

MINUTES
HARRIS COUNTY IMPROVEMENT DISTRICT NO. 4

July 17, 2015

The Board of Directors (the "Board") of Harris County Improvement District No. 4 d/b/a The Energy Corridor Management District (the "District") met in regular session, open to the public, on the 17th day of July, 2015, 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
Steve Moskowitz	Assistant Secretary
D. Bruce Fincher	Director
Sean Tackett	Director
Peter D. Johnston	Director
Chuck Cervas	Director
Kmeal O. Winters	Director

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

Also present at the meeting were Clark Martinson, General Manager for the District; Katherine Wallace, Finance and Economic Development Manager for the District; Kelly Rector, Transportation Coordinator for the District; Rachael Weaver, Community Relations Coordinator for the District; John Nuñez, Transportation Manager for the District; Robert Rayburn, Senior Project Manager for the District; Fabiana Demarie, Urban Planning Associate for the District; Scott Barker of HDR, Inc.; Joshua Bowie and Les Lee of eSiteful; Pat Hall of Equi-Tax, Inc.; Darren Willis, Scott Saenger, and Erin Williford of Jones & Carter, Inc.; Farzine Hakimi and Chad St. John of Jacobs; Mark Klein; Randy Schulze, Brian Brown, and Lee Anne Dixon of Walter P. Moore; Tony Garza of SBC Builders; Mark Sappington of Cobb, Fendley & Associates, Inc.; Paige Chiang; and Jessica Holoubek, Kristen Hogan, Sean Abbott, and Trey Lary (via videoconference) of Allen Boone Humphries Robinson LLP.

2015 YTD VARIANCE BUDGET AND MID-YEAR BUDGET REVISIONS

Ms. Wallace distributed and reviewed the year-to-date budget summary, a copy of which is attached. She next distributed and reviewed a variance budget summary and mid-year budget summary, copies of which are attached.

ECD TRADEMARKS UPDATE

Mr. Bowie updated the Board on the status of preparation of trademark applications by Greenberg Taurig, LLP for trademark of *The Energy Corridor*, *The Energy Corridor District*, *Where Energy Moves*, and *EnergyFest*. He said the applications are complete and ready for submittal to the U.S. Patent and Trademark Office. Mr. Bowie discussed the benefits of the trademarks in connection with the District's branding and marketing program.

FORTSMITH STREET WOONERF RIBBON CUTTING CELEBRATION

Mr. Klein reported on the success of the Fortsmith Street Woonerf project, which functions as a green space park and assists with parking needs in Grisby Square. He discussed plans for a ribbon cutting event to celebrate the accomplishment of the project.

IH 10 INTERSECTIONS ENHANCEMENT PROJECT PRESENTATION BY JACOBS

Mr. Hakimi gave a presentation of the plans prepared by Jacobs for the IH 10 intersections enhancement project. He said the 90% drawings will be submitted to the Texas Department of Transportation ("TxDOT") for approval, with the Board's authorization. The Board discussed concerns about decreasing the turning radii of the intersections, which were designed to improve traffic flow. Directors Halick and Fincher expressed opposition to any plans that negatively impact vehicular traffic flow. The Board concurred, however, that it is in favor of the design and concepts developed by Jacobs if the plans could be implemented without impeding traffic flow by decreasing the turning radii at the intersections. After discussion, the Board concurred for Mr. Schulze to conduct a traffic model analysis to determine any significant impact on vehicular traffic flow.

Director Moskowitz entered the meeting.

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 June 12, 2015, regular meeting. Following discussion and review, Director Halick moved to approve the minutes as submitted. The motion was seconded by Director Moskowitz and passed unanimously.

RESIGNATION OF DIRECTOR TACKETT AND APPOINTMENT OF PETER ELGOHARY TO POSITION 1

Mr. Martinson stated that Director Tackett has submitted his resignation from the Board. He stated that Peter Elgohary has been recommended as his replacement. After discussion, Director Fincher moved to accept the resignation of Director Tackett, appoint Peter Elgohary to the Board, accept the Sworn Statement, Official Bond, and Oath of Office of Peter Elgohary, and authorize execution and filing of an updated District Registration Form reflecting the new director. Director Moskowitz seconded the motion, which passed unanimously.

Ms. Holoubek reviewed Open Meeting Act and Public Information Act training requirements and Conflict of Interest Disclosure matters with the Board.

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

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

FINANCIAL AND BOOKKEEPING MATTERS

Ms. Hall reviewed the June 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 Fincher moved to approve the bookkeeper's report and payment of the bills presented in the report. Director Halick seconded the motion, which was approved by unanimous vote.

ECD TRADEMARKS UPDATE, continued

After discussion and upon a motion made by Director Halick and seconded by Director Fincher, the Board voted unanimously to authorize submittal of the trademark applications discussed by Mr. Bowie.

ADOPT ENERGY CORRIDOR MASTER PLAN AND ENGAGEMENT PROCESS

Mr. Martinson reported that the Master Plan is complete and printed. Ms. Demarie discussed plans for public events to present projects included in the Master Plan. Upon a motion made by Director Halick and seconded by Director Moskowitz, the Board voted unanimously to adopt the Master Plan as the District's guiding vision.

ECD DISTRICT-WIDE TRAFFIC IMPACT ANALYSIS UPDATE

Mr. Brown gave a presentation on a District-wide traffic impact analysis model that could be conducted by Walter P. Moore.

PARK ROW COMPLETION PROJECT

Mr. Willis reported that the City of Houston accepted in writing the Park Row utility, drainage and paving improvements from SH-6 to Eldridge – Phase I project. He said, therefore, that final payment may be released to Menade, Inc.

Mr. Willis presented and recommended approval of Pay Estimate No. 2 and Final in the amount of \$3,155, to TJ & T Enterprises, Inc. for installation of electrical conduit and pull boxes for Park Row - Phase I.

Mr. Willis said the lots that were cleared for Park Row – Phase II have become overgrown due to recent rains. He said the clearing contractor submitted a proposal for monthly mowing until the roadway work begins for a cost of \$1,125 per month and one-time bamboo removal for a cost of \$3,000.

Mr. Willis said the improvements to the TRT Development Company surface parking lot are on hold pending completion of electrical work. He said J&C is bidding the electrical work since the previous contractor was unable to obtain the required bonds for the project.

Mr. Willis reported on bids received for Park Row – Phase II bridge construction and paving. He said he is working with the Board and District staff to evaluate the bids and alternative options, including re-bidding the projects.

Mr. Willis reported on bids received for the Phase II Force Main project. He said the low bidder, Huff & Mitchell, was unable to provide documentation indicating their ability to complete the project in accordance with the specifications. Mr. Willis reviewed a recommendation of award letter reflecting J&C's recommendation that the contract be awarded to the second lowest bidder, Alcott, Inc. dba TCH ("Alcott"), in the amount of \$692,650, subject to approval of the contractor's construction bonds and insurance. The Board concurred that, in its judgment, Alcott was a responsible bidder whose bid would result in the best and most economical completion of the District's project.

Mr. Willis discussed a request from Alcott, the Phase II Force Main contractor, for the District to consider purchasing the materials for the project now due to the lead time. Ms. Holoubek discussed the proposed letter of intent between the District and Alcott reflecting that the District will pay for the purchase price of the materials to be stored on behalf of the District until construction begins.

Mr. Willis discussed additional testing-related services required by the U.S. Army Corps of Engineers ("USACE") in connection with the Park Row - Phase II Force Main project. He presented a proposal from Terracon in the amount of \$1,000 to perform the additional services.

Ms. Wallace reviewed the monthly expenses associated with Phase II Park Row Completion Project totaling \$14,575 to be paid from capital funds. Following review and discussion, Director Moskowitz moved to approve the monthly expenses associated with the Phase II Park Row Completion Project. Director Fincher seconded the motion, which passed unanimously.

After review and discussion, Director Fincher moved to take the following actions, based on the engineer's recommendation: (1) approve Pay Estimate No. 2 and Final in the amount of \$3,155, to TJ & T Enterprises, Inc. for installation of electrical conduit and pull boxes for Park Row - Phase I; and (2) approve the proposal from the clearing contractor for monthly mowing of the previously cleared lots for Park Row - Phase II for a cost of \$1,125 per month and one-time bamboo removal for a cost of \$3,000. Director Moskowitz seconded the motion, which passed unanimously.

Upon a motion made by Director Halick and seconded by Director Fincher, the Board voted unanimously to authorize J&C to bid the electrical utilities for the TRT Development Company parking lot, based on the engineer's recommendation.

Upon a motion made by Director Fincher and seconded by Director Moskowitz, the Board voted unanimously to authorize J&C to re-bid the Park Row - Phase II bridge construction and paving, based on the engineer's recommendation.

Following discussion and based upon the engineer's recommendation, Director Fincher moved to award the contract for construction of the Park Row - Phase II Force Main to Alcott in the amount of \$692,650, pending approval of the contractor's construction bonds and insurance, and adopt a Resolution Authorizing Award of Construction Contract reflecting the award. Director Halick seconded the motion, which passed unanimously.

Upon a motion made by Director Halick and seconded by Director Fincher, the Board voted unanimously to authorize execution of the letter of intent between the District and Alcott regarding the purchase of materials for construction of the Park Row - Phase II Force Main, based on the discussion outlined above.

Director Fincher then made a motion to approve the proposal from Terracon in the amount of \$1,000 for additional testing-related services in connection with the Park Row - Phase II Force Main project, based on the engineer's recommendation. Director Moskowitz seconded the motion, which passed unanimously.

Director Hightower updated the Board on the status of various agreements and permits required by USACE in connection with permitting for Phase II of the Park Row Completion Project. Ms. Holoubek reported on the status of the license agreement to access the property for construction work, which will eventually be conveyed to the City of Houston.

Ms. Holoubek then reminded the Board of pending land exchange between Central Park West, L.P. ("CPW") and ConocoPhillips Company ("Conoco"), whereby CPW will acquire property from Conoco and convey the right-of-way contained therein to the District for Phase II of the Park Row Completion Project. She said the deeds are being held in escrow, pending the District's receipt of all necessary approvals, permits, and licenses from USACE for Phase II of the Park Row Completion Project. Ms. Holoubek reported on discussions with Conoco regarding the possible release and recordation of the land exchange deeds from escrow prior to receipt of the final approvals from USACE in order to avoid construction delays. She said if Conoco is not willing to release the deed for recordation prior to receipt of the final approvals USACE, the District and Conoco may enter into a right of entry and temporary construction agreement to allow the District to proceed with construction. After discussion, Director Fincher moved to authorize acceptance and execution of the right-of-way deed from CPW upon completion of the land exchange and, if the land exchange is not completed prior to receipt of the final approvals from USACE, to authorize execution of a right of entry and temporary construction agreement with Conoco. Director Halick seconded the motion, which passed unanimously.

MEMORIAL/ELDRIDGE INTERSECTION DUCTBANK AND ENHANCEMENTS

Mr. Martinson discussed the City's Memorial Drive Reconstruction Project, which is scheduled to begin soon. He discussed the possibility of the District coordinating with the City to bury overhead utilities at the Memorial Drive/Eldridge Parkway intersection during the City's reconstruction of such intersection, noting that burying of overhead utilities is a project included in the District's Electrical Grid Master Planning Report from 2013. Mr. Martinson reported on meetings with the City and CenterPoint Energy regarding the matter. He also discussed a meeting with representatives of Binkley Barfield Engineers, an engineering firm recommended for design of the manholes and duct bank. Mr. Martinson reviewed a proposal from Binkley Barfield Engineers to design manholes, 500 feet of duct bank, and terminal poles to be installed below the future intersection and connect to existing transformers, in lieu of removing all overhead lines and poles. He said the proposal reflects a total estimated cost of \$63,000 to be paid over three years, which includes preliminary engineering and surveying for \$11,500, design phase and subsurface engineering for \$40,000 and construction management for \$12,000. Mr. Martinson added that the design must be submitted to the City by February 2016. He then responded to questions from the Board regarding construction cost estimates. In response to

additional questions from the Board, Ms. Holoubek discussed Memorial Management District's overhead utility burial program whereby property owners complete the overhead utility burial and enter into an agreement with the District for partial reimbursement following completion. Discussion ensued. After discussion and upon a motion made by Director Moskowitz and seconded by Director Fincher, the Board voted unanimously to authorize Binkley Barfield Engineers to perform preliminary engineering and surveying work for an estimated cost of \$11,500. The Board concurred to consider authorizing any additional action once the preliminary design work is complete.

ECD TRANSIT PLAN UPDATE

Mr. Nuñez updated the Board on the status of the District transit plan. He reported on efforts by HDR and District staff to consider alternatives after failing to reach an agreement with METRO to use the Addicks Park & Ride lot for the District's transit project. Mr. Nuñez said the recommended alternative route plan, which would be an interim step pending METRO's evaluation of its new bus service implementation, provides for two commuter routes from Katy that would also serve as circulator buses within the District. Mr. Nuñez also discussed the Cypress/Highway 290 and Fort Bend County/Fulshear commuter services included in the transit plan report recently presented to the Board by HDR, which would be completed in phases following implementation of the Katy route. He stated that District staff is in the process of preparing a preliminary grant application for review by the Houston-Galveston Area Council. He recommended that the Board consider approving the interim alternate Katy route plan and authorizing District staff to include all three route plans in the preliminary grant application. Mr. Nuñez added that submittal of a preliminary grant application does not commit the District to further action. After discussion, Director Moskowitz moved to approve the alternate Katy route plan and authorize District staff to include all three route plans in the preliminary grant application being prepared for review by HGAC. Director Fincher seconded the motion, which passed unanimously.

Director Hightower left the meeting.

ECD CAR SHARE PROGRAM CMAQ GRANT

Ms. Rector reported on the CMAQ Car Share grant program. She responded to questions regarding membership and use of the program and efforts to add new locations.

GENERAL MANAGER'S REPORT

Mr. Martinson reported that "thank you" letters were mailed to property owners who submitted service plan petitions with an invitation to meet with the District's

General Manager and receive a copy of the District's Master Plan. He distributed copies of the Master Plan to the Board members and consultants.

HOUSTON POLICE DEPARTMENT AND NEIGHBORHOOD PROTECTION AND CODE ENFORCEMENT UPDATE

Ms. Wallace discussed the District's security patrols, neighborhood protection, and code enforcement.

LEGISLATIVE UPDATE

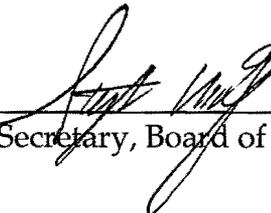
Mr. Lary joined the meeting via videoconference and reviewed a report prepared by ABHR regarding legislative matters pertaining to the 84th Regular Session of the Texas Legislature.

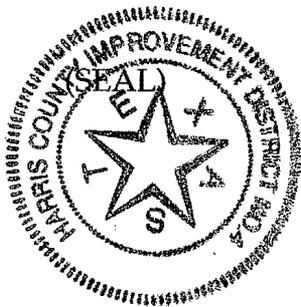
NEXT MEETING

The Board discussed next month's meeting date and concurred to hold the next regular Board meeting on August 14, 2015, subject to confirming a quorum.

ADJOURN

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


Asst. Secretary, Board of Directors



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