

MINUTES
HARRIS COUNTY IMPROVEMENT DISTRICT NO. 4

December 13, 2013

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 13th day of December, 2013, 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
Debbie Fujimoto	Director

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

Also present at the meeting were Clark Martinson, General Manager for the District; Robert Rayburn, Landscape Architect for the District; Katherine Wallace, Finance and Economic Development Manager for the District; Rachael Weaver, Community Relations Coordinator for the District; John Nuñez, Transportation Manager for the District; Kelly Rector, District intern; Christi Todd, CPA; Les Lee and Joshua Bowie of eSiteful; Mark Klein; Pat Hall of Equi-Tax, Inc.; Michelle Lofton of ETI Bookkeeping Services; Julia McCain of McCall Gibson Swedlund Barfoot PLLC; Darren Willis of Jones & Carter, Inc.; and Jessica Holoubek and Susan Hostetler 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 November 15, 2013, regular meeting. Following discussion and review, Director Fincher moved to approve the



minutes as submitted. The motion was seconded by Director Halick and passed unanimously.

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

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

FINANCIAL AND BOOKKEEPING MATTERS, INCLUDING PAYMENT OF BILLS AND REVIEW OF INVESTMENTS

Ms. Lofton reviewed the November 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 Moskowitz moved to accept the report and payment of the bills presented in the report. Director Halick seconded the motion, which was approved by unanimous vote.

2013 YTD VARIANCE, 2014 AND FIVE-YEAR BUDGETS

Ms. Wallace reviewed the year-to-date budget summary, a copy of which is attached. She also reviewed a proposed 2014 budget. Mr. Martinson reviewed a 2014-2018 forecast budget. Following review and discussion, Director Moskowitz moved to approve the budget for the fiscal year ending December 31, 2014, subject to the Board's acceptance of recommendations of the compensation committee. The motion was seconded by Director Halick and carried unanimously.

GENERAL MANAGER'S REPORT

Mr. Martinson presented the General Manager's report. He discussed health insurance coverage for employees. Mr. Martinson reviewed the estimated reimbursement to the District from the City of Houston under the 380 Agreement, options for widening of Eldridge, the West Houston Mobility Plan, marketing and branding of the District, and plans for annexation and service plan renewal.



CONSENT AGENDA

Ms. McCain reviewed an engagement letter for McCall Gibson Swedlund Barfoot PLLC to conduct the District's audit for fiscal year end December 31, 2013. Mr. Martinson reviewed the budget for Christi Todd to provide CPA management services for the District. Mr. Martinson reviewed an updated communications and marketing plan with eSiteful in the amount of \$151,000, and a proposal with Mark Klein in the amount of \$53,000 for public relations and social media work.

Following discussion and review, Director Halick moved to engage McCall Gibson Swedlund Barfoot PLLC to conduct the audit for the fiscal year ending December 31, 2013 and approve the proposals with Christi Todd, eSiteful, and Mark Klein. Director West seconded the motion and it was unanimously approved.

GRAND PARKWAY GRAND OPENING CELEBRATION

Mr. Martinson reported on the luncheon, fun run, and concert to celebrate the opening of the Grand Parkway Segment E.

HOUSTON POLICE DEPARTMENT AND NEIGHBORHOOD PROTECTION AND CODE ENFORCEMENT UPDATE

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

CAR.MA REAL TIME CASUAL CARPOOLING CMAQ GRANT APPLICATION

Mr. Nuñez reported that the District prepared a proposal to Texas Department of Transportation ("TxDOT") for local match funding for the first three years of the proposed Car.ma real time casual carpooling project. He noted that TxDOT is unable to provide the local match funding at this time. Mr. Nuñez noted it is not possible to proceed with the Car.ma CMAQ grant application to the Houston-Galveston Area Council. He noted that if funding becomes available in the future, staff will seek Board authorization to submit the grant application. The Board expressed its interest in locating funding for the project.

IH 10 INTERSECTIONS ENHANCEMENT PROJECT TXDOT ADVANCE FUNDING AGREEMENT

Mr. Martinson reported that ads have been placed in *The Houston Chronicle* to request submittals of qualifications from design engineers. He reviewed a schedule for selection of the design engineer. Mr. Martinson reviewed the Advance Funding Agreement with TxDOT and noted the agreement provides that the District pay TxDOT



\$8,000 for TxDOT's design review and bidding services. Following discussion and review, Director Moskowitz moved to approve the Advance Funding Agreement and payment to TxDOT. Director Halick seconded the motion, which passed by unanimous vote.

UPDATE ON GRANTS

Mr. Nuñez reviewed marketing and a budget update for the Congestion Mitigation Air Quality ("CMAQ") car share program.

Regarding the JARC 75 Eldridge Crosstown bus program, Mr. Nuñez reviewed a financial report. He reported on increased ridership.

Mr. Nuñez reviewed a financial report and budget update for the New Freedom sidewalk project. Mr. Rayburn reviewed the status of construction.

PARK ROW COMPLETION PROJECT

Mr. Willis reviewed a report regarding the Park Row completion project, a copy of which is attached. Regarding the construction of Park Row utility, paving and drainage improvements from SH-6 to Eldridge Phase 1 by Menade, Inc., Mr. Willis stated the contractor has completed construction of major infrastructure. He stated there are no pay estimates for the Board's consideration.

Regarding construction of the Park Row regional lift station by Peltier Brothers Construction, Ltd., Mr. Willis presented and recommended payment of Pay Estimate No. 8 in the amount of \$82,893.49, and Change Order No. 2 in the amount of \$8,727.83. Mr. Willis noted the City inspection was held December 3 and the contractor is addressing punch lists items. Mr. Willis reviewed Pay Estimate No. 9 and Final in the amount of \$73,735.45, and recommended payment contingent upon acceptance of the project by the City of Houston, receipt of the Contractor's Affidavit of Bills Paid, Jones & Carter's Certificate of Substantial Completion, and the City's Certificates of Acceptance, Substantial Completion and Final Completion.

Mr. Willis updated the Board regarding the construction of Central Park West Boulevard utilities, paving and drainage improvements by C.E. Barker, Ltd. He reviewed and recommended payment of Pay Estimate No. 6 in the amount of \$84,114.09. Mr. Willis also reviewed Pay Estimate No. 7 and Final in the amount of \$30,837.10, and recommended payment contingent upon acceptance of the project by the City of Houston, receipt of the Contractor's Affidavit of Bills Paid, Jones & Carter's Certificate of Substantial Completion, and the City's Certificates of Acceptance, Substantial Completion and Final Completion.



Mr. Willis also updated the Board regarding Phase 2 of the Park Row utility, paving and drainage improvements from SH-6 to Eldridge.

The Board reviewed draw requests for the Houston Housing Finance Corporation ("HHFC") loan for the Pay Estimate No. 8 and Change Order No. 2 to the Park Row regional lift station project, Pay Estimate No. 6 to the Central Park West Boulevard utility project, as well as payments to ABHR, Clark Condon Associates, Moore Archaeological Consulting, Inc., and Ninyo & Moore, as identified in the bookkeeper's capital projects report. Ms. Todd noted the total amount of these invoices is \$224,298.62. Ms. Todd also requested the Board's approval of separate draw request(s) for the HHFC loan for payment of Pay Estimate No. 9 and Final for the Park Row regional lift station project, and Pay Estimate No. 7 and Final to the Central Park West Boulevard utility project, contingent upon receipt of the following for each project: acceptance of the project by the City of Houston, receipt of the Contractor's Affidavit of Bills Paid, Jones & Carter's Certificate of Substantial Completion, and the City's Certificates of Acceptance, Substantial Completion and Final Completion.

Following discussion and review and based upon the engineer's recommendation, upon a motion made by Director Fincher and seconded by Director Moskowitz, the Board voted unanimously to approve: (1) Pay Estimate No. 8 in the amount of \$82,893.49, and Change Order No. 2 in the amount of \$8,727.83 to Peltier Brothers Construction, Ltd. for construction of the Park Row regional lift station; (2) Pay Estimate No. 6 in the amount of \$84,114.09 to C.E. Barker, Ltd. for construction of Central Park West Boulevard utilities, paving and drainage improvements; (3) the draw requests from the HHFC loan totaling \$224,298.62; (4) approve Pay Estimate No. 9 and Final for the Park Row regional lift station project, and Pay Estimate No. 7 and Final to the Central Park West Boulevard utility project along with the related draw request(s) from the HHFC loan, contingent upon receipt of the following for each project: acceptance of the project by the City of Houston, receipt of the Contractor's Affidavit of Bills Paid, Jones & Carter's Certificate of Substantial Completion, and the City's Certificates of Acceptance, Substantial Completion and Final Completion.

CONVENE IN EXECUTIVE SESSION PURSUANT TO SECTION 551.072, TEXAS GOVERNMENT CODE, TO DELIBERATE THE PURCHASE, EXCHANGE, LEASE, OR VALUE OF REAL PROPERTY AND PURSUANT TO SECTION 551.074, TEXAS GOVERNMENT CODE, TO DELIBERATE THE APPOINTMENT, EMPLOYMENT, EVALUATION, REASSIGNMENT, DUTIES, DISCIPLINE, OR DISMISSAL OF A DISTRICT EMPLOYEE

At 9:36 a.m., Director Hightower announced that the Board would meet in executive session pursuant to Section 551.072, Texas Government Code, to deliberate the purchase, exchange, lease, or value of real property, and pursuant to Section 551.074, Texas Government Code, to deliberate the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of District employees.



RECONVENE IN OPEN SESSION

At 9:56 a.m., Director Hightower announced that the Board would reconvene in open session. Director Moskowitz moved to accept the recommendation of the compensation committee for staff salaries and bonuses, authorize Director Hightower to execute the employment letter for Mr. Martinson, and authorize Mr. Martinson to execute employment letters for the other District employees. Director West seconded the motion, and it carried unanimously.

2014 BUDGET

The Board concurred that no additional action was necessary regarding the budget for the fiscal year ending December 31, 2014.

NEXT MEETING

The Board concurred to hold the next Board meeting on January 10, 2014.

ADJOURN

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




Secretary, Board of Directors

