President
Steve West	Secretary
Brandon Kerr	Assistant Secretary
D. Bruce Fincher	Director
Peter Elgohary	Director
Peter D. Johnston	Director
Chuck Cervas	Director
Kmeal O. Winters	Director

and all of the above were present except Directors West, Cervas, and Winters, thus constituting a quorum.

Also present at the meeting were Clark Martinson, General Manager for the District; Ali Lamkahouan, Finance and Administration Manager for the District; Kelly Rector, Transportation Coordinator for the District; Robert Rayburn, Senior Project Manager for the District; Rachael Weaver, Community Relations Coordinator for the District; John Nuñez, Transportation Manager for the District; Fabiana Demarie, Urban Planning Associate for the District; Les Lee and Joshua Bowie of eSiteful; Michelle Lofton of ETI Bookkeeping Services; Darren Willis, Scott Saenger, and Erin Williford of Jones & Carter, Inc.; Mark Klein; Sergeant Phillip Bennett of Harris County Constable Precinct 5; Scott Barker and Ty Jacobsen of CDS Market Research; Randall Teller of Third Palm; and Jessica Holoubek and Kristen Hogan of Allen Boone Humphries Robinson LLP ("ABHR").

ESTABLISH A QUORUM AND CALL THE MEETING TO ORDER

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

MINUTES

The Board first considered the minutes of the January 20, 2016, special meeting

and the February 5, 2016, regular meeting. Following discussion and review, Director Elgohary moved to approve the minutes as submitted. The motion was seconded by Director Fincher and passed unanimously.

ASSESSMENT AND COLLECTION MATTERS AND STATUS OF HARRIS COUNTY APPRAISAL DISTRICT LAWSUITS

The Board reviewed the assessment collector's report for February, a copy of which is attached. The Board also reviewed a chart regarding the status of District assessment payers' lawsuits against the Harris County Appraisal District, a copy of which is attached. Following discussion and review, Director Fincher moved to accept the assessment collector's report. The motion was seconded by Director Halick and passed by unanimous vote.

FINANCIAL AND BOOKKEEPING MATTERS

Ms. Lofton reviewed the February cash management, capital funds and investment report, a copy of which is attached, and reviewed the bills presented for payment from the District's accounts. Following review and discussion, Director Halick moved to approve the bookkeeper's report and payment of the bills presented in the report. Director Johnston seconded the motion, which was approved by unanimous vote.

Ms. Holoubek reviewed the Public Funds Investment Act annual disclosure statements for Michelle Lofton as the District's bookkeeper and Kenneth Byrd as the District's investment officer.

Ms. Holoubek stated that the Public Funds Investment Act and the District's Investment Policy require that the District annually review its investment policy. She stated there are no recommended changes to the current investment policy and reviewed a Resolution Regarding Annual Review of Investment Policy.

Ms. Holoubek said the District is also required to annually review the list of qualified broker/dealers with whom the District may engage in investment transactions. She reviewed a Resolution Establishing Authorized Depository Institutions and Adopting List of Qualified Broker/Dealers with Whom the District May Engage in Investment Transactions and noted that the bookkeeper has provided an updated list of District depository institutions and broker/dealers with whom the District may engage in such transactions.

After discussion and review, Director Elgohary moved to (1) accept the annual disclosure statements for the bookkeeper and investment officer, (2) adopt the Resolution Regarding Annual Review of Investment Policy reflecting no changes to the current investment policy, and (3) adopt the Resolution Establishing the Authorized Depository Institutions and Adopting List of Qualified Broker/Dealers with Whom the

District May Engage in Investment Transactions. Director Kerr seconded the motion, which was approved by unanimous vote.

2016 YTD VARIANCE BUDGET

Mr. Lamkahouan reviewed the 2016 budget summary, a copy of which is attached.

CDS MARKET RESEARCH 2016 ECD LAND USE AND DEMOGRAPHICS REPORT PRESENTATION

Mr. Jacobson gave a presentation on the findings of the District's 2016 Land Use and Demographics Study.

ECD TRADEMARK LICENSING DISCUSSION

Mr. Bowie reported on a request from Starwood Hotels & Resorts Worldwide, Inc. to use 'Energy Corridor' in the name of a proposed hotel located outside of the District. He discussed the possibility of the Board establishing a policy for licensing the 'Energy Corridor' mark, noting the District's pending trademark application. Mr. Bowie said the District's trademark attorney, Greenberg Traurig, submitted a cost estimate of \$2,500 to prepare and negotiate a license agreement for companies requesting to use the 'Energy Corridor' mark in their name. Discussion ensued regarding a policy and license fee for use of the name within the boundaries of the District. The Board discussed differences between the District's legal boundaries and the Energy Corridor marketing area and the possibility of allowing in-District property owners to use the name without a fee. Mr. Lee said eSiteful is analyzing the extent of the use of 'Energy Corridor' in marketing efforts to determine the potential impact of a policy and enforcement. After discussion, the Board concurred for eSiteful to present an analysis at next month's meeting. The Board also concurred for Mr. Martinson to contact Starwood Hotels & Resorts Worldwide, Inc. to discuss possible annexation of its property into the District.

TIKON CHANGE ORDER FOR HELIOS WAY CROSSWALK

Mr. Rayburn discussed construction of the Grisby Road/Helios Way crosswalk and bus stop boarding platform by Tikon Group Inc. He discussed a proposed Change Order No. 1, which increases the total contract amount for adjustments to walks and ramps to meet ADA requirements. Mr. Rayburn said the increased contract amount should not exceed the original funding allocation of \$34,170.30 approved by the Board, which included a 20% contingency. Following discussion, the Board concurred to table consideration of Change Order No. 1, pending receipt of a Form 1295 from Tikon Group Inc.

PARK ROW COMPLETION PROJECT

Mr. Willis updated the Board on the Phase II Park Row Completion Project paving, bridge, and utility work. He presented and recommended approval of Pay Estimate No. 1 in the amount of \$576,989.68, payable to SER Construction Partners, LLC. After discussion, Director Fincher moved to approve Pay Estimate No. 1 in the amount of \$576,989.68, based on the engineer's recommendation. Director Halick seconded the motion, which passed unanimously.

Mr. Willis updated the Board on the improvements to the TRT Development Company surface parking lot. He discussed an invoice from the electrical company for electrical modifications.

Mr. Willis discussed proposals received from Ninyo & Moore for materials testing and observation services associated with the Phase II Park Row Completion Project paving, bridge, and utility work and the TRT Development Company parking lot improvements for estimated costs of \$180,956 and \$3,454, respectively. Following review and discussion, Director Fincher moved to approve a Service Agreement with Ninyo & Moore for the work contained in the two proposals. Director Johnston seconded the motion, which passed unanimously.

Mr. Willis next updated the Board on the Park Row Phase II Force Main project by Alcott, Inc. dba TCH, noting that the contractor should be completely remobilized within a week. He recommended that the District continue to hold payment of Pay Estimate No. 1 in the amount of \$192,686.24, pending complete remobilization by the contractor.

Ms. Holoubek discussed modifications to the terms of the District's Loan Agreement with the Houston Housing Finance Corporation ("HHFC") to convert the loan structure to a revolving line of credit. She reviewed a proposed Second Modification Agreement between the District and HHFC reflecting such modifications. Following review and discussion, Director Fincher moved to authorize execution of the Second Modification Agreement with HHFC. The motion was seconded by Director Johnston and carried, with Director Hightower abstaining from the vote.

Ms. Holoubek reviewed Tribal Cultural Technician Service Agreements between the District and The Mescalero Apache Tribe, The Coshatta Tribe, and The Alabama-Coshatta Tribe for members of such federally recognized Indian Tribes to participate in the investigation of the looters pits located in the vicinity of the District's Phase II Park Row Completion Project, pursuant to the Memorandum of Agreement between the District and the U.S. Army Corps of Engineers. After review and discussion, Director Halick moved to approve the Tribal Cultural Technician Service Agreements. Director Johnston seconded the motion, which passed unanimously.

The Board considered adopting a Resolution Authorizing Award of Construction Contract to document its prior award of the contract for Park Row, Phase II paving, bridge, and utility work to SER Construction Partners, LLC. Following review and discussion, Director Halick moved to adopt the Resolution Authorizing Award of Construction Contract reflecting the Board's ratification of the prior contract award for the Park Row, Phase II paving, bridge, and utility work. Director Fincher seconded the motion, which passed unanimously.

Mr. Lamkahouan discussed the reimbursement application to the City of Houston (the "City") for the Park Row Completion Project, pursuant to the Economic Development Agreement between the District and the City, as amended. He said the application will be submitted to the City prior to next month's meeting. Upon a motion made by Director Halick and seconded by Director Johnston, the Board voted unanimously to authorize payment of the application fee in connection with submittal of the reimbursement application to the City.

Mr. Lamkahouan distributed and reviewed a draw request letter for the HHFC loan for payment of expenses associated with the Phase II Park Row Completion Project. A copy of the draw request letter is attached. After review and discussion, Director Halick moved to authorize a draw request of up to \$690,903.04 for payment of the Phase II Park Row Completion Project expenses. Director Fincher seconded the motion, which passed unanimously.

IH 10 INTERSECTIONS ENHANCEMENT PROJECT

Mr. Martinson reported on bids received by the Texas Department of Transportation ("TxDOT") for the Interstate Highway 10 intersections enhancement project, noting the lowest bid was approximately 47% over budget. He discussed proposed plan revisions to be made by Jacobs to simplify and reduce the scope of the project, including elimination of two of the six intersections proposed for improvement. Mr. Martinson said the Advance Funding Agreement between the District and TxDOT also will be revised to reflect the plan revisions. He presented a proposal from Jacobs in the amount of \$32,220 to revise and resubmit the plans to TxDOT. After review and discussion, Director Johnston moved to (1) authorize TxDOT to reject the bids, (2) approve the proposal from Jacobs to revise the plans as discussed and submit the revised plans to TxDOT to re-bid the project, and (3) authorize preparation of an amendment to the Advance Funding Agreement to reflect the plan revisions. Director Halick seconded the motion, which passed unanimously.

KIMLEY HORN ROADWAY AND ENHANCEMENTS PROPOSAL FOR MEMORIAL/ELDRIDGE INTERSECTION

Ms. Demarie updated the Board on plans for enhancements and burial of overhead utilities at the Memorial Drive/Eldridge Parkway intersection to be

coordinated with the City's plans to reconstruct Turkey Creek Bridge and the intersection. She noted the Board's prior authorization for District staff to request a proposal from Kimley-Horn and Associates, Inc. ("Kimley-Horn") for design of intersection and traffic mitigation enhancements. Ms. Demarie reported on a meeting of District staff, City representatives, and representatives of Binkley & Barfield, Civiltech and Kimley-Horn to review schedules and scope for the design and construction of the intersection enhancements. She then reviewed a proposal from Kimley-Horn to coordinate with the various parties on the scope and schedule of the District's proposed intersection enhancements for a cost not to exceed \$12,000, based on actual time and materials. Ms. Demarie added that an additional proposal for design services will be requested from Kimley-Horn in the future once the scope and schedule are better defined. After review and discussion, Director Halick moved to approve the proposal from Kimley-Horn for a cost not to exceed \$12,000. Director Fincher seconded the motion, which passed unanimously.

THE ENERGY CORRIDOR DISTRICT TRANSIT PLAN

Mr. Nuñez updated the Board on coordination with Fort Bend County Transit regarding the proposed transit commuter service. He discussed complications associated with the completion of a commuter park and ride lot, which will delay the proposed new transit service until early 2018 at the soonest. Mr. Nuñez said District staff is looking into other transportation options.

ADDITIONAL SERVICES PROPOSAL FROM HDR FOR THE ENERGY CORRIDOR TRANSIT PLAN

Mr. Nuñez discussed the transportation implementation plan previously prepared by HDR, which included a proposed transit circulator to provide commuter services to the District. He discussed additional transit routes and connections evaluated by District staff to be implemented along with a transit circulator, which would require coordination with METRO to determine the feasibility of altering and/or extending METRO routes. Mr. Nuñez then presented a proposed amendment to the District's contract with HDR for HDR to evaluate additional transit options to begin in 2017 and connect to and complement the District's circulator transit service, coordinate with METRO on route alterations, determine incremental costs, and identify funding sources. After review and discussion, Director Halick moved to approve the proposal from HDR for a cost not to exceed \$25,000. Director Fincher seconded the motion, which passed unanimously.

CITY OF HOUSTON DISTRICT A AND DISTRICT G 2017-2021 CIP MEETINGS

Mr. Martinson reported on presentations made by District staff at recent CIP meetings of Council Districts A and G. He also reported on compliments received by Ms. Rector for her presentation at the Council District A meeting.

CMAQ CAR SHARE PROGRAM UPDATE

Ms. Rector reported on the CMAQ Car Share grant program, including marketing efforts and ongoing discussions with the Houston-Galveston Area Council regarding an extension of the contract for Enterprise CarShare through the end of 2016.

THE ENERGY CORRIDOR DISTRICT COMMUNICATIONS TEAM UPDATE

The Board reviewed a report on public relations outreach efforts. Mr. Klein reported on recent media coverage of the District.

BISNOW FUTURE OF THE ENERGY CORRIDOR MARCH 30, 2016

Mr. Martinson discussed plans for the upcoming BisNow "Future of the Energy Corridor" event scheduled for March 30, 2016, at Enclave Place. He encouraged attendance.

THE ENERGY CORRIDOR OCTOBER 2016 CIGNA SUNDAY STREETS EVENT ON ELDRIDGE PARKWAY

Ms. Rector reported on a meeting with City representatives regarding a proposed Cigna Sunday Streets event in the Energy Corridor in October, which is being organized by the Mayor's Office of Special Events and Cigna. She said the initiative involves closing certain streets to vehicular traffic and encouraging biking, walking, dancing and socializing activities within such streets for several hours on Sundays to promote health and physical activity. Ms. Rector said the District's role is to promote the event to businesses and residents along the proposed route and encourage participation by "activating" parking areas and open spaces.

HARRIS COUNTY CONSTABLE PRECINCT 5 DEPUTY PATROL PROGRAM

Sergeant Bennett reported on patrol services in the District.

GENERAL MANAGER'S REPORT

Ms. Demarie reported on a recent meeting with the Texas A&M University Urban Planning and Landscape Architecture Studio to participate in the preliminary presentation of the St. Mary's Neighborhood Streetscape and Master Plan. She said the final presentation will be made at the District's office on May 6, 2016.

Mr. Martinson gave an update on annexation efforts.

Mr. Martinson discussed the City's proposed comprehensive bike plan and comments to be provided to the City. He recommended that the Board consider adopting a Resolution in support of such plan. Upon a motion made by Director Kerr

and seconded by Director Halick, the Board voted unanimously to adopt the Resolution supporting the City's comprehensive bike plan.

NEXT MEETING

The Board discussed next month's meeting date and concurred to hold the next regular Board meeting on April 15, 2016, subject to confirming a quorum.

ADJOURN

There being no further business to come before the Board, Director Kerr moved to adjourn the meeting. Director Halick seconded the motion, which was unanimously approved.



Secretary, Board of Directors



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