

MINUTES  
HARRIS COUNTY IMPROVEMENT DISTRICT NO. 4

November 9, 2018

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 9th day of November, 2018, at 777 Eldridge Parkway, Suite 270, 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
Brandon Kerr	Assistant Secretary
D. Bruce Fincher	Secretary
Peter Elgohary	Director
Peter D. Johnston	Director
Tom Halaska	Director
Peter Lee	Director
David L. Lane	Director

and all of the above were present except Directors Lane, Halick, Kerr and Johnston, thus constituting a quorum.

Also present at the meeting were Ali Lamkahouan, Controller for the District; Fabiana Demarie, Urban Planner for the District; Robert Rayburn, Landscape Architect for the District; Rachael Weaver, Community Relations Coordinator for the District; Michelle Lofton of ETI Bookkeeping Services; Pat Hall of Equi-Tax, Inc.; Scott Saenger and Kristen Hennings of Jones & Carter, Inc.; Sue Darcy and Alan Mueller of Marsh Darcy Partners, Inc.; Sergeant Phillip Bennett of Harris County Constable Precinct 5; and Jessica Carr and Nikole Cales of Allen Boone Humphries Robinson LLP.

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 considered the minutes of the October 12, 2018, regular meeting and the October 25, 2018, special meeting. Following discussion and review, Director Halaska 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

Ms. Hall reviewed the assessment collector's report for October with the Board. She then reviewed a chart regarding the status of District assessment payers' lawsuits against the Harris County Appraisal District. Following discussion and review, Director Halaska moved to accept the assessment collector's report. The motion was seconded by Director Elgohary and passed by unanimous vote.

FINANCIAL AND BOOKKEEPING MATTERS

Ms. Lofton reviewed the October financial report with the Board, including the bills presented for payment from the District's accounts. She discussed plans to move District funds from Wells Fargo Bank to Compass Bank to avoid additional fees imposed by Wells Fargo for certain transactions. Following review and discussion, Director Halaska moved to approve the bookkeeper's report and payment of the bills presented in the report. Director Lee seconded the motion, which was approved by unanimous vote.

APPROVE DEPOSITORY PLEDGE AGREEMENT WITH COMPASS BANK

Mr. Carr stated the District's bookkeeper requested a new account to be opened at Compass Bank and reviewed a Depository Pledge Agreement between the District and Compass Bank with the Board. After review and discussion, Director Elgohary moved to approve the Depository Pledge Agreement with Compass Bank and direct that the Depository Pledge Agreement be filed appropriately and retained in the District's official records. Director Lee seconded the motion, which carried unanimously.

ACCEPT HEARING EXAMINER'S REPORT REGARDING SUPPLEMENTAL ASSESSMENT ROLL

Mr. Carr stated Director Halick served as the Hearing Examiner at the District's supplemental assessment hearing, held on October 31, 2018. She stated that two property owners attended the hearing. Ms. Carr reviewed the Hearing Examiner's Report and Proposal for Decision ("Hearing Examiner's Report"), which recommends that the Board (a) supplement its assessment roll to add the new construction as shown on the supplemental assessment roll, (b) levy assessments in accordance with the values of the HCAD, and (c) continue to follow the Order Granting Petitions dated September 22, 2006.

Following discussion, Director Halaska made a motion to accept the Hearing Examiner's Report. The motion was seconded by Director Fincher and carried unanimously.

## COMMENTS FROM THE PUBLIC REGARDING SUPPLEMENTAL ASSESSMENT ROLL

There were no comments from the public regarding the supplemental assessment roll.

## ORDER SUPPLEMENTING ASSESSMENT ROLL; LEVYING ASSESSMENTS; AND SETTING RATE OF ASSESSMENT FOR THE YEAR 2018

Ms. Carr reviewed the Order Supplementing the Assessment Roll; Levying Assessments Against the Property on the Supplemental Assessment Roll for the Remainder of the Ten-Year Period; and Setting the Rate of Assessment for the Year 2018 (the "Order"). She stated that the Order adopts the findings from the Hearing Examiner's Report. Following review and discussion, Director Halaska made a motion to adopt the Order. Director Fincher seconded the motion, which carried unanimously.

## AMENDMENT TO INFORMATION FORM

Ms. Carr stated that the District's Amendment to Information Form will be updated to reflect the 2018 assessment rate. Following discussion, Director Halaska made a motion to authorize execution of the Amendment to Information Form. Director Fincher seconded the motion, and it passed by unanimous vote.

## PARK ROW COMPLETION PROJECT

Ms. Hennings updated the Board on the Langham Creek bank restoration project. She said they are working with the U.S. Corps of Engineers to obtain final plan approval prior to advertising the project for bids.

Ms. Hennings then updated the Board on the pedestrian lighting restoration work under the Park Row bridge by Pfeiffer & Son, Ltd.

Mr. Lamkahouan next updated the Board on coordination with the City regarding calculations of expenses and reimbursements associated with the Park Row Phase II completion project, pursuant to the Economic Development Agreement between the District and the City. He said the City indicated that the District should receive payment in the next two weeks.

Director Elgohary noted payments for the Kimley-Horn contract have exceeded the initial contract amount of \$138,000, with current payments totaling approximately \$170,000. Ms. Demarie stated a new traffic control plan was required which resulted in the need for additional coordination between parties causing the estimated hour allotment to be exceeded. Director Elgohary requested an amendment to the contract be considered at the next meeting, which would include a not to exceed amount as determined by the Board.

## ECD VARIANCE BUDGET

Mr. Lamkahouan reviewed the 2018 budget/forecast summary with the Board.

Mr. Lamkahouan reported on 2019 budget meetings held on Wednesdays and invited any interested Board members to attend. He noted some items detailed in the 2018 budget will be shifted to the 2019 budget due to delays in the approval process.

## COMPENSATION COMMITTEE

The Board discussed the compensation committee and concurred to appoint Directors Elgohary, Halick and Fincher to the committee.

## ECD PUBLIC SAFETY

Sergeant Bennett updated the Board regarding security matters in the District and reviewed the report on October patrols and activity.

## PLANNING

### UPDATE REGARDING REQUEST FOR QUALIFICATIONS FOR LANGHAM PARK MASTER PLAN

Mr. Rayburn updated the Board regarding the request for qualifications for the development of a signature/destination park within the District on Langham Creek. Director Hightower requested Mr. Rayburn issue an addendum to remove lighting from the area south of Park Row and west of Langham Creek.

### LIBRARY POCKET PARK

Ms. Demarie updated the Board regarding the installation of a fence on library property that borders private residences for the library pocket park. She noted that some property owners encroached on public right-of-way property, which the District would like to include in the pocket park. Ms. Demarie stated one property has not been renovated since Hurricane Harvey and she proposed a general clean-up of the area owned by the District prior to the fence installation.

Ms. Demarie stated one property owner residing at 15103 Camel Back Court is opposed to the District reclaiming the public property on which the resident encroached upon. She then reviewed a request from the homeowner to purchase the property from the City of Houston. Ms. Demarie stated if the homeowner does purchase the property it will change the pocket park configuration and reviewed a proposed revised park plan. Discussion ensued regarding the three requirements outlined in the homeowner's letter allowing the purchase of the property, some of which the Board concurred the homeowner does not meet. After discussion, the Board directed Ms. Demarie to contact the City of Houston to notify them the Board does not

believe the homeowner meets the necessary requirements to legally purchase the property in question, but agreed the Board would not pursue additional remedies to prevent the homeowner from legally purchasing and obtaining the property. It was noted the approval process for this type of acquisition takes approximately six months.

Discussion ensued regarding the possibility of approaching Bank of America regarding acquiring some of their property for additional park space.

Ms. Demarie then presented and reviewed a proposal to the install the fence for the library pocket park in the amount of \$6,452.49 from Houston Fence Company. After review and discussion, Director Halaska moved to approve the proposal. Director Fincher seconded the motion, which passed unanimously.

#### CONSTRUCTION PROJECTS UPDATE

The Board requested Ms. Demarie or District staff send notifications for the overall construction plan as well as each phase of the project, so impacted property owners within the District can notify staff and clients of the traffic pattern changes.

#### MEMORIAL DRIVE AND ELDRIDGE PARKWAY INTERSECTION UPDATE

Ms. Demarie reported that the City approved the change order to add the Memorial Drive/Eldridge Parkway intersection improvements to the City's construction contract for Memorial Drive improvements. She updated the Board regarding the new project schedule from the City and discussed coordination required between the City and District traffic control consultants. Ms. Demarie reported the project was advertised, the pre-bid meeting was held and bids are expected November 20, 2018. She stated the amount is expected not to exceed \$868,000 and requested authorization for District staff to select a contractor based on the not to exceed amount and contingent upon ABHR's contract review and approval. After discussion, the Board authorized District staff to issue Notice of Low Bidder, declined authorization for the District staff to award the contract and concurred the Board will consider awarding the contract at the December 7, 2018 Board of Directors meeting.

#### TxDOT IH-10 ENHANCEMENT FINANCIAL RECONCILIATION

Mr. Lamkahouan updated the Board regarding the TxDOT IH-10 Enhancement project and the financial reconciliation of the same. He noted the final estimate was less than the original estimate which means the District paid for more than it's agreed upon share of the costs. Mr. Lamkahouan stated TxDOT is currently working to refund the District in an approximate amount of \$171,694.

#### TRANSPORTATION UPDATE

### TRANSIT SURVEY UPDATE

Mr. Lamkahouan discussed a survey sent to various property owners in the District regarding transportation needs in the District. He stated he is still waiting on responses before compiling and presenting the information.

### COMMUNITY OUTREACH UPDATE

#### JINGLE ALL THE 5K

The Board discussed the Jingle All The 5K, 10K, 1K that is scheduled for December 1, 2018.

#### HOLIDAY PARTY

The Board noted the District's annual holiday party to be held on December 5, 2018, from 4:00 p.m. to 7:00 p.m. at Top Golf. She stated invitations will be sent shortly.

#### ENERGY CORRIDOR MERRY MARKET

The Board discussed the Energy Corridor Merry Market, which will be held December 1, 2018 from 10:00 a.m. to 2:00 p.m.

### CONVENE IN EXECUTIVE SESSION PURSUANT TO SECTION 551.074, TEXAS GOVERNMENT CODE, TO DELIBERATE THE APPOINTMENT, EMPLOYMENT, EVALUATION, REASSIGNMENT, DUTIES, DISCIPLINE, OR DISMISSAL OF A DISTRICT EMPLOYEE

At 9:45 a.m., Director Hightower announced that the Board would convene in executive session. Ms. Darcy and Mr. Mueller entered the meeting and all other attendees left the meeting except for the Board members, Ms. Carr and Ms. Cales.

### RECONVENE IN OPEN SESSION AND AUTHORIZE APPROPRIATE ACTION

At 10:02 a.m., Director Hightower announced that the Board would reconvene in open session. No action was taken upon reconvening in open session.

### NEXT MEETING

The Board noted the next regular meeting will be held on December 7, 2018.

### ADJOURN

There being no further business to come before the Board, the meeting was adjourned.

(SEAL)

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Secretary, Board of Directors