

# MINUTES OF REGULAR MEETING OF HARRIS COUNTY IMPROVEMENT DISTRICT #1

November 19, 2014

THE STATE OF TEXAS   §  
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COUNTY OF HARRIS   §

The Board of Directors of Harris County Improvement District #1 (the "District") held a meeting of the Board of Directors at 2:30 p.m. on the 19<sup>th</sup> day of November 2014 at Two Post Oak Central, 1980 Post Oak Boulevard, Suite 1700, Houston, Texas, 77056, within the boundaries of the District, and the roll was called of the members of the Board, to wit:

Patty Bender  
Todd H. Casper  
Martin Debrovner  
Steven D. Lerner  
Kendall A. Miller  
Mary Catherine Miller  
John Mooz  
Greg Noble  
Lisa Simon  
Kerr Taylor  
Ed Wulfe  
Jonathan Zadok

and all of said directors were present except Directors, Mooz, Taylor and Zadok thus constituting a quorum. Also present at the meeting were Mr. Robert Taube, Mr. Stephen Wood, Ms. Delia Mizwa, Ms. Shannon Daniels, Mr. Rod Smith, Ms. Betsy Kirkgard, Mr. Bob Ethington, Ms. Lauren Anderson, Ms. Katie McDonough, of Harris County Improvement District #1; Mr. David Smalling of RBC Capital Markets, Mr. Thomas Hemingway of Deal Sikes and Associates, Mr. Delvin Dennis of Klotz Associates, Ms. Margaret Dunlap of METRO, Mr. Gilbert Garcia of METRO, and Ms. Rachel Nowicki of Gunda Corporation.

## APPROVE MINUTES OF OCTOBER 22, 2014 BOARD OF DIRECTORS MEETINGS

Kendall A. Miller, Chairman, called the meeting to order and asked the members to read the Minutes of the October 22, 2014 meeting. Director Wulfe moved that the Board approve the Minutes as written. Director Debrovner

seconded the motion, which was approved by unanimous consent.

CONSIDER APPROVAL OF A JOINT RESOLUTION REGARDING THE POST OAK BOULEVARD PROJECT

Mr. Breeding discussed the resolution between the District and the Authority whereby the District and the Authority agree to cooperate in the implementation and funding of improvements to Post Oak Boulevard, which consist of the retention of six lanes for general traffic while accommodating the bi-directional bus service operating in dedicated bus lanes in an expanded median. He said that the District will contribute funds in the full amount of the FTA grant, and that the balance of the funding will come from tax increment funds. After discussion, Director Simon moved that the Board approve the Joint Resolution regarding the Post Oak Boulevard street reconstruction project. Director Lerner seconded the motion, which passed unanimously. A copy of the resolution is attached.

CONSIDER APPROVAL OF RIGHT-OF-WAY ACQUISITION GUIDELINES

Mr. Breeding reviewed the provisions of the guidelines for acquiring right-of-way to insure fairness to all parties, and recommended the guidelines to the Board. He said that the first of the acquisition projects was submitted last week to the Federal Transit Administration (the "FTA") for review. After discussion, Director Simon moved that the Board approve the Real Estate Acquisition Guidelines for the Post Oak Boulevard Street Reconstruction Project. Director Debrovner seconded the motion, which passed unanimously.

CONSIDER APPROVAL OF THE FY-14 AUDIT

Mr. Breeding reviewed the FY-2014 Audit. He said that the Audit Committee had met with the Auditors to review it. He further described that the Audit has two parts: the Financial, which is unqualified, and the Federal single-audit.

Director Simon moved that the Audit be approved. Director Lerner seconded the motion, which was approved by unanimous consent.

DISCUSS THE MUNICIPALITIES CONTINUING DISCLOSURE COOPERATION INITIATIVE

Ms. Holoubek distributed and reviewed with the Board a memorandum prepared by ABHR concerning the Securities and Exchange Commission Enforcement Division's Municipalities Continuing Disclosure Cooperation Initiative. After review and discussion, the Board concurred that no action was necessary.

AUTHORIZE FILING OF ANNUAL REPORT IN COMPLIANCE WITH SEC  
RULE 15c2-12 CONTINUING DISCLOSURE OBLIGATION

Mr. Wood explained that, in connection with the issuance of the Authority's bonds, the Authority agreed to provide updated annual financial information, operating data and audited financial statements in accordance with SEC Rule 15c2-12. He reviewed an Annual Report containing updated financial and operating data.

After review and discussion, Director Bender moved to authorize the Authority's attorney to submit the Authority's updated financial and operating data in compliance with the continuing disclosure provisions contained in the bond resolutions, and direct that the Annual Report be filed appropriately and retained in the Authority's official records. Director Wulfe seconded the motion, which passed unanimously.

POST OAK BOULEVARD UPDATE

Director Miller reported on a meeting to discuss the improvements to Post Oak Boulevard with interested parties. He said that there was general approval of the plans. No action was taken on this matter.

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

(SEAL)

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Secretary, Board of Directors