

MINUTES
REINVESTMENT ZONE NUMBER TWENTY-SEVEN, CITY OF HOUSTON, TEXAS
AND
MONTROSE REDEVELOPMENT AUTHORITY, CITY OF HOUSTON, TEXAS

June 21, 2021

The Board of Directors (the “Board”) of Reinvestment Zone Number Twenty-Seven, City of Houston, Texas (the “Zone”) and Montrose Redevelopment Authority, City of Houston, Texas (the “Authority”) met in regular session by teleconference and videoconference, with access by telephone and video available to the public, pursuant to Texas Government Code Section 551.125 and Governor Greg Abbott’s directive suspending certain provisions of the Texas Open Meetings Act dated March 16, 2020, on the 21st day of June, 2021, and the roll was called of the members of the Board being present by telephone:

Lisa W. Hunt	Position 1
Abby Noebels	Position 2
Joe D. Webb	Position 3 Chair
Sherry Weesner	Position 4 Vice-Chair
Paul Dickerson	Position 5
Ray Valdez	Position 6
Jovon Tyler	Position 7

and all of the above were present, except Directors Tyler and Dickerson, thus constituting a quorum.

Also attending the videoconference were Joseph Ellis of McCall Gibson Swedlund Barfoot PLLC (“McCall Gibson”); Muhammad Ali of Gauge Engineering (“Gauge”); Kristin Blomquist of Masterson Advisors; Jennifer Landreville of ETI Bookkeeping Services (“ETI”); Patti Joiner and Walter Morris of Knudson, LP (“Knudson”); Brian Jackson of the City of Houston Economic Development Office; Robert McHaney of The Goodman Corp.; Julia Retta with Councilmember Abbie Kamin’s Office; Randy Roman, Mark Davis, Greg Pettigrew, Stephen Longmire, and additional members of the public; and Sanjay Bapat and Alyssa Ollwerther of Allen Boone Humphries Robinson LLP (“ABHR”).

Mr. Bapat reviewed certain recommended protocols for conducting the meeting via teleconference and videoconference. He announced that the meeting was being recorded and that consultant reports presented at the meeting were posted online and available to the public in the form of an “agenda packet” prior to the start of the meeting at <https://www.districtdirectory.org/agendapackets/tirz27/> and www.montrosehtx.org.

ESTABLISH QUORUM AND CALL TO ORDER

Chair Webb called the meeting to order at 6:30 p.m.

RECEIVE PUBLIC COMMENT

Chair Webb offered any members of the public attending the meeting by videoconference and teleconference the opportunity to make public comment.

Kay Warhol commented that she is excited for the construction underway at Commonwealth Street and Waugh Drive. She provided an update on neighboring Super Neighborhood public engagement plans.

Frank Blake inquired about the bike lane portion of construction of the Waugh Drive, Commonwealth and Yoakum Street Improvements project and the possibility of planting trees along Waugh Drive and Commonwealth Street. Chair Webb requested that the Board further discuss Frank Blake's comment during Gauge's report, agenda item 4.b.

Randy Roman inquired about additional information related to development plans at the intersection of W. Dallas Street and Montrose Boulevard. He also requested that the Board comment on the projects listed on the Authority's proposed budget for fiscal year end 2022 and potential five-year CIP that are located in the lower Westheimer vicinity of the Authority. Chair Webb responded to Randy Roman and requested that the Board further discuss Randy Roman's comment during Gauge's report, agenda item 4.b.

Greg Pettigrew commented on the new sidewalk construction along Waugh Drive. Greg Pettigrew further inquired about the possibility of planting trees along the right-of-way easements.

MINUTES

The Board considered approving the minutes of the April 19, 2021 regular meeting, and April 30, 2021 special meeting. After review and discussion, Director Hunt moved to approve the two sets of minutes as presented. Director Noebels seconded the motion. Followed by a roll call, the motion passed unanimously with all Directors voting in favor of the motion.

ENGAGE AUDITOR TO CONDUCT AUDIT FOR FISCAL YEAR END JUNE 30, 2021

Mr. Bapat reported that the Authority is required to prepare and appropriately file an audit for fiscal year ending June 30, 2021, pursuant to terms set forth in the Tri-Party Agreement between the City of Houston (the "City"), the Zone, and the Authority, as well in accordance with Chapter 431 of the Texas Local Government Code.

Mr. Ellis reviewed an evergreen engagement letter with the Board for McCall Gibson to conduct the Authority's audit for fiscal year end June 30. Mr. Ellis responded to questions from the Board and provided an overview of the objective of the Authority's audit and procedures related to same. Following review and discussion, Director Weesner moved to engage McCall Gibson as the Authority's auditor and approve and authorize execution of the engagement letter. Director Webb seconded the motion. Followed by a roll call, the motion passed unanimously with all Directors voting in favor of the motion.

PROJECTS AND PLANNING

Chair Webb reviewed the Projects and Planning Committee reports from May and June with the Board and responded to questions from Board members related to same.

REPORT FROM GAUGE

Mr. Ali reviewed the engineer's report, a copy of which is attached, and provided an update on the projects outlined on the report.

UPDATE ON HAWTHORNE STREET AND WOODHEAD STREET NEIGHBORHOOD SAFE STREET

Mr. Ali provided an update on the design of Hawthorne and Woodhead Street Neighborhood Safe Street Improvements. He stated that Gauge is addressing the City's preliminary comments to the 60% construction plans. Mr. Ali stated that Gauge has developed a proposal to incorporate three subset projects recommended by the Houston Public Works into the Hawthorne and Woodhead construction package which include improving mobility, bicycle, and pedestrian safety conditions at three locations: (1) bike lanes and bike boxes at the intersection of Taft Street and Westheimer Road; (2) road diet to transition from four lanes to 3 lanes along W. Gray Street and Taft Street; and (3) raising and improving the crosswalk at the intersection of Crocker Street and Westheimer Road. Mr. Ali provided the cost estimates for each subset project. In connection with same, Mr. Ali reviewed Task Order No. 4 - Supplemental No. 1, in the amount of \$49,200, payable to Gauge, for the design of the three subset projects. Following review and discussion, Director Weesner moved to approve Task Order No. 4 - Supplemental No. 1, in the amount of \$49,200, payable to Gauge. Director Hunt seconded the motion. Followed by a roll call, the motion passed unanimously with all Directors voting in favor of the motion.

WAUGH DRIVE, COMMONWEALTH, AND YOAKUM STREET IMPROVEMENTS

Mr. Ali updated the Board on the construction status of the Waugh Drive,

Commonwealth, and Yoakum Street Improvements. He reviewed and recommended approval of Pay Estimate No. 2, in the amount of \$260,919.50, payable to Reytec Construction Resources, Inc. ("Reytec"). He also reviewed and recommended approval of Task Order No. 6 - Supplemental No. 1, in the amount of \$33,000, payable to Gauge, for the five-week extension of construction duration, related to the installation of precast curbs in the bicycle lanes. Following review and discussion, Director Weesner moved to approve Task Order No. 6 - Supplemental No. 1, in the amount of \$33,000, payable to Gauge. Director Hunt seconded the motion. Followed by a roll call, the motion passed unanimously with all Directors voting in favor of the motion.

Mr. Ali responded to a public comment received earlier in the meeting, noting that the mission of the Waugh Drive, Commonwealth, and Yoakum Street Improvements project is to improve pedestrian safety and also that no additional concrete cover was added along the route and further noted that he will investigate the possibility of the addition of tree planting along certain areas of the project.

WALK & BIKE MONTROSE STUDY

In connection with the Walk & Bike Montrose Study, Mr. Ali reviewed a proposal to develop an addendum to include recent annexations of the Fairview tracts into the Zone, in the amount of \$12,190. Following review and discussion, Director Weesner moved to approve the proposal to develop an addendum to the Walk & Bike Montrose Study to include recent annexations into the Zone, in the amount of \$12,190. Director Hunt seconded the motion. Followed by a roll call, the motion passed unanimously with all Directors voting in favor of the motion.

TASK ORDER FOR PRELIMINARY DESIGN CONCEPT REPORT ("DCR") AND 30% PLANS OF MONTROSE BOULEVARD IMPROVEMENTS

Mr. Ali reviewed a proposal for certain Montrose Boulevard improvements and responded to questions from Board members related to same. In connection with the proposal for Montrose Boulevard improvements, Mr. Ali reviewed Task Order No. 7, in the amount of \$1,098,018.44, payable to Gauge, for the DCR, schematic, and 30% plans for fully drainage and roadway reconstruction of Montrose Boulevard from US 59 to Allen Parkway. Following review and discussion, Director Weesner moved to approve Task Order No. 7, in the amount of \$1,098,018.44, payable to Gauge, for the DCR, schematic, and 30% plans for full drainage and roadway reconstruction of Montrose Boulevard from US 59 to Allen Parkway. Director Hunt seconded the motion. Followed by a roll call, the motion passed unanimously with all Directors voting in favor of the motion.

DISCUSS FISCAL YEAR END 2022 BUDGET AND POTENTIAL 5-YEAR CAPITAL IMPROVEMENT PROJECTS (CIP)

The Board reviewed and discussed the budget for fiscal year end 2022 and potential 5-year CIP. Mr. Bapat reminded the Board that the proposed budget will need to be adopted by the Zone and noted that the budget will become effective when approved by City Council. Chair Webb reviewed certain revisions to the budget and CIP since the budget was presented during the April 19, 2021, regular Board meeting. Mr. Jackson provided an update on the proposed timeline that the City Council is scheduled to review and approve the proposed budget and CIP. Following review and discussion, Director Weesner moved to adopt the budget for budget for fiscal year end 2022 and 5-year CIP. Director Valdez seconded the motion. Followed by a roll call, the motion passed unanimously with all Directors voting in favor of the motion.

UPDATE ON PROJECT WITH MONTROSE COLLECTIVE OWNER, LP

There was no update on this matter.

PUBLIC ENGAGEMENT COMMITTEE

There was no update on this matter.

AFFORDABLE HOUSING REPORT

Director Hunt provided an update on the ongoing work of the Affordable Housing Committee. A copy of the report is attached.

SECURITY MATTERS

The Board discussed security matters, including considering security for in-person Board meetings.

FINANCIAL MATTERS

Ms. Landreville reviewed the monthly financial and bookkeeping report, a copy of which is attached.

Ms. Landreville reported that BBVA Compass will no longer pledge collateral as required for public funds over the Federal Deposit Insurance Corporation coverage limit of \$250,000 which will require the Authority to move its funds to remain in compliance with the Texas Public Funds Investment Act. Discussion ensued and the Board considered closing its accounts with BBVA Compass and opening a new account with Allegiance Bank. The Board then considered approving a Depository Pledge Agreement (the "DPA") with Allegiance Bank. Following review and discussion, Director Hunt moved to (1) approve the DPA with Allegiance Bank; (2) authorize Ms. Landreville to open a new bank account at Allegiance Bank, subject to execution of the

DPA; and (3) authorize Ms. Landreville to close the District's accounts with BBVA Compass, subject to execution of the DPA. Director Weesner seconded the motion. A roll call of the Board was taken and the motion passed unanimously.

The Board discussed the invoices submitted by ABHR, Gauge, ETI Bookkeeping Services, Equi-Tax, Inc., Gauge, Goodman Corp., and Knudson. A copy of the report from the Finance Committee is attached. After review and discussion, and based on the recommendation of the Finance Committee, Director Noebels moved to approve and authorize payment of the invoices. Director Webb seconded the motion. Followed by a roll call, the motion passed unanimously with all Directors voting in favor of the motion.

REPORT FROM MASTERSON ADVISORS, INCLUDING FINANCIAL CAPACITY OF ZONE

There was no discussion on this agenda item.

REPORT FROM ZONE ADMINISTRATOR

Ms. Joiner reported on the ongoing work of the Zone administrator, a copy of which is attached.

REPORT FROM ATTORNEY

Mr. Bapat reported on the ongoing legal work performed by ABHR, a copy of which is attached.

ANNOUNCEMENTS REGARDING WORKSHOPS, SEMINARS, AND PRESENTATIONS RELATING TO ZONE MATTERS

The Board discussed the Zone and Authority mission statement. No action was taken by the Board.

DISCUSS MEETING SCHEDULE AND PROPOSED AGENDA ITEMS

Mr. Bapat stated that the Governor's pandemic suspension of the Open Meetings Act provision will end at midnight on September 1, 2021, and that meetings after that date must be held in full compliance with the Open Meetings Act without such suspension requiring an in-person quorum of the Board to hold a meeting. Following discussion, the Board concurred to hold its next regular meeting on September 20, 2021, at 6:30 p.m. at the offices of ABHR.

RECEIVE PUBLIC COMMENT

Chair Webb offered any members of the public attending the meeting by videoconference and teleconference the opportunity to make public comment.

Frank Blake commented on the Waugh Drive, Commonwealth, and Yoakum Street Improvements, including the paving of the right-of-way. Mr. Ali stated that he would further investigate Frank Blake's comment and follow up at the next Board meeting.

Julia Retta addressed the Board on behalf of Councilmember Kamin and thanked the Directors for their involvement in the community.

Mark Davis commented on the lower Westheimer project and street parking in relation to same. Chair Webb responded to Mark Davis.

Randy Roman inquired about funding related to the lower Westheimer project. Vice-Chair Weesner responded to Randy Roman. Julia Retta provided an email address for Randy Roman to inquire about receiving additional information as requested.

ADJOURN

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

/s/ Lisa Hunt
Secretary, Board of Directors

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