

MEMORIAL CITY  
REDEVELOPMENT AUTHORITY,  
TIRZ No. 17,  
City of Houston



**Agenda and Agenda Materials  
Meeting of the Board of Directors**

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**September 24, 2019**

**JOINT MEETING OF THE BOARD OF DIRECTORS OF THE  
TIRZ 17 REDEVELOPMENT AUTHORITY/MEMORIAL CITY REDEVELOPMENT AUTHORITY  
and TAX REINVESTMENT ZONE NUMBER SEVENTEEN  
HOUSTON, TEXAS**

Notice is hereby given that the Board of Directors of the TIRZ 17 Redevelopment Authority (aka the Memorial City Redevelopment Authority) and the Tax Reinvestment Zone Number Seventeen, City of Houston, Texas, will hold a joint meeting on **Tuesday, September 24, 2019, at 8:00 a.m.**, at Four Points by Sheraton, Wycliffe Room, 10655 Katy Freeway, Houston, Texas 77024, open to the public, to discuss and adopt such orders, resolutions or motions, and take direct or indirect actions as may be necessary, convenient, or desirable with respect to the following matters:

**AGENDA**

1. Establish quorum and call meeting to order.
2. Receive public comments. (A statement of no more than 3 minutes may be made on items of general relevance. There will be no yielding of time to another person. State law prohibits the Board Chair or members of the Board from deliberating a topic without an appropriate agenda item being posted in accordance with the Texas Open Meetings Law; therefore, questions or comments will not be addressed. Engaging in verbal attacks or comments intended to insult, abuse, malign or slander any individual shall be cause for termination of time privileges).
3. Approve Minutes of the August 27, 2019, meeting.
4. Receive and approve FY2019 Annual Financial Report and Audit from McCall Gibson Swedlund Barfoot PLLC.
5. Receive financial and bookkeeper's report, including payment of invoices, review of investments, and project cash flow reports.
6. Series 2019 Contract Tax Revenue Bonds, including:
  - a. Appoint Underwriter;
  - b. Approve Resolution Approving Engagement Agreement for Disclosure Counsel and Authorize Execution of Engagement Letter;
  - c. Authorize Preparation of the Preliminary Official Statement; and
  - d. Approve Resolution Authorizing the Issuance of the Series 2019 Contract Tax Revenue Bonds, Approving Contract Documents Relating to the Series 2019 Bonds, and Authorizing Representatives to Take Certain Actions on Behalf of the Authority.
7. Consider proposed Development Agreement for sanitary sewer relocation.
8. CIP Committee:
  - a. Project update and recommendations from Gauge Engineering, LLC.
    - i. Presentation on W140-01-05 drainage infrastructure at Long Branch Lane parallel to Springrock Lane.
    - ii. Consider Pay Application No. 9 from Reytec Construction, Briar Branch Channel and Straws Improvements.
    - iii. Consider task order for construction phase engineering services for N. Gessner project.
  - b. Project update from LAN.
  - c. Project update from The Goodman Corporation.
  - d. Project update from SWA.
9. Convene in Executive Session pursuant to Section 551.071, Texas Government Code, to conduct a private consultation with attorney, with regard to pending or contemplated litigation; and Convene in Executive Session pursuant to Section 551.072, Texas Government Code, to deliberate the purchase, exchange, lease or value of real property.
10. Reconvene in Open Session and authorize appropriate actions regarding private consultation with attorney; and reconvene in Open Session and authorize appropriate actions with regard to the purchase, exchange, lease or value of real property.
11. Adjournment.



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Executive Director for Authority

MEMORIAL CITY REDEVELOPMENT AUTHORITY  
PUBLIC NOTICE

At the Board of Directors meeting to be held at Four Points by Sheraton, 10655 Katy Freeway, Wycliffe Room, Houston, Texas on Tuesday, September 24, 2019 at 8:00 a.m., the Board will consider engaging Norton Rose Fulbright US LLP as disclosure counsel in connection with the issuance of its tax increment contract revenue bonds.

Pursuant to Section 2254.1036, Texas Government Code, the following written notice is given to the public:

1. The reason for pursuing issuance of bonds (the matter that is the subject of the legal services for which the attorney or law firm would be retained) is to finance infrastructure improvements. The desired outcome of the matter is to issue bonds in accordance with federal securities law.
2. Norton Rose Fulbright is nationally recognized in the field of municipal law and among the largest municipal law firms in the nation. They have advised thousands of clients on federal securities matters. Norton Rose Fulbright has experience as disclosure counsel for numerous other City of Houston tax increment zones.
3. There is no prior relationship between Norton Rose Fulbright and the Authority.
4. The Authority does not have attorneys and/or supporting personnel who can perform this legal work.
5. The Authority cannot reasonably engage attorneys for these services under an hourly fee contract without contingency because then the Authority would have to pay such attorneys their fee from its unrestricted general funds, and such amounts are needed for other uses.
6. A contingent fee contract for these legal services is in the best interest of the residents of the Authority because it is a fixed fee and only due when bonds are issued.

I hereby certify that the above public notice of Memorial City Redevelopment Authority was posted in accordance with the Texas Open Meetings Act (Chapter 551 of the Texas Government Code) on

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MEMORIAL CITY REDEVELOPMENT AUTHORITY TIRZ NO. 17,  
TAX REINVESTMENT ZONE NO. 17  
HOUSTON, TEXAS

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**AGENDA MEMORANDUM**

TO: Memorial City Redevelopment Authority TIRZ No. 17 Board of Directors  
FROM: Executive Director  
SUBJECT: Agenda Item Materials

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3. Approve minutes of the August 27, 2019 regular meeting.

**MINUTES OF THE JOINT MEETING OF THE  
TIRZ 17 REDEVELOPMENT AUTHORITY/MEMORIAL CITY REDEVELOPMENT AUTHORITY and  
TAX REINVESTMENT ZONE NUMBER SEVENTEEN, CITY OF HOUSTON, TEXAS  
BOARD OF DIRECTORS**

**August 27, 2019**

**ESTABLISH QUORUM AND CALL MEETING TO ORDER.**

The Board of Directors of the TIRZ 17 Redevelopment Authority/Memorial City Redevelopment Authority and Tax Reinvestment Zone Number Seventeen, City of Houston, Texas, held a regular joint meeting on Tuesday, August 27, 2019, at 8:00 a.m., at the Four Points by Sheraton, 10655 Katy Freeway, Wycliffe Room, Houston, Texas 77024, inside the boundaries of the TIRZ, open to the public, and the roll was called of the duly appointed members of the Board, to-wit:

Position 1 – Marshall B. Heins  
Position 2 – John Rickel  
Position 3 – David P. Durham  
Position 4 – Ann T. Givens, *Chair*

Position 5 – Zachary R. Hodges  
Position 6 – Brad Freels, *Vice-Chair*  
Position 7 – Glenn E. Airola, *Secretary*

and all of the above were present, with the exception of Directors Heins and Rickel, thus constituting a quorum. Also present were Scott Bean and Linda Clayton, both of Hawes Hill & Associates, LLP; Jessica Holoubek, Allen Boone Humphries Robinson, LLP; and Pat Hall, ETI Bookkeeping Services. Others attending the meeting were Jennifer Curley, COH - Economic Development Dept.; Amy Peck, District A; Ben Gillis and Pat Walters, both of Memorial Management District; Karen Glynn and Laurie Rosenbaum, City of Bunker Hill; Muhammad Ali and Derek St. John, both of Gauge Engineering; Ricky Gonzalez and Michael Salinas, both of LAN; James Vick, SWA; Marlene Gafrick, MetroNational; Auggie Campbell, West Houston Association; Jim Shroff; David Tresch; Robert Benz; Bruce Nichols; Ed Browne; and Lois Myers. Chair Givens called the meeting to order at 8:04 a.m.

**RECEIVE PUBLIC COMMENTS.**

Public comments were received from Bruce Nichols, Ed Browne and Lois Myers.

**APPROVE MINUTES OF THE JULY 30, 2019, MEETING.**

Upon a motion duly made by Director Durham, and being seconded by Director Airola, the Board voted unanimously to approve the Minutes from the July 30, 2019, Board meeting, as presented.

**RECEIVE FINANCIAL AND BOOKKEEPER'S REPORT, INCLUDING PAYMENT OF INVOICES, REVIEW OF INVESTMENTS, AND PROJECT CASH FLOW REPORTS.**

Ms. Hall presented the Bookkeeper's Report and went over invoices, included in the Board materials. Upon a motion duly made by Director Freels, and being seconded by Director Hodges, the Board voted unanimously to accept the Bookkeeper's Report, and approved payment of invoices, as presented.

## **DEVELOPMENT AGREEMENT WITH T&C WAY PARTNERS, LLC.**

### **a. Approve Second Amendment to Development Agreement with T&C Way Partners, LLC.**

Ms. Holoubek reviewed the Second Amendment to Development Agreement with T&C Way Partners, LLC. She reported the amendment updates the definition of the developer interest and how the interest is calculated.

### **b. Approve supplemental reimbursement report and release of funds for T&C Partners.**

Ms. Holoubek reviewed the supplemental reimbursement report, included in the Board materials. She reported the interest was recalculated and the final reimbursement to T&C Way Partners under the agreement is \$235,449.78. She reported a separate check is being issued in the amount of \$49,500.00 for the termination fee and will be released upon receipt of the lienholder's release of the lien.

Upon a motion duly made by Director Airola, and being seconded by Director Hodges, the Board voted to (a) approve the Second Amendment to Development Agreement with T&C Way Partners, LLC; and (b) approve the supplemental reimbursement report and authorized release of funds to T&C Way Partners, LLC for the final reimbursement in the amount of \$235,449.78 and authorization to release a check payable to T&C Way Partners LLC in the amount of \$49,500.00 for the termination fee upon receipt of the lienholder's release of lien on the property. Director Freels abstained. The motion passed.

## **RECEIVE UPDATE REGARDING MATHEWSON LN.**

Ms. Gafrick provided a presentation and overview of the Conrad Sauer Mathewson Ln project and answered questions. A copy of the presentation is available on the Authority's website at: [http://houstontirz17.org/files/8515/6691/9399/ABM-2019 TIRZ 17 Presentation final Conrad Sauer Mathewson.pdf](http://houstontirz17.org/files/8515/6691/9399/ABM-2019_TIRZ_17_Presentation_final_Conrad_Sauer_Mathewson.pdf)

## **CIP COMMITTEE:**

### **a. Project update and recommendations from Gauge Engineering, LLC**

Mr. Ali provided an update on the Briar Branch Channel & Straws Improvement project, a copy of the progress report is included in the Board materials. He reported the storm boxes are currently being installed west of Bunker Hill Rd. Mr. St. John answered questions regarding the Bunker Hill bridge and reported there is no impact upstream or downstream.

#### **i. Consider Pay Application No. 8 from Reytec Construction, Briar Branch Channel and Straws Improvements, in the amount of \$1,962,159.16.**

Mr. Ali reported he has reviewed Pay Application No. 8, Briar Branch Channel & Straws Improvements, from Reytec Construction and concurs with the amounts and quantities and is recommending for approval. Upon a motion duly made by Director Freels, and being seconded by

Director Airola, the Board voted unanimously to approve Pay Application No. 8, Briar Branch Channel & Straws Improvement, from Reytec Construction in the amount of \$1,962,159.16.

**b. Project update from LAN.**

Mr. Salinas provided an update on the Memorial Drive project and reported LAN is working towards 95% plan submittal in November.

**c. Project update from The Goodman Corporation.** Progress Reports are included in the Board materials for review.

**d. Project update from SWA.**

Mr. Vick provided an update on the Gessner project. A copy of SWA's project status report is included in the Board materials for review.

**CONVENE IN EXECUTIVE SESSION PURSUANT TO SECTION 551.071, TEXAS GOVERNMENT CODE, TO CONDUCT A PRIVATE CONSULTATION WITH ATTORNEY, WITH REGARD TO PENDING OR CONTEMPLATED LITIGATION; AND CONVENE IN EXECUTIVE SESSION PURSUANT TO SECTION 551.072, TEXAS GOVERNMENT CODE, TO DELIBERATE THE PURCHASE, EXCHANGE, LEASE OR VALUE OF REAL PROPERTY.**

The Board convened in Executive Session at 8:56 a.m.

**9:18 a.m. Director Hodges left meeting; a quorum was still present.**

**RECONVENE IN OPEN SESSION AND AUTHORIZE APPROPRIATE ACTIONS REGARDING PRIVATE CONSULTATION WITH ATTORNEY; AND AUTHORIZE APPROPRIATE ACTIONS WITH REGARD TO THE PURCHASE, EXCHANGE, LEASE OR VALUE OF REAL PROPERTY.**

The Board reconvened in Open Session at 9:29 a.m. Upon reconvening the Board took the following action: Upon a motion duly made by Director Airola, and being seconded by Director Freels, the Board voted unanimously to authorize the Authority's attorney to respond to RPS' letter.

**ADJOURN.**

There being no further business to come before the Board, Chair Givens adjourned the meeting at 9:30 a.m.

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Secretary

MEMORIAL CITY REDEVELOPMENT AUTHORITY TIRZ No. 17,  
TAX REINVESTMENT ZONE NO. 17  
HOUSTON, TEXAS

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**AGENDA MEMORANDUM**

TO: Memorial City Redevelopment Authority TIRZ No. 17 Board of Directors  
FROM: Executive Director  
SUBJECT: Agenda Item Materials

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4. Receive and approve the FY 2019 Annual Financial Report and Audit from McCall Gibson Swedlund Barfoot PLLC.

**MEMORIAL CITY REDEVELOPMENT AUTHORITY  
(AKA TIRZ 17 REDEVELOPMENT AUTHORITY)**

**CITY OF HOUSTON, TEXAS**

**ANNUAL FINANCIAL REPORT**

**JUNE 30, 2019**

DRAFT SUBJECT TO CHANGE

## TABLE OF CONTENTS

	<u>PAGE</u>
INDEPENDENT AUDITOR'S REPORT	1-2
MANAGEMENT'S DISCUSSION AND ANALYSIS	3-7
BASIC FINANCIAL STATEMENTS	
STATEMENT OF NET POSITION AND GOVERNMENTAL FUNDS BALANCE SHEET	8
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION	9
STATEMENT OF ACTIVITIES AND GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES	10
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES	11
NOTES TO THE FINANCIAL STATEMENTS	13-26
REQUIRED SUPPLEMENTARY INFORMATION	
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE-BUDGET AND ACTUAL-ALL GOVERNMENTAL FUNDS	28
SUPPLEMENTARY INFORMATION REQUIRED BY CITY OF HOUSTON	
OPERATING EXPENDITURES	30
CAPITAL EXPENDITURES	31-32
PROJECT PLAN RECONCILIATION	33
OTHER SUPPLEMENTARY INFORMATION	
LONG-TERM DEBT SERVICE REQUIREMENTS, BY YEAR	35-39
BOARD MEMBERS, KEY PERSONNEL AND CONSULTANTS	40

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*Certified Public Accountants*

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## INDEPENDENT AUDITOR'S REPORT

Board of Directors  
Memorial City Redevelopment Authority  
City of Houston, Texas

We have audited the accompanying financial statements of the governmental activities and each major fund of Memorial City Redevelopment Authority (the "Authority"), a component unit of the City of Houston, Texas, as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

*Member of*  
*American Institute of Certified Public Accountants*  
*Texas Society of Certified Public Accountants*

Board of Directors  
Memorial City Redevelopment Authority

## **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the Authority as of June 30, 2019, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and the Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – All Governmental Funds be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Authority's basic financial statements. The supplementary information required by the City of Houston, Texas and other supplementary information is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The supplementary information, excluding that portion marked "Unaudited" on which we express no opinion or provide any assurance, has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

McCall Gibson Swedlund Barfoot PLLC  
Certified Public Accountants  
Houston, Texas

September 24, 2019

**MEMORIAL CITY REDEVELOPMENT AUTHORITY  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2019**

Management's discussion and analysis of Memorial City Redevelopment Authority's, aka TIRZ 17 Redevelopment Authority (the "Authority") financial performance provides an overview of the Authority's financial activities for the fiscal year ended June 30, 2019. Please read it in conjunction with the Authority's financial statements, which begin on page 8.

**FINANCIAL HIGHLIGHTS**

- In the Statement of Net Position, the Authority's liabilities exceeded its assets by \$9,213,321 (net position) for the year ended June 30, 2019.
- The Authority anticipates that with continued development in the area, the Tax Increment Revenues will be sufficient to cover operating costs, project costs and debt service of the Authority.
- The Authority's governmental funds reported a total ending fund balance of \$12,546,978 this year. This compares to the prior year fund balance of \$31,109,489, showing a decrease of \$18,562,511 during the current fiscal year.

**USING THIS ANNUAL REPORT**

This annual report consists of a series of financial statements. The basic financial statements include: (1) combined fund financial statements and government-wide financial statements and (2) notes to the financial statements. The combined fund financial statements and government-wide financial statements combine both: (1) the Statement of Net Position and Governmental Funds Balance Sheet and (2) the Statement of Activities and Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances. This report also includes other supplementary information in addition to the basic financial statements.

**GOVERNMENT-WIDE FINANCIAL STATEMENTS**

The Authority's annual report includes two financial statements combining the government-wide financial statements and the fund financial statements. The government-wide portion of these statements provides both long-term and short-term information about the Authority's overall status. Financial reporting at this level uses a perspective similar to that found in the private sector with its basis in full accrual accounting and elimination or reclassification of internal activities.

**MEMORIAL CITY REDEVELOPMENT AUTHORITY**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**FOR THE YEAR ENDED JUNE 30, 2019**

**GOVERNMENT-WIDE FINANCIAL STATEMENTS (continued)**

The first of the government-wide statements is the Statement of Net Position. This information is found in the Statement of Net Position column on page 8. The Statement of Net Position is the Authority-wide statement of its financial position presenting information that includes all of the Authority's assets, deferred outflows of resources, liabilities, and deferred inflows of resources with the residual reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Authority as a whole is improving or deteriorating. Evaluation of the overall financial health of the Authority would extend to other non-financial factors.

The government-wide portion of the Statement of Activities on page 10 reports how the Authority's net position changed during the current fiscal year. All current year revenues and expenses are included regardless of when cash is received or paid.

**FUND FINANCIAL STATEMENTS**

The combined statements also include fund financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Authority has two governmental funds types. The General Fund is the operating fund of the Authority and the Debt Service Fund is used to account for the payment of interest and principal on the Authority's long-term debt.

Governmental funds are reported in each of the financial statements. The focus in the fund statements provides a distinctive view of the Authority's governmental funds. These statements report short-term fiscal accountability focusing on the use of spendable resources and balances of spendable resources available at the end of the year. They are useful in evaluating annual financing requirements of the Authority and the commitment of spendable resources for the near-term.

Since the government-wide focus includes the long-term view, comparisons between these two perspectives may provide insight into the long-term impact of short-term financing decisions. The adjustments columns, the Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position and the Reconciliation of the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities explain the differences between the two presentations and assist in understanding the differences between these two perspectives.

**MEMORIAL CITY REDEVELOPMENT AUTHORITY  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2019**

**NOTES TO THE FINANCIAL STATEMENTS**

The accompanying notes to the financial statements provide information essential to a full understanding of the government-wide and fund financial statements. The notes to the financial statements can be found on pages 13 through 26 in this report.

**OTHER INFORMATION**

In addition to the financial statements and the accompanying notes, this report also presents certain required supplementary information ("RSI"). A budgetary comparison schedule is included as RSI for all governmental funds and can be found on page 28.

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

Net position may serve over time as a useful indicator of the Authority's financial position. In the case of the Authority, liabilities exceeded assets by \$9,213,321 as of June 30, 2019.

The following table provides a summary of the changes in the Statement of Net Position as of June 30, 2019, and June 30, 2018:

	<u>Summary of Changes in the Statement of Net Position</u>		
	<u>2019</u>	<u>2018</u>	<u>Variance Positive (Negative)</u>
<b>ASSETS:</b>			
Current and Other Assets	\$ 30,232,158	\$ 34,358,529	\$ (4,126,371)
Land	9,185,874	9,185,874	-
<b>TOTAL ASSETS</b>	<u>\$ 39,418,032</u>	<u>\$ 43,544,403</u>	<u>\$ (4,126,371)</u>
<b>LIABILITIES:</b>			
Current Liabilities	\$ 21,481,353	\$ 8,648,081	\$ (12,833,272)
Long-term Liabilities	27,150,000	30,495,000	3,345,000
<b>TOTAL LIABILITIES</b>	<u>\$ 48,631,353</u>	<u>\$ 39,143,081</u>	<u>\$ (9,488,272)</u>
<b>NET POSITION:</b>			
Net Investment in Capital Assets	\$ 9,038,744	\$ 7,352,289	\$ 1,686,455
Restricted - Debt Service	3,899,270	3,311,712	587,558
Unrestricted	(22,151,335)	(6,262,679)	(15,888,656)
<b>TOTAL NET POSITION</b>	<u>\$ (9,213,321)</u>	<u>\$ 4,401,322</u>	<u>\$ (13,614,643)</u>

**MEMORIAL CITY REDEVELOPMENT AUTHORITY  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2019**

**GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)**

The following table provides a summary of the changes in the Statement of Activities for the fiscal years ending June 30, 2019, and June 30, 2018:

	Summary of Changes in the Statement of Activities		
	2019	2018	Variance Positive (Negative)
<b>Revenues:</b>			
Tax Increment	\$ 15,910,672	\$ 15,907,739	\$ 2,933
Capital Contribution	75,800	-	75,800
Interest and Others	393,596	245,057	148,539
<b>Total revenues</b>	<b>\$ 16,380,068</b>	<b>\$ 16,152,796</b>	<b>\$ 227,272</b>
<b>Expenses:</b>			
Salaries and Benefits	\$ 99,000	\$ 96,000	\$ (3,000)
Professional Services	184,147	156,227	(27,920)
Contracted Services	12,117	11,117	(1,000)
Other	4,513	2,509	(2,004)
Administration Fee	3,052,206	3,052,006	(200)
Bond Interest	1,027,717	1,153,110	125,393
Debt Issuance Costs		5,000	5,000
Capital Improvements	25,615,011	10,395,443	(15,219,568)
<b>Total expenses</b>	<b>\$ 29,994,711</b>	<b>\$ 14,871,412</b>	<b>\$ (15,123,299)</b>
<b>Changes in Net Position</b>	<b>\$ (13,614,643)</b>	<b>\$ 1,281,384</b>	<b>\$ (14,896,027)</b>
<b>Beginning Net Position</b>	<b>4,401,322</b>	<b>3,119,938</b>	<b>1,281,384</b>
<b>Ending Net Position</b>	<b>\$ (9,213,321)</b>	<b>\$ 4,401,322</b>	<b>\$ (13,614,643)</b>

**FINANCIAL ANALYSIS OF THE AUTHORITY'S GOVERNMENTAL FUNDS**

The Authority has two governmental funds, which are the General Fund and the Debt Service Fund. As discussed, governmental funds are reported in the fund statements with a short-term, inflow and outflow of spendable resources focus. This information is useful in assessing resources available at the end of the year in comparison with upcoming financing requirements. Governmental funds reported ending fund balances totaling \$12,546,978, a decrease of \$18,562,511 from the prior year.

**GOVERNMENTAL FUND BUDGETARY HIGHLIGHTS**

The Board of the Authority did not amend the budget during the current fiscal year. Actual excess revenues were \$41,313,544 less than budgeted excess revenues primarily due to the budgeted bond sale not occurring during the current fiscal year. See the budget to actual comparisons on page 28.

**MEMORIAL CITY REDEVELOPMENT AUTHORITY  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2019**

**CAPITAL ASSETS**

In the current fiscal year, the Authority transferred \$25,615,011 to the City of Houston related to capital expenditures. These capital expenditures are related to public works improvements. In accordance with Section VIII of the Tri-Party Agreement between the City of Houston, Reinvestment Zone Number Seventeen, City of Houston, Texas and the Authority, it states: "all utilities, drainage facilities, public street improvements, sidewalks and light fixtures shall be conveyed to the City." Therefore, any current year expenditures related to such improvements are not recorded as assets of the Authority.

Additionally, the Authority is holding title to certain land associated with the detention basin and W-140 bridge improvements, Town and Country West Drainage and Mobility Improvements, and the public improvement extension of Town and Country Way from Town and Country Boulevard west toward Beltway 8. Upon completion of these projects, this land will be transferred to the City. These land costs amount to \$9,185,874 at June 30, 2019. There was no change in this amount from prior year.

**LONG -TERM DEBT AND RELATED LIABILITIES**

At the end of the current fiscal year, the Authority owes \$147,130 to T&C Way Partners, LLC for the contribution of land for public improvements in the project area. This amount is reimbursable from available tax increment in the project area.

At the end of the current fiscal year, the Authority had total bond debt payable of \$30,495,000. This debt is secured with future tax increment contract revenue.

**CONTACTING THE AUTHORITY'S MANAGEMENT**

This financial report is designed to provide a general overview of the Authority's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to Memorial City Redevelopment Authority, c/o Hawes Hill and Associates, LLP, Zone Administrator, P.O. Box 22167, Houston, TX 77227-2167.

**MEMORIAL CITY REDEVELOPMENT AUTHORITY**  
**STATEMENT OF NET POSITION AND**  
**GOVERNMENTAL FUNDS BALANCE SHEET**  
**JUNE 30, 2019**

	General Fund	Debt Service Fund	Total	Adjustments	Statement of Net Position
<b>ASSETS</b>					
Cash	\$ 3,830,870	\$	\$ 3,830,870	\$	\$ 3,830,870
Investments	11,266,572	18,052	11,284,624		11,284,624
Tax Increment Receivable	15,116,144		15,116,144		15,116,144
Other Receivables	520		520		520
Due From Other Funds		4,185,261	4,185,261	(4,185,261)	
Land				9,185,874	9,185,874
<b>TOTAL ASSETS</b>	<b>\$ 30,214,106</b>	<b>\$ 4,203,313</b>	<b>\$ 34,417,419</b>	<b>5,000,613</b>	<b>39,418,032</b>
<b>LIABILITIES</b>					
Accounts Payable	\$ 2,615,972	\$	\$ 2,615,972	\$	\$ 2,615,972
Retainage Payable	387,546		387,546		387,546
Accrued Interest Payable				304,043	304,043
Due To Other Funds	4,185,261		4,185,261	(4,185,261)	
Due to Other Governments	14,681,662		14,681,662		14,681,662
Due To Developer				147,130	147,130
Long-Term Liabilities:					
Due Within One Year				3,345,000	3,345,000
Due After One Year				27,150,000	27,150,000
<b>TOTAL LIABILITIES</b>	<b>21,870,441</b>		<b>21,870,441</b>	<b>26,760,912</b>	<b>48,631,353</b>
<b>FUND BALANCES</b>					
Restricted	\$	\$ 4,203,313	\$ 4,203,313	\$ (4,203,313)	
Unassigned	8,343,665		8,343,665	(8,343,665)	
<b>TOTAL FUND BALANCES</b>	<b>8,343,665</b>	<b>4,203,313</b>	<b>12,546,978</b>	<b>(12,546,978)</b>	
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 30,214,106</b>	<b>\$ 4,203,313</b>	<b>\$ 34,417,419</b>		
<b>Net Position:</b>					
Net Investment in Capital Assets				\$ 9,038,744	\$ 9,038,744
Restricted - Debt Service				3,899,270	3,899,270
Unrestricted				(22,151,335)	(22,151,335)
<b>Total Net Position</b>				<b>\$ (9,213,321)</b>	<b>\$ (9,213,321)</b>

The accompanying notes to the financial statements are an integral part of this report.

**MEMORIAL CITY REDEVELOPMENT AUTHORITY  
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET  
TO THE STATEMENT OF NET POSITION  
JUNE 30, 2019**

Total Fund Balance - Governmental Funds	\$ 12,546,978
<p>Amounts reported for governmental activities in the <i>Statement of Net Position</i> are different because:</p>	
<p>Land used in governmental activities is not a financial resource and therefore is not reported as an asset in governmental funds.</p>	9,185,874
<p>Amounts due to a developer for the acquisition of land is recorded as a liability in the <i>Statement of Net Position</i>.</p>	(147,130)
<p>Some liabilities, are not due and payable in the current period and are not included in the fund financial statement, but are included in the governmental activities of the <i>Statement of Net Position</i>.</p>	
Bonds payable	(30,495,000)
Accrued interest on bonds payable	(304,043)
	(30,799,043)
Total Net Position - Governmental Activities	\$ (9,213,321)

DRAFT SUBJECT TO CHANGE

The accompanying notes to the financial statements are an integral part of this report.

**MEMORIAL CITY REDEVELOPMENT AUTHORITY**  
**STATEMENT OF ACTIVITIES AND GOVERNMENTAL FUNDS STATEMENT OF**  
**REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**FOR THE YEAR ENDED JUNE 30, 2019**

	General Fund	Debt Service Fund	Total	Adjustments	Statement of Activities
<b>REVENUES</b>					
Tax Increment	\$ 11,728,011	\$ 4,182,661	\$ 15,910,672	\$	\$ 15,910,672
Capital Contribution	75,800		75,800		75,800
Interest and Other	383,511	10,085	393,596		393,596
<b>TOTAL REVENUES</b>	<b>\$ 12,187,322</b>	<b>\$ 4,192,746</b>	<b>\$ 16,380,068</b>	<b>\$</b>	<b>\$ 16,380,068</b>
<b>EXPENDITURES/EXPENSES</b>					
<b>Service Operations</b>					
Salaries and Benefits	\$ 99,000	\$	\$ 99,000	\$	\$ 99,000
Professional Services	184,147		184,147		184,147
Contracted Services	12,117		12,117		12,117
Insurance Cost	961		961		961
Other	3,552		3,552		3,552
Administration Fees	3,052,206		3,052,206		3,052,206
Capital Improvement, Note 7	27,301,466		27,301,466	(1,686,455)	25,615,011
<b>Debt Service:</b>					
Principal		3,220,000	3,220,000	(3,220,000)	
Interest	84,546	984,584	1,069,130	(41,413)	1,027,717
<b>TOTAL EXPENDITURES/EXPENSES</b>	<b>\$ 30,737,995</b>	<b>\$ 4,204,584</b>	<b>\$ 34,942,579</b>	<b>\$ (4,947,868)</b>	<b>\$ 29,994,711</b>
<b>EXCESS (DEFICIENCY) OF REVENUES</b>					
<b>OVER (UNDER) EXPENDITURES</b>	<b>\$ (18,550,673)</b>	<b>\$ (11,838)</b>	<b>\$ (18,562,511)</b>	<b>\$ 4,947,868</b>	<b>\$ (13,614,643)</b>
<b>OTHER FINANCING SOURCES (USES)</b>					
Internal Transfers	\$ (557,983)	\$ 557,983	\$	\$	\$
<b>NET CHANGE IN FUND BALANCES</b>	<b>\$ (19,108,656)</b>	<b>\$ 546,145</b>	<b>\$ (18,562,511)</b>	<b>\$ 18,562,511</b>	
<b>CHANGE IN NET POSITION</b>					
				(13,614,643)	(13,614,643)
<b>FUND BALANCES/NET POSITION -</b>					
<b>JULY 1, 2018</b>	<b>27,452,321</b>	<b>3,657,168</b>	<b>31,109,489</b>	<b>(26,708,167)</b>	<b>4,401,322</b>
<b>FUND BALANCES/NET POSITION -</b>					
<b>JUNE 30, 2019</b>	<b>\$ 8,343,665</b>	<b>\$ 4,203,313</b>	<b>\$ 12,546,978</b>	<b>\$ (21,760,299)</b>	<b>\$ (9,213,321)</b>

The accompanying notes to the financial statements are an integral part of this report.

**MEMORIAL CITY REDEVELOPMENT AUTHORITY  
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF  
REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES TO  
THE STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2019**

Net Change in Fund Balances - Governmental Funds \$ (18,562,511)

Amounts reported for governmental activities in the *Statement of Activities* are different because:

Capital outlays for developer reimbursements are reported as expenditures in the funds, but reduce the liability due to developer in the *Statement of Net Position*.

1,686,455

Governmental funds report repayment of long-term debt principal as an expenditure. In contrast, the *Statement of Net Position* treats such repayments as a reduction in long-term liabilities.

3,220,000

Some expenses reported in the *Statement of Activities* do not require the use of current financial resources and these are not reported as expenditures in governmental funds. The difference is for accrued interest.

41,413

Change in Net Position - Governmental Activities

\$ (13,614,643)

DRAFT SUBJECT TO CHANGE

The accompanying notes to the financial statements are an integral part of this report.

**MEMORIAL CITY REDEVELOPMENT AUTHORITY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

**NOTE 1. CREATION OF CORPORATION**

The City of Houston, Texas (the "City") authorized the creation of the Memorial City Redevelopment Authority (the "Authority") by the Resolution No. 2002-0026 passed on August 14, 2002. The Authority was created and organized as a local government corporation pursuant to provisions of Subchapter D of Chapter 431 of the Texas Transportation Code and Chapter 394 of the Texas Local Government Code. The Authority is organized as a public non-profit corporation for the purpose of aiding, assisting, and acting on behalf of the City in the performance of its governmental function to promote the common good and general welfare of Reinvestment Zone Number Seventeen, City of Houston, Texas (the "Zone") and neighboring areas in the preparation and implementation of a project plan and a reinvestment zone financing plan for the Zone; in the development of a policy to finance development and redevelopment of properties in the Memorial City area; and in the development and implementation of a redevelopment policy for the Memorial City area, including the acquisition of land for redevelopment purposes; in the development and implementation of a policy for improving vehicular and pedestrian circulation in the Memorial City area including the acquisition of street rights-of-way. The Authority may issue bonds with consent of City Council. The Authority is managed by a Board of Directors consisting of up to seven members who are appointed by the Mayor with the approval of City Council. The Authority held its first meeting on November 22, 2002.

**NOTE 2. SIGNIFICANT ACCOUNTING POLICIES**

The accompanying basic financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America as promulgated by the Governmental Accounting Standards Board ("GASB").

The GASB has established the criteria for determining whether or not a given entity is a component unit. The criteria are: (1) is the potential component unit a legally separate entity, (2) does the primary government appoint a voting majority of the potential component unit's board, (3) is the primary government able to impose its will on the potential component unit, (4) is there a financial benefit or burden relationship. The Authority was created as an instrumentality of the City of Houston (the "City"). The Authority does meet the criteria for inclusion as a component unit of the City. Copies of the financial statements for the City may be obtained from the City Secretary's office.

Financial Statement Presentation

These financial statements have been prepared in accordance with GASB Codification of Governmental Accounting and Financial Reporting Standards Part II, Financial Reporting ("GASB Codification").

**MEMORIAL CITY REDEVELOPMENT AUTHORITY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

**NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Financial Statement Presentation (continued)

The GASB Codification sets forth standards for external financial reporting for all state and local government entities, which includes a requirement for a Statement of Net Position and a Statement of Activities. It requires the classification of net position into three components: Net Investment in Capital Assets, Restricted, and Unrestricted. These classifications are defined as follows:

- Net Investment in Capital Assets – This component of net position consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvements of those assets.
- Restricted Net Position – This component of net position consists of external constraints placed on the use of assets imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulation of other governments or constraints imposed by law through constitutional provisions or enabling legislation.
- Unrestricted Net Position – This component of net position consist of assets that do not meet the definition of “Restricted” or “Net Investment in Capital Assets.”

When both restricted and unrestricted resources are available for use, generally it is the Authority’s policy to use restricted resources first.

Government-Wide Financial Statements

The Statement of Net Position and the Statement of Activities display information about the Authority as a whole. The Authority’s Statement of Net Position and Statement of Activities are combined with the governmental fund financial statements. The Authority is viewed as a special purpose government and has the option of combining these financial statements.

The Statement of Net Position is reported by adjusting the general fund and debt service fund to report on the full accrual basis, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations.

The Statement of Activities is reported by adjusting the general fund and debt service fund to report only items related to current year revenues and expenditures. Items such as capital outlay are allocated over their estimated useful lives as depreciation expense. Internal activities between governmental funds, if any, are eliminated by adjustment to obtain net total revenue and expense in the government-wide Statement of Activities.

**MEMORIAL CITY REDEVELOPMENT AUTHORITY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

**NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Fund Financial Statements

As discussed above, the Authority's fund financial statements are combined with the government-wide statements. The fund financial statements include a Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balances.

Governmental Funds

The Authority has two major governmental funds – the General Fund and Debt Service Fund. The General Fund is the general operating fund of the Authority and accounts for all resources of the Authority not accounted for in another fund. The principal source of revenue is tax increment collections and expenditures are primarily for operations. The Debt Service Fund is used to account for the accumulation of resources for the payment of interest and principal on the Authority's long-term debt.

Basis of Accounting

The Authority uses the modified accrual basis of accounting for governmental fund types. The modified accrual basis of accounting recognizes revenues when both "measurable and available." Measurable means the amount can be determined. Available means collectable within the current period or soon enough thereafter to pay current liabilities. The Authority considers revenues reported in the governmental funds to be available if they are collectable within sixty (60) days after year-end. Also, under the modified accrual basis of accounting, expenditures are recorded when the related fund liability is incurred, except for principal and interest on long-term debt, which are recognized as expenditures when payment is due. The Authority uses the full accrual basis of accounting for the government wide statements.

Measurement Focus

Measurement focus is a term used to describe which transactions are recognized within the various financial statements. In the government-wide Statement of Net Position and Statement of Activities, the governmental activities are reported using the economic resources measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position, financial position, and cash flows. All assets and liabilities associated with the activities are reported, regardless of the timing of related cash flows. Fund equity is classified as net position.

Governmental fund types are accounted for on a spending or financial flow measurement focus. Accordingly, only current assets and current liabilities are included on the balance sheet, and the reported fund balances provide an indication of available spendable or appropriable resources.

**MEMORIAL CITY REDEVELOPMENT AUTHORITY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

**NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Fund Balances

The Authority's governmental fund balances are classified as follows:

*Nonspendable* - amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact. The Authority does not have any nonspendable fund balances.

*Restricted* - amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally required. The Authority's restricted fund balances consist of tax increment receipts in the Debt Service Fund.

*Committed* - amounts that can be used only for specific purposes determined by a formal action of the Board of Directors. The Board is the highest level of decision-making authority for the Authority. Commitments may be established, modified, or rescinded only through ordinances or resolutions approved by the Board. The Authority does not have any committed fund balances.

*Assigned* - amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes. The Authority has not adopted a formal policy regarding the assignment of fund balances and does not have any assigned fund balances.

*Unassigned* - all other spendable amounts in the General Fund.

When expenditures are incurred for which restricted, committed, assigned, or unassigned fund balances are available, the Authority considers amounts to have been spent first out of restricted funds, then committed funds, then assigned funds, and finally unassigned funds.

Cash

The Authority's cash consist of amounts in demand deposits.

Investments

Investments consist of amounts in the TexPool, TexSTAR, and a certificate of deposit.

Debt Service

Tax increment contract revenue is pledged for debt service on bond obligations.

**MEMORIAL CITY REDEVELOPMENT AUTHORITY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

**NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Due to and from other funds

Interfund receivable and payables arise from interfund transactions and are recorded by all funds affected in the period in which transactions are executed. These receivables and payables are, for the most part, eliminated from the Government-Wide Statement of Net Position and are recorded as “due from other funds” and “due to other funds” in the fund financial statements.

Budgeting

In compliance with the Tri-Party Agreement (See Note 4), the Authority’s board members adopted an unappropriated budget for the combined governmental funds of the Authority for the fiscal year ending June 30, 2019. The budget was submitted and approved by the City. The Authority used this budget during the current year.

Accounting Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

**NOTE 3. DEPOSITS AND INVESTMENTS**

Deposits

Custodial credit risk is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. The Authority’s deposit policy for custodial credit risk requires compliance with the provisions of Texas statutes. Texas statutes require that any cash balance in any fund shall, to the extent not insured by the Federal Deposit Insurance Corporation or its successor, be continuously secured by a valid pledge to the Authority of securities eligible under the laws of Texas to secure the funds of the Authority, having an aggregate market value, including accrued interest, at all times equal to the uninsured cash balance in the fund to which such securities are pledged. As of June 30, 2019, none of the Authority’s bank balances were exposed to custodial credit risk.

**MEMORIAL CITY REDEVELOPMENT AUTHORITY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

**NOTE 3. DEPOSITS AND INVESTMENTS (continued)**

Deposits (continued)

The carrying values of the deposits are included in the Governmental Fund Balance Sheet and the Statement of Net Position at June 30, 2019, as listed below:

Total Deposits - General Fund	<u>Cash</u> <u>\$ 3,830,870</u>
-------------------------------	------------------------------------

Investments

Under Texas statute, the Authority is required to invest its funds under written investment policies that primarily emphasize safety of principal and liquidity and that address investment diversification, yield, maturity, and the quality and capability of investment management, and all Authority funds must be invested in accordance with the following investment objectives: understanding the suitability of the investment to the Authority's financial requirements, first; preservation and safety of principal, second; liquidity, third; marketability of the investments if the need arises to liquidate the investment before maturity, fourth; diversification of the investment portfolio, fifth; and yield, sixth. Authority's investments must be made "with judgment and care, under prevailing circumstances, that a person of prudence, discretion, and intelligence would exercise in the management of the person's own affairs, not for speculation, but for investment, considering the probable safety of capital and the probable income to be derived." No person may invest Authority funds without express written authority from the Board of Directors.

The Authority is authorized by the Public Funds Investment Act (Chapter 2256, Texas Government Code) to invest in the following: (1) obligations, including letters of credit, of the United States or its agencies and instrumentalities, including Federal Home Loan Banks, (2) direct obligations of the State of Texas or its agencies and instrumentalities, (3) certain collateralized mortgage obligations, (4) other obligations, which are unconditionally guaranteed or insured by the State of Texas or the United States or its agencies or instrumentalities, including obligations that are fully guaranteed or insured by the Federal Deposit Insurance Corporation or by the explicit full faith and credit of the United States, (5) certain A rated or higher obligations of states and political subdivisions of any state, (6) bonds issued, assumed or guaranteed by the State of Israel, (7) certain insured or collateralized certificates of deposit and share certificates, (8) certain fully collateralized repurchase agreements, (9) bankers' acceptances with limitations, (10) commercial paper rated A-1 or P-1 or higher and a maturity of 270 days or less, (11) no-load money market mutual funds and no-load mutual funds, with limitations, (12) certain guaranteed investment contracts, (13) certain qualified governmental investment pools and (14) a qualified securities lending program.

The Authority's adopted investment policy allows it to invest in any of the above listed investments, except items 3, 4, 5, 6, 8, 9, 10, 11, 12 and 14.

**MEMORIAL CITY REDEVELOPMENT AUTHORITY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

**NOTE 3. DEPOSITS AND INVESTMENTS (Continued)**

Investments (continued)

For fiscal year 2019, the Authority invested in the Texas Local Government Investment Pool (“TexPool”), the Texas Short Term Asset Reserve Program (“TexSTAR”) and certificates of deposit.

TexPool has been organized in conformity with the Interlocal Cooperation Act and is overseen by the Comptroller of Public Accounts (the “Comptroller”). The Comptroller is the sole officer, director and shareholder of the Texas Treasury Safekeeping Trust Company (the “Trust Company”), which is authorized to operate TexPool. Pursuant to the TexPool Participation Agreement, administrative and investment services to TexPool are provided by Federated Investors, Inc. (“Federated”), under an agreement with the Comptroller, acting on behalf of the Trust Company. The Comptroller maintains oversight of the services provided to TexPool by Federated. State Street Bank serves as custodian to TexPool. The primary objectives of TexPool are preservation and safety of principal, liquidity and yield. TexPool will only invest in investments that authorized under both the Public Funds Investment Act and the TexPool Investment Policy.

As permitted by GAAP, TexPool uses amortized cost (which excludes unrealized gains and losses) rather than market value to compute share price and seeks to maintain a constant dollar value per share. Accordingly, the fair value of the Authority’s position in TexPool is the same as the value of TexPool shares. Investments in TexPool may be withdrawn on a same day basis, as long as the transaction is executed by 3:30 p.m.

TexSTAR has been organized in conformity with the Interlocal Cooperation Act and is administered by J.P. Morgan Investment Management, Inc. (“JPMIM”) and First Southwest Asset Management, Inc. (“FSAM”). JPMIM provides investment services, and FSAM provides participant services and marketing. Custodial, transfer agency, fund accounting, and depository services are provided by JPMorgan Chase Bank and/or its subsidiary J.P. Morgan Investor Services Co. The primary objectives of TexSTAR are, in order of priority, preservation and protection of principal, maintenance of sufficient liquidity to meet Participant’s needs, diversification to avoid unreasonable or avoidable risks, and yield. TexSTAR will only invest in investments that are authorized under both the Public Funds Investment Act and the current TexSTAR Investment Policy.

The Authority’s investment in TexSTAR is reported at fair value because TexSTAR uses fair value to report investments. The Authority has implemented GASB Statement No. 72, “Fair Value Measurement and Application.” This statement establishes a hierarchy of inputs used to measure fair value as follows: Level 1 inputs are based on quoted prices in active markets, Level 2 inputs are based on significant other observable inputs, and Level 3 inputs are based on significant unobservable inputs. The Authority’s investment in TexSTAR is measured using published fair value per share (level 1 inputs).

**MEMORIAL CITY REDEVELOPMENT AUTHORITY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

**NOTE 3. DEPOSITS AND INVESTMENTS (Continued)**

Investments (continued)

Investments in TexSTAR may be withdrawn via wire transfer on a same day basis, as long as the transaction is executed by 4 p.m. ACH withdrawals made by 4 p.m. will settle on the next business day.

As of June 30, 2019, the Authority had the following investments and maturities:

Type	Fair Value	Maturities in Years			
		Less Than 1	1-5	6-10	More Than 10
TexPool	\$ 1,907,388	\$ 1,907,388	\$	\$	\$
TexSTAR	9,127,236	9,127,236			
Certificate of Deposit	250,000	250,000			
<b>Total</b>	<b>\$ 11,284,624</b>	<b>\$ 11,284,624</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>

Credit risk is the risk that the issuer or other counterparty to an investment will not fulfill its obligations. At June 30, 2019, the Authority's investments in both TexPool and TexSTAR were rated 'AAAm' by Standard & Poor's. The 'AAAm' rating indicates an extremely strong capacity to maintain principal stability and to limit exposure to principal losses due to credit, market, and/or liquidity risks. 'AAAm' is the highest principal stability rating assigned by Standard & Poor's.

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Authority considers the investments in TexPool and TexSTAR to have maturities of less than one year due to the fact the share position can usually be redeemed each day at the discretion of the Authority, unless there has been a significant change in value.

Restrictions

All cash and investments of the Debt Service Fund are restricted for the payment of debt service and the cost of assessing and collecting taxes.

**MEMORIAL CITY REDEVELOPMENT AUTHORITY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

**NOTE 4. TRI-PARTY AGREEMENT**

On November 22, 2002, the Authority and on December 11, 2002, the City of Houston, Texas in accordance with Ordinance No. 2002-1145 executed a Tri-Party Agreement between the City of Houston, Texas, the Zone and the Authority. The Tri-Party Agreement states in detail the scope of services to be provided to the Zone by the Authority. The services include management and administrative service for the Zone, as requested by the Zone Board, services with respect to the Project Plan and Reinvestment Zone Financing Plan (the "Plan"), including enlarging the zone and amendments to the project plan and financing plan, and services with respect to the special tax rolls pertaining to the Zone, including analysis and coordination with taxing units. The Authority is also required to assist the Zone Board in establishing a program to increase the level of safety within the Zone, preparing development plans, establishing a marketing and public relations program, planning and design and construction of infrastructure improvements and land acquisition in the Memorial City area.

The Tri-Party Agreement also provides for the Authority to issue bonds and notes, enter into obligations with developers or builders, and enter into contracts with consultants, to be repaid from Contract Tax Increments. All bonds must be approved by City Council of the City of Houston and the Director of the Finance Department of the City of Houston must approve all development agreements. This Agreement shall end upon termination of the Zone.

Pursuant to the Agreement, the City and the Zone have agreed to pay the Authority not later than the first business day of each July in which a current approved budget is in effect for the Authority, all monies available in the Tax Increment Fund, less (a) certain tax increments constituting educational facilities project costs to be paid to the Spring Branch Independent School District (if any), and (b) a reserve of up to five percent of the monies then available in the Tax Increment Fund for administrative costs of the City. Currently, no monies are owed or are being paid to the Spring Branch Independent School District. Notwithstanding the above, in the event the Authority's budget is not approved by the thirtieth (30<sup>th</sup>) day before the date of a principal and interest payment on the Authority's bonds or notes, the City shall pay from available funds sufficient monies to the Authority to allow for meeting the Authority's debt service obligations.

The Tri-Party Agreement allows the City to recover the costs of municipal services pursuant to the Agreement among the City, the Authority, and the TIRZ.

**MEMORIAL CITY REDEVELOPMENT AUTHORITY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

**NOTE 5. TAX INCREMENTS**

The City of Houston, Texas has agreed to deposit their tax increments into the Tax Increment Fund established by the Zone (See Note 6).

The amount of a Participant's tax increment for a year is the amount of property taxes levied and collected by the Participant for that year on the Captured Appraised Value of real property taxable by the Participant and located in the Zone. The Captured Appraised Value of real property taxable by a Participant for a year is the total appraised value of all real property taxable by the Participant and located in the Zone for that year less the Tax Increment Base, which is the total appraised value of all real property taxable by the Participant and located in the Zone on January 1 of the year in which the Zone was designated as such under the Tax Increment Financing Act (the "TIF Act"). In the event property is annexed into the Zone by ordinance of the City, the Tax Increment Base for annexed property is the value of all real property taxable by a Participant and located in the annexed area on January 1 of the year of annexation. No Participant is required to deposit tax increments derived from property annexed into the Zone unless the Participant has agreed to do so.

Each Participant is required to collect taxes on property located within the Zone in the same manner as other taxes are collected. The Participant is required to pay into the tax increment fund the collected tax increments by no later than the 90<sup>th</sup> day after the delinquency date for the Participant's property taxes.

**NOTE 6. CITY OF HOUSTON TAX INCREMENTS**

Pursuant to City Ordinance No. 1999-759, the City and the Zone have established the Tax Increment Fund, a separate fund in the City Treasury into which tax increments have and will be deposited.

Subsequent to year end, on July 9, 2019, tax increments relating to fiscal year 2019 of \$15,911,731 were collected by the trustee from the City of Houston. The City of Houston withheld \$795,587 to cover administrative costs. As a result, \$15,116,144 is recorded as Tax Increment Receivable as of June 30, 2019.

**MEMORIAL CITY REDEVELOPMENT AUTHORITY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

**NOTE 7. TRANSFER TO THE CITY OF HOUSTON**

During the current fiscal year, the Authority recorded capital improvements of \$25,615,011 for capital assets transferred to the City. This transfer is related to capital improvements made by the Authority to City facilities. The Authority finances these facilities for the benefit of the City. Any capital assets the Authority purchases related to public improvements and facilities have been conveyed to the City of Houston. See pages 30 and 31 for information on current year capital improvement expenditures. The Authority is holding title to certain land associated with the detention basin and W-140 bridge improvements and Town and Country West Drainage and Mobility Improvements. The public improvement extension of Town and Country Way from Town and Country Boulevard west toward Beltway 8 was transferred to the City during the current year. Upon completion of these projects, this land will be transferred to the City. These land costs amount to \$9,185,874 at June 30, 2019.

**NOTE 8. DUE TO DEVELOPER**

The Authority has entered into a development agreement with T&C Way Partners, LLC (“Developer”) for the financing of the land for public improvements. Under the agreement, the developer will advance funds for the acquisition of land for public improvements in the project area. The developer will be reimbursed from available tax increment in the project area.

During the year ended June 30, 2019, the following changes occurred in amounts due to developer.

Due to developer, beginning of year	\$ 1,833,585
Developer reimbursements	(1,686,455)
Due to developer, end of year	<u>\$ 147,130</u>

**NOTE 9. LONG-TERM DEBT**

During the year ended June 30, 2019, the following changes occurred in long-term liabilities:

	Balance July 1, 2018	Additions	Reductions	Balance June 30, 2019	Amounts Due Within One Year
<b>Governmental Activities:</b>					
Bonds and notes payable:					
Tax Increment Contract Bonds	\$ 33,715,000	\$	\$ (3,220,000)	\$ 30,495,000	\$ 3,345,000
Bonds payable, end of year	<u>\$ 33,715,000</u>	<u>\$</u>	<u>\$ (3,220,000)</u>	<u>\$ 30,495,000</u>	<u>\$ 3,345,000</u>

**MEMORIAL CITY REDEVELOPMENT AUTHORITY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

**NOTE 9. LONG-TERM DEBT (continued)**

The terms of the current debt obligations are as follows:

Series	Original Issue	Matures	Interest Rate (%)	Debt Outstanding
<b>Governmental Activities:</b>				
<b>Tax Increment Contract Bonds</b>				
Tax Increment Contract Bonds, Series 2008	\$ 10,000,000	9/1/19	4.45%	\$ 535,000
Refunding Tax Increment Contract Bonds, Series 2011	9,400,000	9/1/26	3.68%	5,865,000
Tax Increment Contract Bonds, Series 2011A	30,600,000	9/1/21	3.85%	6,375,000
Refunding Tax Increment Contract Bonds, Series 2016	17,955,000	9/1/27	2.41%	17,720,000
<b>Total General Obligation Bonds</b>				<b>\$ 30,495,000</b>

The annual requirements to amortize governmental activity tax increment contract revenue bonds at June 30, 2019 are as follows:

<b>Tax Increment Contract Revenue Bonds</b>			
<b>Governmental Activities</b>			
Fiscal Year	Principal	Interest	Total
2020	\$ 3,345,000	\$ 847,545	\$ 4,192,545
2021	3,470,000	721,625	4,191,625
2022	3,590,000	596,772	4,186,772
2023	3,695,000	484,158	4,179,158
2024	3,795,000	384,601	4,179,601
2025	3,895,000	282,315	4,177,315
2026	4,000,000	177,211	4,177,211
2027	4,100,000	69,256	4,169,256
2028	605,000	7,290	612,290
	<u>\$ 30,495,000</u>	<u>\$ 3,570,771</u>	<u>\$ 34,065,771</u>

See pages 35 through 39 for debt service schedules on each bond series outstanding as of June 30, 2019.

**NOTE 10. INTERFUND TRANSACTIONS**

At year end, interfund receivables and payables were as follows:

Receivable Fund	Payable Fund	Amounts	Purpose
Debt Service Fund	General Fund	\$ 4,185,261	Debt Service tax increment revenue owed by General Fund

**MEMORIAL CITY REDEVELOPMENT AUTHORITY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

**NOTE 10. INTERFUND TRANSACTIONS (continued)**

For the fiscal year ended June 30, 2019, an operating transfer is summarized as follows:

<u>Transfers Out</u>	<u>Transfers In</u>	<u>Amounts</u>	<u>Purpose</u>
General Fund	Debt Service Fund	\$ 557,983	Debt service expenditures

**NOTE 11. ADVANCED FUNDING AGREEMENTS WITH THE TEXAS DEPARTMENT OF TRANSPORTATION**

On August 15, 2017, the Authority entered into an Advanced Funding Agreement (the "Agreement") with the State of Texas through Texas Department of Transportation ("State") for funding the reconstruction of Gessner Road from Long Point to Interstate Highway 10, including drainage improvements and sidewalk construction. The Authority approved entering into this Agreement by resolution dated January 23, 2017 and will be effective until the project is completed or otherwise terminated.

The Authority made an initial payment of \$14,000 to the State during the prior year. At least sixty (60) days prior to the date set for receipt of the construction bids, the Authority was obligated to remit its remaining financial share for their estimated construction costs. The Authority is responsible for 100% of the costs after the federal funding reaches the maximum obligated amount. During the current year, the project was accepted, and the Authority remitted \$12,425,043 to the State, which included the Authority's remaining share of \$5,218,545 in addition to \$7,206,498, the excess of federal funding.

After the project is completed, the State will perform an audit of the costs to determine any liability or amounts due back. Any amounts due back will be applied to other advanced funding agreements between the parties. The State is responsible for the performance of architectural and engineering services and advertise for bids, award and administer the contract for construction of the project. The Authority is responsible for the adjustment, removal or relocation of utility facilities before the scheduled beginning of construction. The Authority will also be responsible for the maintenance of locally owned roads after completion. As of June 30, 2019, construction of the project has not yet begun but the project has been bid on and accepted.

The Authority also entered into an advanced funding agreement with the State for funding the reconstruction of the roadway including drainage, access management and bicycle/pedestrian accommodations on Memorial Drive from Beltway 8 to Tallowood Road. The Authority approved entering into this agreement by resolution dated December 5, 2017 and will be effective until the project is completed or otherwise terminated.

**MEMORIAL CITY REDEVELOPMENT AUTHORITY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

**NOTE 11.   ADVANCED FUNDING AGREEMENTS WITH THE TEXAS DEPARTMENT OF TRANSPORTATION (continued)**

The Authority is responsible to make an initial payment of \$16,000 to the State and another \$160,000 before construction begins. At least sixty (60) days prior to the date set for receipt of the construction bids, the Authority shall remit its remaining financial share for their estimated construction costs, in the amount of \$3,250,400. The Authority will be responsible for 100% of the costs after the federal funding reaches the maximum obligated amount. As with the other previously entered Advanced Funding Agreement, the State and Authority will be assigned the same duties. As of June 30, 2019, construction of the project has not yet begun.

**NOTE 12.   INTERLOCAL AGREEMENT WITH THE CITY OF BUNKER HILL VILLAGE**

On March 27, 2018, the Authority approved an Interlocal Agreement with City of Bunker Hill Village ("City"), for a term of 60 months or until completion, for the reconstruction of signalization, paving, sidewalks, landscaping and sub-surface utilities, along Memorial Drive ("Project"). The City has been designated as the project sponsor, who will submit grant applications, enter agreements, contracting with engineers, and other related duties to leading the construction of the project. The Houston-Galveston Area Council funding grant application of the project will reflect an approximate ratio of 76% federal funding and 24% local funding. The parties will share the 20% local match commitment for the Project based upon each entities proportion share of the final engineering costs estimates prepared for the grant application. The current estimates reflect \$12,677,344 (64.02%) of the Authority portion of the project and \$7,123,286 for the City portion of the Project for a total of \$19,800,630. The parties in the agreement also agree to a program management firm to provide support for duties associated with project sponsors, with the Authority expected to pay \$138,500 for that management support. As of year-end, the Authority is still in the early phases of the project.

**NOTE 13.   RISK MANAGEMENT**

The Authority is exposed to various risks of loss related to torts: theft of, damage to, and destruction of assets; errors and omissions; and natural disasters for which the Authority participates along with 2,800 other entities in the Texas Municipal League's Intergovernmental Risk Pool. The Pool purchases commercial insurance at group rates for participants in the Pool. The Authority has not significantly reduced insurance coverage or had settlements that exceeded coverage amounts for the past three years.

**MEMORIAL CITY REDEVELOPMENT AUTHORITY**

**REQUIRED SUPPLEMENTARY INFORMATION**

**JUNE 30, 2019**

DRAFT SUBJECT TO CHANGE

**MEMORIAL CITY REDEVELOPMENT AUTHORITY**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**- BUDGET AND ACTUAL - ALL GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2019**

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<b>REVENUES</b>			
Tax Increment	\$ 18,940,967	\$ 15,910,672	\$ (3,030,295)
Capital Contribution		75,800	75,800
Interest and Other	36,969	393,596	356,627
<b>TOTAL REVENUES</b>	<u>\$ 18,977,936</u>	<u>\$ 16,380,068</u>	<u>\$ (2,597,868)</u>
<b>EXPENDITURES/EXPENSES</b>			
Maintenance and Operations	\$ 279,400	\$ 299,777	\$ (20,377)
Capital Outlay	19,487,666	27,301,466	(7,813,800)
Municipal Services	1,766,619	2,256,619	(490,000)
Administration Fees	947,048	795,587	151,461
Debt Service:			
Principal	3,220,000	3,220,000	
Interest	1,526,170	1,069,130	457,040
<b>TOTAL EXPENDITURES</b>	<u>\$ 27,226,903</u>	<u>\$ 34,942,579</u>	<u>\$ (7,715,676)</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>\$ (8,248,967)</u>	<u>\$ (18,562,511)</u>	<u>\$ (10,313,544)</u>
<b>OTHER FINANCING SOURCES</b>			
Proceeds from the Sale of Contract Revenue Bonds	\$ 31,000,000	\$ -	\$ (31,000,000)
<b>NET CHANGE IN FUND BALANCE</b>	\$ 22,751,033	\$ (18,562,511)	\$ (41,313,544)
<b>FUND BALANCE - JULY 1, 2018</b>	<u>31,109,489</u>	<u>31,109,489</u>	
<b>FUND BALANCE - JUNE 30, 2019</b>	<u>\$ 53,860,522</u>	<u>\$ 12,546,978</u>	<u>\$ (41,313,544)</u>

See accompanying auditors' report.

**MEMORIAL CITY REDEVELOPMENT AUTHORITY**

**SUPPLEMENTARY INFORMATION**

**REQUIRED BY CITY OF HOUSTON**

**JUNE 30, 2019**

DRAFT SUBJECT TO CHANGE

**MEMORIAL CITY REDEVELOPMENT AUTHORITY  
OPERATING EXPENDITURES  
FOR THE YEAR ENDED JUNE 30, 2019**

<i>Category</i>	<i>Vendor</i>	<i>Budget</i>	<i>Actual Expenditures</i>	<i>Variance Positive (Negative)</i>
<b>ADMINISTRATION AND OVERHEAD</b>				
Management Consultant	Hawes Hill & Associates LLP	\$ 102,000	\$ 99,000	\$ 3,000
Administrative Operating				
Property Account Consultant	Equi-tax, Inc.	4,400	4,000	400
Accounting/Audit				
Accounting	ETI Accounting Services	11,500	12,117	(617)
	McGrath & Co. PLLC &	20,500	10,250	10,250
Auditor	McCall Gibson Swedlund Barfoot PLLC	5,000	13,250	(8,250)
Insurance	Texas Municipal League	1,000	961	39
Other			3,552	(3,552)
<b>Subtotal</b>		<b>144,400</b>	<b>143,130</b>	<b>1,270</b>
<b>PROGRAM AND PROJECT CONSULTANTS</b>				
Legal-General Counsel	Allen Boone Humphries Robinson, LLP	75,000	22,897	52,103
Legal-Litigation Counsel	Blank Rome LLP		2,595	(2,595)
Engineering Consultants	The Goodman Corporation	60,000	7,575	52,425
	Lockwood, Andrews & Newman		28,000	(28,000)
	Gauge Engineering		95,580	(95,580)
<b>Subtotal</b>		<b>135,000</b>	<b>156,647</b>	<b>(21,647)</b>
<b>TOTAL MANAGEMENT CONSULTING SERVICES</b>		<b>279,400</b>	<b>299,777</b>	<b>(20,377)</b>
City Administration Fees	City of Houston	947,048	795,587	151,461
Municipal Services Fess	City of Houston	1,766,619	2,256,619	(490,000)
<b>DEBT SERVICE</b>				
Principal		3,220,000	3,220,000	
Interest		1,526,170	1,069,130	457,040
Subtotal		4,746,170	4,289,130	457,040
<b>Total Operating Expenditures</b>		<b>\$ 7,739,237</b>	<b>\$ 7,641,113</b>	<b>\$ 98,124</b>

**MEMORIAL CITY REDEVELOPMENT AUTHORITY  
CAPITAL EXPENDITURES  
FOR THE YEAR ENDED JUNE 30, 2019**

<i>Project</i>	<i>Vendor</i>	<i>Budget</i>	<i>Actual Expenditures</i>	<i>Variance Positive (Negative)</i>
<b>Project T-1709: Improvement to Lumpkin from I-10 to Westview</b>				
Other	Sal Esparza, Inc.	\$ -	\$ 4,773	\$ (4,773)
<b>Project T-1717 and T-1721: Town and Country West Drainage and Mobility Improvements</b>				
Engineering/Design Services	Lockwood, Andrews & Newman	4,549,566	241,399	1,719,301
Other	Allen Boone Humphries Robinson LLP		7,486	
Construction	SER Construction		2,526,137	
	SWA Group		55,243	
<b>Project T-1722: Town and Country Blvd at Queensbury Signalization</b>				
Other	Allen Boone Humphries Robinson LLP		131	(131)
<b>Project T-1725: Park and Green Space Improvements</b>				
Other	SWA Group	125,000	26,530	98,470
<b>Project T-1731A: Detention Basin &amp; W-140 Bridge Improvements</b>				
Other	Sal Esparza, Inc.		13,108	(13,108)
<b>Project T-1732A: N. Gessner Drainage and Mobility Improvement - Phase 1</b>				
Engineering/Design Services	Klotz Associates, Inc.	217,100	53,020	(13,243,050)
	Gauge Engineering		712,076	
	The Goodman Corporation		50,360	
Other	SWA Group		119,197	
	Allen Boone Humphries Robinson LLP		4,786	
	CenterPoint		95,668	
Construction	Texas Department of Transportation		12,425,043	
<b>Project T-1734: W140 Channel Improvements</b>				
Other	Allen Boone Humphries Robinson LLP	6,315,000	3,418	(1,816,399)
	SWA Group		15,067	
Engineering/Design Services	Klotz Associates, Inc.		59,833	
	Gauge Engineering		302,160	
Construction	Réytec Construction Resources, Inc		7,750,921	
<b>Project T-1735: Detention Basin A</b>				
Other	Allen Boone Humphries Robinson LLP	6,000,000	1,050	5,790,210
Engineering/Design Services	Gauge Engineering		208,740	

**MEMORIAL CITY REDEVELOPMENT AUTHORITY  
CAPITAL EXPENDITURES  
FOR THE YEAR ENDED JUNE 30, 2019**

<i>Project</i>	<i>Vendor</i>	<i>Budget</i>	<i>Actual Expenditures</i>	<i>Variance Positive (Negative)</i>
<b>Project T-1738: Extension of Town and Country Way</b>				
Developer Reimbursement	T&C Way Partners	\$ 1,771,000	\$ 1,686,455	\$ 84,545
<b>Project T-1738A: Memorial Drive - Drainage and Mobility Improvement - Phase 1</b>				
Engineering/Design Services	Lockwood, Andrews & Newman	400,000	666,768	(538,865)
	The Goodman Corporation		121,408	
Other	Allen Boone Humphries Robinson LLP		394	
	SWA Group		150,295	
<b>Project T-1738B: Memorial Drive - Drainage and Mobility Improvement - Phase 2</b>				
		50,000		50,000
<b>Project T-1799: Concrete Panel Replace Program at Town &amp; Country Blvd.</b>				
		60,000		60,000
<b>Total Capital Expenditures</b>		<b>\$ 19,487,666</b>	<b>\$ 27,301,466</b>	<b>\$ (7,813,800)</b>

DRAFT SUBJECT TO CHANGE

**MEMORIAL CITY REDEVELOPMENT AUTHORITY  
PROJECT PLAN RECONCILIATION  
AS OF THE YEAR ENDED JUNE 30, 2019**

	<i>Project Plan Estimated Amount</i>	<i>Cumulative Expenditures as of the Fiscal Year Ended 2019</i>	<i>Variance Positive (Negative)</i>
<b>Capital Projects:</b>			
Roadway and Sidewalk Improvements	\$ 53,429,681	\$ 39,584,838	\$ 13,844,843
Public Utility Improvements	120,856,453	67,694,077	53,162,376
Park and Recreational Facilities	11,889,119	372,815	11,516,304
<b>Total Capital Projects Costs</b>	<b>\$ 186,175,253</b>	<b>\$ 107,651,730</b>	<b>\$ 78,523,523</b>
Financing Costs	25,000,000	37,658,927	(12,658,927)
Creation and Administration Costs	5,952,851	5,503,939	448,912
<b>Total Project Plan</b>	<b>\$ 217,128,104</b>	<b>\$ 150,814,596</b>	<b>\$ 66,313,508</b>

DRAFT SUBJECT TO CHANGE

**MEMORIAL CITY REDEVELOPMENT AUTHORITY**

**OTHER SUPPLEMENTARY INFORMATION**

**JUNE 30, 2019**

DRAFT SUBJECT TO CHANGE

**MEMORIAL CITY REDEVELOPMENT AUTHORITY  
LONG-TERM DEBT SERVICE REQUIREMENTS, BY YEARS  
AS OF THE YEAR ENDED JUNE 30, 2019**

**TAX INCREMENT CONTRACT  
REVENUE BONDS  
SERIES - 2008**

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<b>Due During Fiscal Years Ending June 30</b>	<b>Principal Due September 1</b>	<b>Interest Due September 1/ March 1</b>	<b>Total</b>
2020	\$ 535,000	\$ 11,904	\$ 546,904

DRAFT SUBJECT TO CHANGE

See accompanying auditors' report.

**MEMORIAL CITY REDEVELOPMENT AUTHORITY**  
**LONG-TERM DEBT SERVICE REQUIREMENTS, BY YEARS**  
**AS OF THE YEAR ENDED JUNE 30, 2019**

**REFUNDING TAX INCREMENT  
CONTRACT REVENUE BONDS  
SERIES - 2011**

<b>Due During Fiscal Years Ending June 30</b>	<b>Principal Due September 1</b>	<b>Interest Due September 1/ March 1</b>	<b>Total</b>
2020	\$ 645,000	\$ 203,964	\$ 848,964
2021	665,000	179,860	844,860
2022	690,000	154,928	844,928
2023	720,000	128,984	848,984
2024	745,000	102,028	847,028
2025	770,000	74,151	844,151
2026	800,000	45,263	845,263
2027	830,000	15,272	845,272
<b>TOTAL</b>	<b>\$ 5,865,000</b>	<b>\$ 904,450</b>	<b>\$ 6,769,450</b>

See accompanying auditors' report.

**MEMORIAL CITY REDEVELOPMENT AUTHORITY  
LONG-TERM DEBT SERVICE REQUIREMENTS, BY YEARS  
AS OF THE YEAR ENDED JUNE 30, 2019**

**TAX INCREMENT CONTRACT  
REVENUE BONDS  
SERIES - 2011A**

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<b>Due During Fiscal Years Ending June 30</b>	<b>Principal Due September 1</b>	<b>Interest Due September 1/ March 1</b>	<b>Total</b>
2020	\$ 2,045,000	\$ 206,071	\$ 2,251,071
2021	2,125,000	125,799	2,250,799
2022	2,205,000	42,446	2,247,446
<b>TOTAL</b>	<b>\$ 6,375,000</b>	<b>\$ 374,316</b>	<b>\$ 6,749,316</b>

DRAFT SUBJECT TO CHANGE

See accompanying auditors' report.

**MEMORIAL CITY REDEVELOPMENT AUTHORITY**  
**LONG-TERM DEBT SERVICE REQUIREMENTS, BY YEARS**  
**AS OF THE YEAR ENDED JUNE 30, 2019**

**TAX INCREMENT CONTRACT**  
**REVENUE BONDS**  
**SERIES - 2016 Refunding**

<b>Due During Fiscal Years Ending June 30</b>	<b>Principal Due September 1</b>	<b>Interest Due September 1/ March 1</b>	<b>Total</b>
2020	\$ 120,000	\$ 425,606	\$ 545,606
2021	680,000	415,966	1,095,966
2022	695,000	399,397	1,094,397
2023	2,975,000	355,174	3,330,174
2024	3,050,000	282,573	3,332,573
2025	3,125,000	208,164	3,333,164
2026	3,200,000	131,948	3,331,948
2027	3,270,000	53,984	3,323,984
2028	605,000	7,290	612,290
<b>TOTAL</b>	<b>\$ 17,720,000</b>	<b>\$ 2,280,101</b>	<b>\$ 20,000,101</b>

See accompanying auditors' report.

**MEMORIAL CITY REDEVELOPMENT AUTHORITY**  
**LONG-TERM DEBT SERVICE REQUIREMENTS, BY YEARS**  
**AS OF THE YEAR ENDED JUNE 30, 2019**

**ANNUAL REQUIREMENTS**  
**FOR ALL SERIES**

<b>Due During Fiscal Years Ending June 30</b>	<b>Total Principal Due</b>	<b>Total Interest Due</b>	<b>Total Principal and Interest Due</b>
2020	\$ 3,345,000	\$ 847,545	\$ 4,192,545
2021	3,470,000	721,625	4,191,625
2022	3,590,000	596,772	4,186,772
2023	3,695,000	484,158	4,179,158
2024	3,795,000	384,601	4,179,601
2025	3,895,000	282,315	4,177,315
2026	4,000,000	177,211	4,177,211
2027	4,100,000	69,256	4,169,256
2028	605,000	7,290	612,290
<b>TOTAL</b>	<b>\$ 30,495,000</b>	<b>\$ 3,570,771</b>	<b>\$ 34,065,771</b>

DRAFT SUBJECT TO CHANGE

See accompanying auditors' report.

**MEMORIAL CITY REDEVELOPMENT AUTHORITY  
BOARD MEMBERS AND CONSULTANTS  
JUNE 30, 2019**

Authority Mailing Address - Memorial City Redevelopment Authority  
P.O. Box 22167  
Houston, TX 77227-2167

Authority Telephone Number - 713-595-1200

<u>Board Members</u>	<u>Position</u>
Marshall B. Heins - Director	1
John Rickel - Director	2
David P. Durham - Director	3
Ann Thomas Givens – Chair	4
Dr. Zachary R. Hodges - Director	5
Brad Freels – Vice-Chair	6
Glenn E. Airola – Secretary	7

DRAFT SUBJECT TO CHANGE

See accompanying auditors' report.

MEMORIAL CITY REDEVELOPMENT AUTHORITY TIRZ NO. 17,  
TAX REINVESTMENT ZONE NO. 17  
HOUSTON, TEXAS

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**AGENDA MEMORANDUM**

TO: Memorial City Redevelopment Authority TIRZ No. 17 Board of Directors  
FROM: Executive Director  
SUBJECT: Agenda Item Materials

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5. Receive the financial and bookkeeper's report, including payment of invoices, review of investments, and project cash flow reports.

# Memorial City Redevelopment Authority

## Cash Management Report

August 31, 2019

ETI BOOKKEEPING SERVICES

17111 ROLLING CREEK DRIVE SUITE 108

HOUSTON TX 77090

TELEPHONE 281 444 3384 FAX 281 440 8304

Fiscal Year End: June 30, 2020

### Summary

<u>Current Activity</u>	<u>Memorial City Redevelopment Authority</u>			
	<u>General Fund</u>	<u>Capital Projects</u>	<u>Debt Service</u>	<u>Total</u>
Beginning Balance	23,302,260.12	0.00	4,215,687.03	27,517,947.15
Revenue	2,305,289.86	0.00	7,095.11	2,312,384.97
Expenditures	17,102,081.82	0.00	3,801,914.50	20,903,996.32
Ending Balance	8,505,468.16	0.00	420,867.64	8,926,335.80

### NOTES:

Debt Service Payments due in Fiscal Year End 2020:

Date	Series	Principal	Interest	Total
9/1/2019	2008	535,000.00	11,903.75	546,903.75
9/1/2019	2011R	645,000.00	107,916.00	752,916.00
9/1/2019	2011A	2,045,000.00	122,718.75	2,167,718.75
9/1/2019	2016R	120,000.00	213,526.00	333,526.00
3/1/2020	2008		0.00	0.00
3/1/2020	2011R		96,048.00	96,048.00
3/1/2020	2011A		83,352.50	83,352.50
3/1/2020	2016R		212,080.00	212,080.00
			<b>Total FYE 2020</b>	<b>4,192,545.00</b>

August 31, 2019

## General Operating Fund

<b>BEGINNING BALANCE:</b>	<b>23,302,260.12</b>
<b>REVENUE:</b>	
City of Houston Increment	0.00
Checking Interest - Wells Fargo	146.00
Texpool Interest	3,368.84
Wells Fargo/TexSTAR (Surplus Funds) Interest	23,714.06
Texas Exchange CD Interest	555.96
Reimbursement from Gauge Engineering	20,886.00
Voided Check(s)                      2994	2,256,619.00
<b>Total Revenue:</b>	<b>2,305,289.86</b>
<b>DISBURSEMENTS:</b>	
Checks Presented At Last Meeting	17,102,081.82
Checks Written at/after Last Meeting	0.00
<b>Total Expenditures</b>	<b>17,102,081.82</b>
<b>Ending Balance:</b>	<b>8,505,468.16</b>

**Location of Assets:**

Institution	Investment Number	Interest Rate	
Wells Fargo Checking	*5490	0.1800	49,098.53
TexPool	*0001	2.1715	1,666,460.78
Wells Fargo/TexSTAR	TexSTAR Surplus Funds	2.1126	6,539,908.85
Texas Exchange Bank CD	*3601	2.6184	250,000.00
		<b>Total</b>	<b>8,505,468.16</b>
Certificate of Deposit	CD *3601	Term: 12 Months	Matures: 09/28/2019

**Memorial City Redevelopment Authority**  
**Checks Presented**  
**September 24, 2019**

<b>Num</b>	<b>Name</b>	<b>Description</b>	<b>Amount</b>
3003	Allen Boone Humphries Robinson LLP	Legal Fee	-7,247.39
3004	Equi-Tax, Inc	Tax Assessor Fee	-400.00
3005	ETI Bookkeeping Services	Bookkeeping Fee	-900.00
3006	Gauge Engineering, LLC	Engineering Fee	-79,733.00
3007	Hawes Hill & Associates	Professional Consultant	-8,500.00
3008	Lockwood, Andrews & Newman, Inc.	Memorial Drive Improvements	-203,267.90
3009	Masterson Advisors LLC	Municipal Advisors Services	-24,656.25
3010	McCall Gibson Swedlund Barfoot PLLC	Construction Audit	-3,500.00
3011	Reytec Construction Resources, Inc.	Briar Branch Channel & Straws	-1,791,722.50
3012	Sal Esparza, Inc.	Landscaping	-1,310.80
3013	SWA Group	Engineering Fee	-62,693.13
3014	The Goodman Corporation Inc	Contract Services	-3,868.03
<b>Total</b>			<b>-2,187,799.00</b>

## Debt Service Fund

<b>BEGINNING BALANCE</b>		<b>4,215,687.03</b>
<b>REVENUE</b>		
TexPool DSF Interest	15.09	
Wells Fargo/TexSTAR (2008 DSF) Interest	7,062.83	
Wells Fargo/TexSTAR (2008 Pled Rev) Interest	17.19	
<b>Total Revenue</b>		<b>7,095.11</b>
<b>EXPENDITURES</b>		
Debt Service Interest Payment	456,064.50	
Debt Service Principal Payment	3,345,000.00	
Trustee Fee	850.00	
<b>Total Expenditures</b>		<b>3,801,914.50</b>
<b>ENDING BALANCE</b>		<b>420,867.64</b>

**Location of Assets:**

Institution	Investment Number	Interest Rate	Current Balance
Wells Fargo *4601	TexSTAR 2008 DSF	2.1126	403,158.24
Wells Fargo *4600	TexSTAR 2008 Pledged Rev	2.1126	9,529.84
TexPool	*0004	2.1715	8,179.56
	<b>Total</b>		<b>420,867.64</b>

**Memorial City Redevelopment Authority  
Investment Report  
August 31, 2019**

**SCHEDULE OF INVESTMENTS**

**Investment Pools**

Fund	Location Of Assets	Interest Rate	Beginning Balance			Interest Earned	Deposits or (Withdrawals)	Ending Balance		
			Market	N.A.V.	Book			Market	N.A.V.	Book
GOF	TexPool	2.1715	1,903,187.09	1.00005	1,903,091.94	3,368.84	(240,000.00)	1,666,644.09	1,00011	1,666,460.78
DSF	TexPool	2.1715	8,164.88	1.00005	8,164.47	15.09	0.00	8,180.46	1.00011	8,179.56
GOF	Wells Fargo/ TexStar	2.1126	20,902,853.51	0.999974	20,903,397.00	23,714.06	(14,387,202.21)	6,539,523.00	0.999941	6,539,908.85
DSF	Wells Fargo/ TexStar DSF	2.1126	4,197,900.76	0.999974	4,198,009.91	7,062.83	(3,801,914.50)	403,134.45	0.999941	403,158.24
DSF	Wells Fargo/ TexStar PI Rev	2.1126	9,512.40	0.999974	9,512.65	17.19	0.00	9,529.28	0.999941	9,529.84

**Certificates of Deposit**

Fund	Location Of Assets	Interest Rate	Purchase Value	Term	Maturity Date	Beginning Balance	Deposits or (Withdrawals)	Interest Earned	Ending Balance
GOF	TX Exch *3601	2.6184	245,000.00	12 Months	9/28/2019	250,000.00	(555.96)	555.96	250,000.00

**Demand Accounts**

Fund	Location Of Assets	Interest Rate	Purchase Date	Beginning Balance	Interest Earned	Deposits or (Withdrawals)	Ending Balance
GOF	Wells Fargo	0.18	6/8/2015	245,771.18	146.00	(196,818.65)	49,098.53

**Collateral Pledged In Addition to FDIC**

Depository Institution	Total Funds On Deposit	Custodial Institution	Securities Pledged	Par Value	Market Value
Wells Fargo	49,098.53	BNYM	7,380,177	2,094,253	2,232,810

**Certification:**

The District's investments are in compliance with the investment strategy as expressed in the District's Investment Policy and the Public Funds Investment Act. I hereby certify that pursuant to the Senate Bill 253 and in connection with the preparation of this investment report, I have reviewed the investment lists prepared and maintained by the Texas Comptroller of Public Accounts, and the District does not own direct or indirect holdings in any companies identified on such lists.

Bookkeeper \_\_\_\_\_ Investment Officer \_\_\_\_\_

Investment Officer Kenneth Byrd	Date Assumed Office 8/6/2015	Training Completed 10/27/2018
------------------------------------	---------------------------------	----------------------------------

**Memorial City Redevelopment Authority**  
**Profit & Loss Budget vs. Actual**  
**August 2019**

	August			Year To Date (2 Months)			Annual
	Actual	Budget	Variance	Actual	Budget	Variance	Budget
<b>Income</b>							
1000 · Income							
8223 · Interest Income	34,324	3,081	31,243	80,721	6,162	74,559	36,969
8930 · Bond Proceeds	0	0	0	0	0	0	73,300,000
<b>Total 1000 · Income</b>	<b>34,324</b>	<b>3,081</b>	<b>31,243</b>	<b>80,721</b>	<b>6,162</b>	<b>74,559</b>	<b>73,336,969</b>
6-4320 · Increment Collections	0	0	0	15,116,144	16,599,074	-1,482,930	16,599,074
6-4350 · Grants	0	0	0	0	0	0	3,400,000
<b>Total Income</b>	<b>34,324</b>	<b>3,081</b>	<b>31,243</b>	<b>15,196,865</b>	<b>16,605,236</b>	<b>-1,408,371</b>	<b>93,336,043</b>
<b>Expense</b>							
3335 · Management Consulting Services							
6320 · Legal	3,790	12,500	-8,710	9,259	25,000	-15,741	150,000
6322 · Eng Consultant/General Prof.Svc	0	1,667	-1,667	2,200	3,333	-1,133	20,000
6337 · Construction Audit	3,500	0	3,500	3,500	0	3,500	10,000
<b>Total 3335 · Management Consulting Services</b>	<b>7,290</b>	<b>14,167</b>	<b>-6,877</b>	<b>14,959</b>	<b>28,333</b>	<b>-13,374</b>	<b>180,000</b>
5650 · Transfers							
6420 · COH Administration Fee	0	0	0	0	829,954	-829,954	829,954
6430 · Municipal Services	0	0	0	0	0	0	2,256,619
<b>Total 5650 · Transfers</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>829,954</b>	<b>-829,954</b>	<b>3,086,573</b>
5706 · Debt Service							
5707 · Principal	3,345,000	3,100,000	245,000	3,345,000	3,100,000	245,000	3,100,000
5708 · Interest	456,065	577,991	-121,926	456,065	577,991	-121,926	1,096,176
5710c · Trustee Fee	850	1,000	-150	850	1,000	-150	9,500
<b>Total 5706 · Debt Service</b>	<b>3,801,915</b>	<b>3,678,991</b>	<b>122,924</b>	<b>3,801,915</b>	<b>3,678,991</b>	<b>122,924</b>	<b>4,205,676</b>
6300 · Administration & Overhead							
6321 · Auditor	0	0	0	0	0	0	20,000
6333 · Bookkeeping/Accounting	1,625	900	725	2,925	1,800	1,125	10,800
6340 · Administration Salaries/Benefit	8,500	8,000	500	17,000	16,000	1,000	96,000
6344 · Bond Svcs/Trustee/FA	24,656	267	24,389	24,656	533	24,123	3,200
6350 · Office Expense	0	250	-250	0	500	-500	3,000
6353 · Insurance	0	0	0	0	0	0	1,290
<b>Total 6300 · Administration &amp; Overhead</b>	<b>34,781</b>	<b>9,417</b>	<b>25,364</b>	<b>44,581</b>	<b>18,833</b>	<b>25,748</b>	<b>134,290</b>
7000 · Capital Expenditure							
1717 · Town & Country W. Drain/Mobil	1,379	293,333	-291,954	4,533	586,667	-582,134	3,520,000
1725 · Parks & Green Space Improv.	0	10,417	-10,417	0	20,833	-20,833	125,000
1731A · Detention Basin & W-140 Bridge	1,311	0	1,311	2,622	0	2,622	0
1732A · N Gessner Drainage & Mobility	12,405,280	49,758	12,355,522	12,416,206	99,517	12,316,689	597,100
1734 · W140 Channel Improvements	1,869,656	526,250	1,343,406	3,937,163	1,052,500	2,884,663	6,315,000
1735A · Detention Basin A	2,100	83,333	-81,233	19,626	166,667	-147,041	1,000,000
1738 · T&C Way Partners, LLC	0	0	0	284,950	0	284,950	1,649,593
1738A · Memorial Dr Drain & Mobility 1	269,829	33,333	236,496	287,081	66,667	220,414	400,000
1738B · Memorial Dr Drain & Mobility 2	656	4,167	-3,511	656	8,333	-7,677	50,000
1799 · Concrete Panel Replace Program	0	2,917	-2,917	0	5,833	-5,833	35,000

**Memorial City Redevelopment Authority**  
**Profit & Loss Budget vs. Actual**  
**August 2019**

	August			Year To Date (2 Months)			Annual
	Actual	Budget	Variance	Actual	Budget	Variance	Budget
Total 7000 - Capital Expenditure	14,550,211	1,003,508	13,546,703	16,952,837	2,007,017	14,945,820	13,691,693
<b>Total Expense</b>	<b>18,394,197</b>	<b>4,706,083</b>	<b>13,688,114</b>	<b>20,814,292</b>	<b>6,563,128</b>	<b>14,251,164</b>	<b>21,298,232</b>
<b>Net Income</b>	<b>-18,359,873</b>	<b>-4,703,002</b>	<b>-13,656,871</b>	<b>-5,617,427</b>	<b>10,042,108</b>	<b>-15,659,535</b>	<b>72,037,811</b>

**ALLEN BOONE HUMPHRIES ROBINSON LLP**

To contact the ABHR Billing Department, please call 713-860-6400 or email at [billing@abhr.com](mailto:billing@abhr.com)

September 13, 2019

**MEMORIAL CITY REDEVELOPMENT AUTHORITY**

General  
 Client/Matter: MEM001-01  
 Statement Number: 105731  
 Billing Attorney: Jessica Biddle Holoubek

**REMITTANCE PAGE**

Fees for services posted through September 06, 2019 1,968.75  
 Expenses and Other Items posted through September 06, 2019 21.14  
**Total Amount Due: \$1,989.89**



**ALLEN BOONE HUMPHRIES ROBINSON LLP**

September 13, 2019

**MEMORIAL CITY REDEVELOPMENT AUTHORITY**

Ms. Michelle Lofton  
 ETI Bookkeeping Services  
 17111 Rolling Creek Drive, Suite 110  
 Houston, TX 77080  
 Client/Matter: MEM001-01  
 Statement Number: 105731  
 Billing Attorney: Jessica Biddle Holoubek

**General**

**Professional Fees**  
 Fees for services posted through September 06, 2019, as follows:

Date	Professional	Hours
08/19/19	Jessica Biddle Holoubek Receive and review letter from RPS counsel regarding threatened litigation.	0.25
08/23/19	Monique Somlier Receive and review District documentation, distribute if necessary to District consultants, and forward for filing per the District's Records Management Policy.	0.25
08/26/19	Jessica Biddle Holoubek Prepare response letter to RPS Infrastructure Inc.	0.50
08/27/19	Jessica Biddle Holoubek Prepare for, review the meeting and action files, and attend regular monthly Board of Directors meeting; telephone conference with Andy Baupre; follow up regarding letter from RPS Infrastructure, Inc.	2.50
08/27/19	Mitchell McGee Review, sort, and add documents into district records in accordance with Records Management Act and District's Records Management Policy.	0.25
08/29/19	Jessica Biddle Holoubek Telephone conference with Scott Bean regarding press release.	0.25
08/30/19	Mitchell McGee Review, sort, and add documents into district records in accordance with Records Management Act and District's Records Management Policy.	0.25

Total Task Hours: 4.25  
 Total Task Amount: \$1,968.75  
 Total Fees: \$1,988.75

**Expenses and Other Items**

Expenses and Other Items posted through September 06, 2019, as follows:

08/27/19	JBH Toll Charges.	1.00
----------	-------------------	------

Allen Boone Humphries Robinson LLP

*Code # 6310  
 9-16-2019*

Please return this page with your payment to the remittance address below:

Allen Boone Humphries Robinson LLP  
 PO Box 4346  
 Department 80  
 Houston, TX 77210-4346

Checks should be made payable to Allen Boone Humphries Robinson LLP  
 Please include the invoice number on your check  
 Total amount payable in U.S. dollars

September 13, 2019

Date	Code	Description	Hours	Amount
08/27/19	JBH	Mileage expense.	19.14	
08/28/19	JBH	Postage.	1.00	
Total Expenses and Other Items:			21.14	

**TASK FEE BREAKDOWN**

General

Hours	Amount
4.25	1,988.75

Total Fees:	\$	1,988.75
Total Expenses and Other Items:	\$	21.14
<b>Total Amount Due:</b>	<b>\$</b>	<b>1,989.89</b>

**ALLEN BOONE HUMPHRIES ROBINSON LLP**

To contact the ABHR Billing Department, please call 713-960-6400 or email at [billing@abhr.com](mailto:billing@abhr.com)

September 13, 2019

**MEMORIAL CITY REDEVELOPMENT AUTHORITY**

Client/Matter: MEM001-03  
Statement Number: 105732  
Billing Attorney: Jessica Biddie Holoubek

**REMITTANCE PAGE**

Fees for services posted through September 06, 2019 5,257.50  
Expenses and Other Items posted through September 06, 2019 0.00  
**Total Amount Due: \$5,257.50**

Please return this page with your payment to the remittance address below:

Allen Boone Humphries Robinson LLP  
PO Box 4346  
Department 90  
Houston, TX 77210-4346

Checks should be made payable to Allen Boone Humphries Robinson LLP  
Please include the invoice number on your check  
Total amount payable in U.S. dollars



Code # See detail  
9/16/2019



**ALLEN BOONE HUMPHRIES ROBINSON LLP**  
 Telephone (713) 381-1735  
 September 13, 2019

**MEMORIAL CITY REDEVELOPMENT AUTHORITY**

Ms. Michelle Lofton  
 ETI Bookkeeping Services  
 17111 Rolling Creek Drive, Suite 110  
 Houston, TX 77080

Client/Matter:  
 Statement Number:  
 Billing Attorney:

MEM001-03  
 105732  
 Jessica Biddle  
 Holoubek

**Projects**

**Professional Fees**

Fees for services posted through September 06, 2019, as follows:

Date	Professional	Hours
08/19/19	Gessner Widening - <del>1732A</del> #1732A Sarah A. Shannon	1.25
08/21/19	Attention to drafting of Full Release for City of Houston dedication. Sarah A. Shannon	0.75
08/27/19	Attention discussion with title company regarding approval of release in full and other items on title commitment and City comments. Review revised title commitment. Jessica Biddle Holoubek	0.25
08/27/19	Follow up regarding cost sharing agreement for Gessner overhead power line raising. Jessica Biddle Holoubek	0.50
08/27/19	Work on right-of-way acquisition matters. Sarah A. Shannon	0.75

Total Task Hours: 3.50  
 Total Task Amount: \$1,122.50

Memorial near Bwy & Drainage - ~~1732B~~ 1732B  
 08/23/19 Jessica Biddle Holoubek Follow up with Ricky Gonzales regarding property acquisition. 0.25

Total Task Hours: 0.25  
 Total Task Amount: \$131.25

Memorial Drainage & Mobility - ~~1732B~~ 1732B  
 08/28/19 Jessica Biddle Holoubek Review Uniform Act requirements; discuss property acquisition with LAN and Goodman Corp. 0.50

08/29/19 Jessica Biddle Holoubek Telephone conference with working group regarding property acquisition. 0.50

Allen Boone Humphries Robinson LLP

September 13, 2019

Statement Number:

Total Task Hours: 1.00  
 Total Task Amount: \$525.00

**SBMSA detention #1735**

08/14/19	Jessica Biddle Holoubek	Review letter from SBISD.	0.25
08/15/19	Jessica Biddle Holoubek	Receive and review letter from SBISD; telephone conference with Ann Givens and Scott Bean regarding the same.	0.50
08/23/19	Jessica Biddle Holoubek	Telephone conference with Scott Bean; receive and review various email correspondence regarding project; review City of Houston, Texas letter regarding FEMA funding; review draft letter regarding project status; telephone conference with Derek S. John, Muhammad Ali, David Hewes and Scott Bean.	2.75
08/27/19	Jessica Biddle Holoubek	Telephone conference with Jennifer Curley and Gwen Tillison regarding SBISD letter to City of Houston, Texas.	0.50

Total Task Hours: 4.00  
 Total Task Amount: \$2,100.00

**Town & Country W. Drain/Mobil - 1717 #1717**

08/15/19	Jessica Biddle Holoubek	Work on matters regarding right-of-way conveyance to City of Houston, Texas.	0.50
08/15/19	Sarah A. Shannon	Attention to follow-up with title company on update to title commitment for fee conveyance to City.	0.25
08/20/19	Jessica Biddle Holoubek	Work on City of Houston, Texas right-of-way conveyance.	0.25
08/20/19	Jessica Biddle Holoubek	Work on matters regarding right-of-way conveyance; follow up with City of Houston, Texas regarding updated title commitment and release of lien in connection with same.	0.50
08/21/19	Jessica Biddle Holoubek	Work on matters regarding T&C Partners pay off and Amegy release of lien.	0.50
08/22/19	Jessica Biddle Holoubek	Draft receipt and follow up on matters regarding payment to T&C Partners.	0.50
09/03/19	Jessica Biddle Holoubek	Exchange of emails with Trevor Janacek regarding T&C Way payments.	0.25

Total Task Hours: 2.75  
 Total Task Amount: \$1,378.75

Total Fees: \$5,257.50

**TASK FEE BREAKDOWN**

Task	Hours	Amount
Gessner Widening - <del>1732A</del> 1732A	3.50	1,122.50
Memorial near Bwy & Drainage - <del>1732B</del> 1732B	0.25	131.25
Memorial Drainage & Mobility - <del>1732B</del> 1732B	1.00	525.00
SBMSA detention #1735	4.00	2,100.00
Town & Country W. Drain/Mobil - 1717 #1717	2.75	1,378.75

Allen Boone Humphries Robinson LLP

September 13, 2019

Equi-Tax Inc.

Suite 200  
17111 Rolling Creek Drive  
Houston Texas 77090  
281-444-4866

DATE	INVOICE #
9/1/2019	54398

Invoice

**BILL TO**  
TIRZ No. 17 - Memorial City RDA  
c/o ETI Bookkeeping Services  
Suite 108  
17111 Rolling Creek Drive  
Houston TX 77090

Total Fees:	\$	5,257.50
Total Expenses and Other Items:	\$	0.00
<b>Total Amount Due:</b>	<b>\$</b>	<b>5,257.50</b>

DESCRIPTION	AMOUNT
Monthly Consultant Services fee per Contract	400.00
Invoice emailed to: Michelle Lofton at bkpl@etiaccounting.com Scott Bean at sbean@haweshill.com Linda Clayton at lclayton@haweshill.com	

**Total** \$400.00

*SR*  
Code # 6333  
9/3/2019

September 13, 2019

Allen Boone Humphries Robinson LLP

ETI Bookkeeping Services  
 PO BOX 73109  
 Houston, TX 77273

# Invoice

Date	9/1/2019
Invoice #	8615

Bill To  
 TRZ 17 Redevelopment Authority  
 P.O. Box 73109  
 Houston, Texas 77273

Description	City	Rate	Amount
Bookkeeping		900.00	900.00

<b>Total</b>	\$900.00
<b>Payments/Credits</b>	\$0.00
<b>Balance Due</b>	\$900.00

Code # 6333  
 9/13/2019



Please make checks payable to:  
 Gauge Engineering, LLC  
 3200 Wilcrest Drive, Suite 220  
 Houston, TX 77042

Scott Bean - Executive Director  
 Memorial City Redevelopment Authority/TRZ 17  
 9810 Long Point Road, Suite 150  
 Houston, TX 77055



Please send ACH/Wire payments to:  
 Amegy Bank  
 Routing No.: 113011258  
 Account No.: 5793771931

Project Name: **W140 Channel Improvements Construction (1-1734 T-1734B)**  
 Project No. **1005**  
 Professional Services: from August 18, 2019 to September 13, 2019  
 Contract Type: **Lump Sum**  
 Invoice Number: **011**

Task Name	Contract Amount	Percent Complete	Remaining Contract Amount	Total Invoiced to Date	Previously Invoiced	Current Payment Due
Construction Mgmt & Inspection	\$725,500	36.05%	\$463,957	\$261,543	\$211,846	\$49,697
Construction Phase Services	\$217,900	34.00%	\$143,814	\$74,086	\$65,370	\$8,716
Construction Materials Testing (Avises)	\$488,000	31.50%	\$339,280	\$153,720	\$134,200	\$19,520
Add Services						
Straw Extension Evaluation & Design	\$95,235	18.00%	\$78,083	\$17,142	\$17,142	\$0
Access Road Design	\$83,000	40.00%	\$49,800	\$33,200	\$33,200	\$0

Total This Invoice: **\$77,933**

Billings to Date:

Current	\$49,697	Total	\$261,543
Construction Mgmt & Inspection	\$8,716		\$74,086
Construction Phase Services	\$19,520		\$153,720
Add Services	\$0		\$17,142
Straw Extension Evaluation & Design	\$0		\$33,200
Access Road Design			

I certify the above to be true and correct

  
 Muhammed Ali - PE



Code # 1734  
 9/17/2019

3200 Wilcrest Drive, Suite 220 • Houston, TX 77042



Please make checks payable to:  
Gauge Engineering, LLC  
3200 Wilcrest Drive, Suite 220  
Houston, TX 77042

Please send ACH/Wire payments to:  
Anegy Bank  
Routing No.: 113011258  
Account No.: 5763771931

9/17/2019

Scott Bean - Executive Director  
Memorial City Redevelopment Authority/TIRZ 17  
8610 Long Point Road, Suite 150  
Houston, TX 77055

**Project Name:** On-Call Consulting - General Engineering

**Project No.:** 1008

**Professional Services:** from May 23, 2019 to September 13, 2019

**Contract Type:** Time and Materials

**Invoice Number:** 1084

Task Name	Contract Amount	Percent Complete	Remaining Contract Amount	Total Invoiced to Date	Previously Invoiced	Current Payment Due
On-call Engineering	\$15,000	-	\$7,710	\$7,290	\$5,490	\$1,800

**Total This Invoice:** \$1,800

**Billings to Date:**

Current	Prior	Total
\$1,800	\$5,490	\$7,290

I certify the above to be true and correct

  
Muhammad Ali



Code # 6340  
9-17-2019

3200 Wilcrest Drive, Suite 220 • Houston, TX 77042



9/5/2019

Invoice #: 43016115

**Bill To:**

Memorial City Redevelopment Authority/TIRZ #17  
PO Box 22167  
Houston, TX 77227-2167

**Balance Due: \$8,500.00**

DESCRIPTION	Amount
Professional consulting and administration fee, September 2019	\$8,500.00

Code # 6340  
9/5/2019

**Terms:**

C.O.D. Total **\$8,500.00**

Hawes Hill & Associates, LLP, P.O. Box 22167, Houston TX 77227-2167  
713-595-1200 FEIN 76-0565638



**Lockwood, Andrews & Newnam, Inc.**  
A LEO A DALY COMPANY

PLEASE NOTE NEW REMIT ADDRESS:  
Please make checks payable to:  
Lockwood, Andrews & Newnam, Inc.  
PO Box 30045  
Omaha, NE 68103-1165  
T: 713-266-6900

ACH/Voice Payments can be sent to:  
First National Bank  
Account: 110390778  
Routing: 164000016

**INVOICE**

Scott Bean  
Memorial City Redevelopment Authority, TRZ 17  
9610 Long Point Dr., Suite 1100  
Houston, Texas 77046

September 15, 2019  
Invoice No: 170-11972-006-17

Professional Services from Item 13-2013 through September 08, 2019

Account No.	Project Name	Original Contract Amount	Percent Complete	Remaining Contract Amount	Total Invoiced To Date	Previously Invoiced	Current Payment Due
CIP No: 1-173BA	Memorial Drive Mobility and Drainage Phase II Detailed Design	\$1,165,700.00	90.1%	\$115,314.40	\$1,050,385.60	\$847,117.70	\$203,267.90
<b>CURRENT PAYMENT DATE THIS INVOICE:</b>							<b>\$203,267.90</b>
				<b>Current</b>	<b>\$203,267.90</b>	<b>Prior</b>	<b>\$847,117.70</b>
				<b>Billable to Date</b>	<b>\$1,050,385.60</b>	<b>Totals</b>	<b>\$1,050,385.60</b>

Authorized by: *Scott Bean*

Drawn: 09-15-19

Code # 1738A  
9-16-2019



**Invoice**

Invoice No.: 19-223H  
Client No.: MemCRA-1901  
August 21, 2019  
Mr. Drew Masterson

Mr. Scott Bean  
Executive Director - Memorial City Redevelopment Authority  
Hawes Hill & Associates  
9610 Long Point Road, Suite 150  
Houston, Texas 77045

Re: Memorial City Redevelopment Authority  
Municipal Advisory Services - August 1, 2018 to August 15, 2019

**Fees and Expenses Incurred**

Hourly Fees for Municipal Advisory Services for August 1, 2018 to August 15, 2019:  
Kristin Garcia Blomquist: 83.75-10=73.75 hours @ \$275.00/hr. \$20,281.25  
Drew K. Masterson: 12.50 hours @ \$350.00/hr. 4,375.00  
**Total Fees: \$24,656.25**

Please Remit Payment To:  
Masterson Advisors LLC  
Attention: Trey Cash  
3 Greenway Plaza, Suite 1100  
Houston, Texas 77046

Wiring Instructions  
Capital One N.A.  
7933 Preston Road  
Plano, Texas 75024  
ABA# 111901014  
Masterson Advisors LLC  
Account# 3027070727  
FCC: Memorial City, RA, TX  
Client No: MemCRA-1901  
Invoice number: 19-223H  
Attention: Trey Cash

\*Please insert invoice number on your check.

3 Greenway Plaza, Suite 1100, Houston, TX 77046  
713-814-0550

Code # 6347  
9-16-2019



**McCALL GIBSON SWEDLUND BARFOOT PLLC**  
 Certified Public Accountants

13100 Memorial Center Drive  
 Suite 235  
 Houston, TX 77042-0931  
 Tel: (713) 442-0931  
 Fax: (713) 462-2708  
 E-Mail: [jgs@gibsonswedlund.com](mailto:jgs@gibsonswedlund.com)

9900 Great Hills Trail  
 Suite 1500W  
 Austin, Texas 78759  
 (512) 610-2009  
[www.mgspllc.com](http://www.mgspllc.com)

August 30, 2019

TIRZ 17 Redevelopment Authority  
 c/o ETI Bookkeeping Services  
 17111 Rolling Creek, Suite 200  
 Houston, TX 77090

Client Number: 574-00

Preparation of a supplemental letter dated August 27, 2019, to the  
 agreed-upon procedures report dated August 28, 2018, for the  
 reimbursement to T&C Way Partners, LLC for Public  
 Improvement Land Costs.

Total Billing **\$ 3,500.00**

Date	Description	Hours	Rate	Amount
8/15/2019	Discussion with Trustmark	0.50	\$275	\$137.50
8/14/2019	Aug 31 Bookkeepers report Review	1.00	\$350	\$350.00
8/13/2019	Conversation with Equifax regarding increment	1.00		
8/12/2019	Equifax Email correspondence	0.25		
8/10/2019	email with Jennifer Curley	1.00		
8/9/2019	Research for Trustmark	1.00		
	Discussion with Jennifer Curley re: bond authorization and RCA	1.00		
	email correspondence and research with Equifax	1.00		
8/5/2019	Call with Trustmark	0.50		
	Call with Scott	1.00		
	CIP/Cash flow meeting	1.00		
7/30/2019	Call with Jennifer Curley	1.50		
7/29/2019	email correspondence: David Hawes and Scott Bean	1.00		
	Call with bookkeeper	1.00		
	Analysis of bookkeeper cash flows and projected TIRZ payments	1.00		
7/25/2019	email with David	0.75		
7/18/2019	email with bookkeeper	0.50		
	CIP/Cash flow meeting	1.50		
7/16/2019	Email with bookkeeper, Scott Bean, Jennifer Curley,	1.00		
7/12/2019	Board Meeting	1.00		
7/1/2019	email with bookkeeper	1.50		
6/18/2019	CIP Committee Meeting	0.50		
6/6/2019	Update on capacity and numbers	1.75		
	Bond Authorization Meeting	3.00		
6/3/2019	email/phone calls re bond authorization	2.00		
5/24/2019	email with Jennifer Curley	2.00		
	email with Scott and cash flow analysis	1.00		
5/21/2019	Discussion with Scott	1.50		
5/16/2019	Discussion with David Hawes	0.75		
4/18/2019	email with Jennifer Curley re: authorization	0.50		
2/19/2019	email with Scott and cash flow analysis	1.50		
2/11/2019	email/call with Jennifer re: authorization	2.00		
	update to capacity and cash flow	2.00		
1/25/2019	email/call with Jennifer re: authorization	1.50		
1/17/2019	Synopsis to CM Travis	3.00		
12/6/2018	discussion with Scott re: bond authorization and cash flow	2.00		
11/06/2018	discussion with Jennifer re: bond authorization	1.50		
11/20/2018	CIP Meeting to discuss capacity	1.50		
11/7/2018	Analysis of bond capacity and cash flow	2.50		
10/28/2018	Meeting with Scott Bean	1.50		
8/30/2018	Help bookkeeper with reconciling debt service	0.50		
8/28/2018	Board Meeting	1.50		
8/27/2018	Help with FY 2019 Budget	0.50		
8/24/2018	update to capacity and cash flow scenarios and FY 2019 Budget	1.00		
8/23/2018	update to capacity and cash flow scenarios and FY 2019 Budget	4.00		
	Call with Scott	7.00		
	Call with Jennifer	1.00		
8/22/2018	MALLC Discussion	1.50		
8/21/2018	update to capacity and cash flow scenarios and FY 2019 Budget	8.00		
8/20/2018	update to capacity and cash flow scenarios and FY 2019 Budget	4.00		
	Call/email with Scott	1.50		
8/16/2018	Call/email with Scott	1.00		
8/6/2018	help bookkeeper with reconciling debt service	1.00		
	<b>Total Hours</b>	83.75		12,506.25
	<b>Hours less 10</b>	73.75		12,506.25
		<b>20,281.25</b>		<b>4,375.00</b>
	<b>Total Invoice</b>			<b>24,656.25</b>

Code # 6337  
 9/13/2019

Member of  
 American Institute of Certified Public Accountants  
 Texas Society of Certified Public Accountants



September 13, 2019

Scott Bean  
Memorial City Redevelopment Authority/TRZ 17  
9610 Long Point, Suite 150  
Houston, Texas 77055

Reference: Bihar Branch (W140-01-00) Channel and Straws Improvements Reconstruction and Drainage Improvements  
Gauge Project No.: 1005  
WBS No. N-1717000-0018-3 (T-1734 & T-1734B)  
Reylec Construction Resources, Inc. Payment No. 09

Dear Mr. Bean:

Reylec Construction Resources, Inc. (Reylec) has submitted estimate No. 09 in the amount of \$1,791,722.50 for construction services rendered through August 31, 2019. Based on our review, Reylec has complied with all requirements stated in the estimate and we recommend payment of **\$1,791,722.50** to Reylec.

The following billing information is to be used for payment:

Reylec Construction Resources, Inc.  
1901 Hollister St.  
Houston, TX 77080

If you have any questions or require additional information, please feel free to contact me at (832) 318-8800.

Sincerely,

Muhammad Ali, P.E.  
Project Manager

Enclosures: Reylec Pay Est. No. 09

3200 Wilcrest Drive, Suite 220 • Houston, TX 77042

Code # 1734  
9.17.2019

Estimate No. 9  
082118  
Estimate Date 09/04/19

Memorial City Redevelopment Authority/TRZ 17  
Estimate and Certificate for Payment Link Price Work

Project Name : Bihar Branch (W140-01-00) Channel and Straws Improvements Reconstruction and Drainage  
Contractor Name : Reylec Construction Resources, Inc.  
Address : 191 Hollister St., Houston, Texas 77080

Contract Date : 11/01/2018  
Contract Completion Date : 12/17/2018  
Statistical Completion Date : 11/03/2020  
Percentage By This : 35.95%  
Date Insurance Exp. : 10/18/2018  
Ins. Plan : 82.28%  
Dwg. Policy Due Date : N/A  
Current MSBE : 10.24%

WBS No. N-1717000-0018-3 (T-1734 & T-1734B)  
Original Contract No. : 714  
Approved Estimates : 14  
Days Used to Date : 237  
Days Remaining to Date : 457  
Submittal Update : 7/22/2019

CONTRACT AMOUNT TO DATE :  
1. Original Contract Amount  
2. Approved Change Orders

No.	Date	Est. Days	Amount
Total Approved Estimates			
0			

3. Approved Work Change Directives

No.	Date	Est. Days	Amount
Total Pending Work Change Directives to Date			
0			

Total Pending Work Change Directives to Date \$0.00  
TOTAL CONTRACT AMOUNT (includes WCDs) \$1,791,722.50  
Current Month Billing \$1,791,722.50

A. EARNINGS TO DATE  
1. Work Completed to Date 62.85% Complete \$0.00  
2. Material Stored on Site \$0.00  
3. Material Shipped in Place \$0.00  
4. Balance-Materials Accepted in Place \$0.00  
5. Work Change Directives - In Place \$0.00

B. DEDUCTIONS  
1. Retainage 5% Of \$1,792,375.52 \$89,618.78  
2. Retainage Release 0% Of \$0.00 \$0.00  
3. Insurance 0% Of \$0.00 \$0.00  
4. Licenses/Permits \$0.00  
5. Assessments \$0.00  
6. Inspector Overtime Costs \$0.00

C. AMOUNT DUE THIS PERIOD  
1. Total Earnings to Date \$1,792,375.52  
2. Total Deductions \$89,618.78  
3. Total Payments Due \$1,702,756.74  
4. Less Previous Payments \$0.00  
5. Retention Adjustment \$0.00

TOTAL EARNINGS TO DATE \$1,792,375.52  
TOTAL DEDUCTIONS \$89,618.78  
TOTAL AMOUNT DUE CONTRACTOR THIS DATE \$1,702,756.74  
BALANCE REMAINING \$7,062,881.48

Prepared By : Karim Qudus, P.E. 9/13/2019  
Reviewed By : Muhammad Ali, P.E. 9/17/2019  
Approved By : Scott Bean, TRZ 17 Executive 9/24/2019

Reviewed By : Muhammad Ali, P.E. 9/17/2019

# Reytec Construction Resources, Inc.

1801 Hollister  
Houston, Texas 77060  
Office 713.857.6005  
Fax 713.861.0077

Briar Branch Channel & Straws Improvements Project Pay Application

September 4, 2019

Mr. Muhammad Ali  
Graue Engineering  
3200 Wilcrest Drive, Suite 220  
Houston, TX 77042

Re: Memorial City Redevelopment Authority  
Briar Branch (W140-01-00) Channel and Straws  
Improvements Project  
WBS No. N-TI7000-0018-3

Dear Muhammad,

Please see attached for pay application 009 for August  
2019, Briar Branch (W140-01-00) Channel and Straws  
Improvements.

Thanks



Kevin Daxler  
Project Manager  
Reytec Construction Resources  
832-844-8322  
[kdaxler@reytec.net](mailto:kdaxler@reytec.net)

# APPLICATION AND CERTIFICATE FOR PAYMENT

AIA DOCUMENT G702

TO (OWNER): Memorial City Redevelopment Authority  
 PROJECT: Briar Branch (W148-01-00) Channel and Straus Improvements

APPLICATION NO: 000  
 PERIOD TO: 07/2019  
 05/2019

FROM (CONTRACTOR): Reytec Construction  
 1801 Hollister Rd.  
 Houston, Texas 77080  
 Ph. 713-857-4003; Fax 713-681-0077

PROJECT NO: WBS No. N-T17000-0018-3  
 TRZ T7 CIP No. T-1734 & T-1734B

## CONTRACTOR'S APPLICATION FOR

CHANGE ORDER SUMMARY		ADDITIONS	DEDUCTIONS
Change Orders approved in previous months by owner			
TOTAL			
Approved this Month	Date		
Number			
TOTALS \$			

The undersigned Contractor certifies that to the best of the Contractor's knowledge, information and belief the Work covered by this Application for Payment has been completed in accordance with the Contract Documents, that all amounts have been paid by the Contractor for Work for which previous Certificates for Payment were issued and payments received from the Owner, and that current Payment shown herein is now due

INSPECTOR: \_\_\_\_\_ Date: \_\_\_\_\_  
 By: \_\_\_\_\_  
 CONTRACTOR: \_\_\_\_\_ Date: 7/6/19

Application is made for Payment, as shown below, in connection with the Contract. Continuation Sheet, AIA Document G703, is attached.

1. ORIGINAL CONTRACT SUM \$ 18,794,557.00
2. Net change by Change Order \$ 0.00
3. CONTRACT SUM TO DATE (Line 1+2) \$ 18,794,557.00
4. TOTAL COMPLETED & STORED TO DATE \$ 11,702,375.52

5. RETAINAGE:
  - a. 5 % of Completed Work \$ 595,118.78
  - b. % of Stored Material

Total Retainage (Line 5a + 5b or) \$ 595,118.78  
 \$ 11,117,236.74

6. TOTAL EARNED LESS RETAINAGE (Line 4 less Line 5 Total) \$ 9,325,534.24
7. LESS PREVIOUS CERTIFICATES FOR PAYMENT (Line 6 from prior Certificates) \$ 1,781,722.50
8. CURRENT PAYMENT DUE \$ 7,677,700.26
9. BALANCE TO FINISH, PLUS RETAINAGE (Line 3 less Line 6)

State of Texas  
 Subscribed and sworn to before me this 19th day of August 2019 at Houston, Texas  
 My Commission Expires: 07-27-2022



AMOUNT CERTIFIED: \$ 1,791,722.50  
 (Attach explanation if amount certified differs from the amount applied for)

By: \_\_\_\_\_ Date: \_\_\_\_\_  
 This Certificate is not negotiable. The AMOUNT CERTIFIED is payable only to the Contractor named herein. Issuance, payment and acceptance of Payment are without prejudice to any rights of the Owner or Contractor under this Contract.

CITY OF HOUSTON  
STANDARD DOCUMENT

MONTHLY SUBCONTRACTOR  
PAYMENT REPORTING FORM

Document 00842

MONTHLY SUBCONTRACTOR PAYMENT REPORTING FORM

Legal Project Name: Star Branch Channel & Street Improvements WBS No.: N:1717000-0018-3  
Outline Agreement No.: \_\_\_\_\_  
Contractor's Company Name: Reyes Construction, Registered  
Address: 1801 Hollister St. Houston, Texas 77069

CERTIFICATION

I, Daniel Bonilla Jr., Contractor's Representative for the above referenced Contract, hereby certifies that (1) Contractor has paid all subcontractors and has raised below, (2) Contractor made such payments (a) in proportion to the amount City paid Contractor and (b) in accordance and compliance with all applicable Contract Documents and laws; and (3) Contractor withheld no sums from any subcontractor for allegations of delinquency in Work. The term "subcontractor", as used herein, includes all persons or firms doing work, materials, services or equipment Contractor ordered incorporated into Work or placed near the Project for which the City made partial payment.

EXCEPTION: Contractor sent Payment Notifications to the following subcontractors explaining why Contractor withheld payment. Copies are attached.

Subcontractor Name: \_\_\_\_\_ Street Address: \_\_\_\_\_  
City, State, and Zip Code: \_\_\_\_\_ Amount of Payment Withheld: \_\_\_\_\_  
Date Payment First Withheld: \_\_\_\_\_ Description of Good Faith Reason: \_\_\_\_\_

(Signature of Contractor's Representative)  
Daniel Bonilla Jr.  
Print or Type Name of Contractor's Representative  
09/03/2019  
Print or Type Name of Notary Public

SWORN TO AND SUBSCRIBED before me on:



My Commission Expires: 7/27/22  
Print or Type Name of Notary Public

00842  
02-01-2010

Memorial City Redevelopment Authority/TRIZ 17  
Unconditional Waivers of Liens

Affidavits of Payment and

Reyes Construction Resources, Inc has been paid and has received a progress payment in the sum of \$1,692,458.16 for services, equipment or material furnished to Memorial City Redevelopment Authority/TRIZ 17 for the Star Branch Channel & Street Improvements Project (WBS No. N-1717000-0018-3 located in Houston, Texas, and does hereby release any mechanic's lien or bond right that undesignated has on the above referenced project to the following extent. This release covers a progress payment for labor, services, equipment or material furnished to the Memorial City Redevelopment Authority/TRIZ 17 through July 31, 2019 only, and does not cover any retention if any labor, services, equipment or materials furnished after that date. The undesignated warrants that all undisputed amounts due to its equipment lessors, suppliers, subcontractors, labor, insurance and taxes applicable to this work have been paid in full through the date set forth and hold the Memorial City Redevelopment Authority/TRIZ 17 against any loss arising from the nonpayment thereof.

(Signature of Contractor's Representative)  
Daniel Bonilla Jr.  
Print or Type Name of Contractor's Representative  
09/03/2019  
Print or Type Name of Notary Public

SWORN TO AND SUBSCRIBED before me on:



My Commission Expires: 7/27/22  
Print or Type Name of Notary Public

Item	Unit	Quantity	Unit Price	Contract Amount	Prev. Month	Current Month	Total Amount Billed	% Complete
1.0	Manholes							
2.0	Portable Chemical Storage	500.00	\$1.00	\$500.00			\$500.00	100%
3.0	Removable and Storage Piling	500.00	\$1.00	\$500.00			\$500.00	100%
4.0	Pre-cast Box	500.00	\$1.00	\$500.00			\$500.00	100%
5.0	Pre-cast Box	500.00	\$1.00	\$500.00			\$500.00	100%
6.0	Pre-cast Box	500.00	\$1.00	\$500.00			\$500.00	100%
7.0	Pre-cast Box	500.00	\$1.00	\$500.00			\$500.00	100%
8.0	Pre-cast Box	500.00	\$1.00	\$500.00			\$500.00	100%
9.0	Pre-cast Box	500.00	\$1.00	\$500.00			\$500.00	100%
10.0	Pre-cast Box	500.00	\$1.00	\$500.00			\$500.00	100%
11.0	Pre-cast Box	500.00	\$1.00	\$500.00			\$500.00	100%
12.0	Pre-cast Box	500.00	\$1.00	\$500.00			\$500.00	100%
13.0	Pre-cast Box	500.00	\$1.00	\$500.00			\$500.00	100%
14.0	Pre-cast Box	500.00	\$1.00	\$500.00			\$500.00	100%
15.0	Pre-cast Box	500.00	\$1.00	\$500.00			\$500.00	100%
16.0	Pre-cast Box	500.00	\$1.00	\$500.00			\$500.00	100%
17.0	Pre-cast Box	500.00	\$1.00	\$500.00			\$500.00	100%
18.0	Pre-cast Box	500.00	\$1.00	\$500.00			\$500.00	100%
19.0	Pre-cast Box	500.00	\$1.00	\$500.00			\$500.00	100%
20.0	Pre-cast Box	500.00	\$1.00	\$500.00			\$500.00	100%
21.0	Pre-cast Box	500.00	\$1.00	\$500.00			\$500.00	100%
22.0	Remove and Dispose							
23.0	Remove and Dispose							
24.0	Remove and Dispose							
25.0	Remove and Dispose							
26.0	Remove and Dispose							
27.0	Remove and Dispose							
28.0	Remove and Dispose							
29.0	Remove and Dispose							
30.0	Remove and Dispose							
31.0	Remove and Dispose							
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45.0	Remove and Dispose							
46.0	Remove and Dispose							
47.0	Remove and Dispose							
48.0	Remove and Dispose							
49.0	Remove and Dispose							
50.0	Remove and Dispose							







Your transaction is complete. Thank you for using Street Cut Payment System.

Confirmation Numbers 3007701

Permit #:	388268
Name on Check:	RYTEC CONSTRUCTION RESOURCES
Email Address:	emurales@rytec.net
Phone Number:	7139574003
Date Check Posted:	7/29/2019 8:44:18 AM

Bank Routing Number: XXXXX5723  
 Bank Account Number: XXXXX6590  
 Total Amount Paid: \$231.29  
 Date Payment Submitted: 7/29/2019

Print

- You may print this page for future references.
- You may go back to the Permit System by closing this page.



Your transaction is complete. Thank you for using Street Cut Payment System.

Confirmation Numbers 280425

Permit #:	380376
Name on Check:	RYTEC CONSTRUCTION RESOURCES
Email Address:	EMURALES@RYTEC.NET
Phone Number:	7139574003
Date Check Posted:	6/20/2019 8:37:01 AM

Bank Routing Number: XXXXX5723  
 Bank Account Number: XXXXX6590  
 Total Amount Paid: \$231.50  
 Date Payment Submitted: 6/20/2019

Print

Close

- You may print this page for future references.
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Your transaction is complete. Thank you for using Street Cut Payment System.

Confirmation Number: 280423

Permit #:	380238
Name on Check:	REYTEC CONSTRUCTION RESOURCES
Email Address:	EMORALES@reytec.net
Phone Number:	7139574013
Date Check Posted:	6/20/2019 8:38:13 AM

Bank Routing Number: XXXXX5723  
 Bank Account Number: XXXXX6690  
 Total Amount Paid: \$24.90  
 Date Payment Submitted: 6/20/2019

[Print](#)

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Your transaction is complete. Thank you for using Street Cut Payment System.

Confirmation Number: 280430

Permit #:	380266
Name on Check:	REYTEC CONSTRUCTION RESOURCES
Email Address:	EMORALES@reytec.net
Phone Number:	7136003017
Date Check Posted:	6/20/2019 8:38:15 AM

Bank Routing Number: XXXXX5723  
 Bank Account Number: XXXXX6690  
 Total Amount Paid: \$24.90  
 Date Payment Submitted: 6/20/2019

[Print](#)

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- You may go back to the Permit System by closing this page.

## Reytec Project No. 2203

### Deviated Plan

**Project Name:** 2203: Briar Branch (W140-01-00)Channel & Straws Improvement  
**Contract Amount.:** \$18,794,957.00  
**Work Progress:** 52% complete  
**Pay Estimate Number:** 9  
**Pay Period:** 8/1/2019 to 08/31/2019

**Overall Goal:**  
 Contracted: 18.00% \$ 3,383,092.26  
 Current: 10.74% \$ 2,018,648.47  
**-7.26% \$ 1,364,443.79**

double check Overall Goal!

#### MWSBE Goal:

**MBE Goal:**  
 Contracted: 10.00% \$ 1,879,495.70  
 Current: 3.01% \$ 567,590.74  
**-6.9% \$ (1,311,904.96)**

**WBE Goal:**  
 Contracted: 8.00% \$ 1,503,596.56  
 Current: 7.72% \$ 1,451,057.73  
**-0.28% \$ 52,538.83**

#### Individual Goal:

**Moran Construction (MBE)**  
 Contracted: 6.11% \$ 1,148,371.87  
 Current: 0.49% \$ 92,950.94  
**-5.61% \$ -1,055,420.93**

**Access Data (WBE)**  
 Contracted: 8.00% \$ 1,503,596.56  
 Current: 7.72% \$ 1,451,057.73  
**-0.28% \$ 52,538.83**

#### Ecung (MBE)

Contracted: 0.36% \$ 67,661.85  
 Current: 0.08% \$ 15,225.00  
**-0.28% \$ 52,436.85**

#### Rosales Trucking (MBE)

Contracted: 2.50% \$ 469,873.93  
 Current: 1.95% \$ 366,096.84  
**-0.55% \$ (103,777.09)**

#### Fabco (MBE)

Contracted: 1.00% \$ 187,949.57  
 Current: 0.50% \$ 93,317.96  
**-0.50% \$ (94,631.64)**

# SAL ESPARZA, INC.

Remit To Address:  
PO BOX 90636  
HOUSTON, TEXAS 77290  
281-444-2083

**Bill To**

Memorial City Redevelopment Authority, TI  
Scott Bean, Executive Director  
PO Box 22167  
Houston, Texas 77227-2167

Date	Invoice #
8/31/19	1141

**swa**

**Work Order # 13 CIP T-1738A**  
Date: August 15, 2019  
Invoice No: 178224  
For Period: July  
Project No: RHTS503  
Project Manager: James Vick

To: Memorial City Redevelopment Authority/Houston TIRZ 17  
Attn: Linda Clayton  
c/o Hawes Hill and Associates LLP  
PO Box 22167  
Houston, TX 77227-2167

S.O. No.	P.O. No.	Terms	Project
2			
Quantity	Description	Rate	Amount
	2 GROUNDS MAINTENANCE SERVICES FOR BRIAR BRANCH BASIN FOR AUGUST 2019	655.40	1,310.80
<b>Balance Due</b>			<b>\$1,310.80</b>

Project: Memorial Drive Drainage and Mobility

**WORK PERFORMED:**  
Design Coordination and Management of 90% Submittal; Conferences with Design Team, Engineer, TXDOT, Management District; Prepare Initial Design Revisions.  
Professional Services from July 1, 2019 to July 31, 2019  
Professional Personnel

Principal	Hours	Rate	Amount
Vick, James	80.00	245.00	19,600.00
Associate			
Bruner, Clayton	2.50	141.93	354.83
Staff			
Garza, Robert	6.00	44.93	269.58
Oliver, Robert	24.00	100.78	2,418.72

**Consultants**

Hunt & Hunt Engineering Corp

40,050.00

**Total Fee Due This Invoice**

62,683.13

**Total Due this Invoice**

\$62,683.13

<b>Total Budget:</b>	<b>\$286,820.00</b>
<b>Prior Billed:</b>	<b>\$171,295.49</b>
<b>Current:</b>	<b>\$62,693.13</b>
<b>Billed to Date:</b>	<b>\$233,988.62</b>
<b>Percent Complete:</b>	<b>82%</b>
<b>Remaining Budget:</b>	<b>\$52,831.38</b>

*Code # 1738A  
9/3/2019*

**Remit to:**

SWA Group  
PO Box 5904  
Sausalito, CA 94968  
+1.415.332.6100

Please refer to our invoice number and Project number when making payment.  
A discount of 1% on current charges allowed if paid in full in thirty days.  
A service charge will be assessed on all past due accounts.

*Code # 1731A  
9-16-2019*

The Goodman Corporation  
 3200 Travis Street, Ste. 200  
 Houston, TX 77006



**HOUSTON:** 3200 Travis Street, Suite 200, Houston, TX 77006, (713) 951-7951  
**AUSTIN:** 911 W. Anderson Lane, Suite 200, Austin, TX 78757, (512) 236-8002  
 THEGOODMANCORP.COM

# PROGRESS REPORT

## Invoice

<b>Bill To</b>
Ms. Michelle Loflon ETI Bookkeeping Services P.O. Box 73109 Houston, TX 77273

<b>Date</b>	8/31/2019
<b>Invoice #</b>	8-2019-11

**To:** Scott Bean  
**From:** Jim Webb  
**Date:** September 1, 2019  
**Re:** Memorial Drive Reconstruction Project (BW-8 to Tallowood) Soil and Groundwater Management Plan (MCT108) – August 2019

Item	Description	Rate	Prior %	Cur %	Amount	Project
Contract Services	Task 1 - Create Soil Management Plan for TXDOT <i>Memorial Drive</i>	14,500.00	85%	5.00%	725.00	MCT108

**Task**  
 1 – Create Soil Management Plan for TXDOT

**Comments:**  
 Coordination review of plan with TXDOT  
 Respond to TXDOT comments

**Previous % Complete** 85%  
**Current % Complete** 90%

<b>Total</b>	\$725.00
<b>Balance Due</b>	\$725.00

<b>Phone #</b>	713-951-7951
<b>Fax #</b>	713-951-7957

*BR*  
 Code #1738A  
 9/3/2019

The Goodman Corporation  
 3200 Travis Street, Ste. 200  
 Houston, TX 77006



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 Houston, TX 77006  
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 Austin, TX 78757  
 (512) 236-8002

# PROGRESS REPORT

## Invoice

Bill To	Ms. Michelle Lofton ESTI Bookkeeping Services P.O. Box 73109 Houston, TX 77273
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Date	8/31/2019
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Invoice #	8-2019-12
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Item	Description	Rate	Prior %	Cur %	Amount	Project
Contract Services	Task 1 - Public Meeting per TxDOT Environmental Standards <i>Memorial Drive</i>	21,803.00	99%	1.00%	218.03	MCT104

<b>Total</b>	\$218.03
<b>Balance Due</b>	\$218.03

Phone #	713-951-7951
Fax #	713-951-7957

*SR*  
 Copy # 1738A  
 9/3/2019

**To:** Scott Bean

**From:** Stephanie Kirschner

**Date:** September 1, 2019

**Re:** Memorial Drive Public Meeting (Beltway 8 to Tailwood) (MCT104) -- August 2019

**Task**

**1 - Public Meeting per TxDOT Environmental Standards**

**Comments:**  
 Finalized comments with TxDOT.

**Previous % Complete** 99%

**Current % Complete** 100%

The Goodman Corporation  
 3200 Travis Street, Ste. 200  
 Houston, TX 77006



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# PROGRESS REPORT

## Invoice

Bill To  
 Ms. Michelle Lofton  
 ETI Bookkeeping Services  
 P.O. Box 73109  
 Houston, TX 77273

Date: 8/31/2019  
 Invoice #: 8-2019-13

To: Scott Bean, Executive Director  
 From: Stephanie Kirschner  
 Date: September 1, 2019  
 Re: Environmental Studies for Categorical Exclusion Memorial Drive (Beltway 8 to Tallowood Road) (MCT102) - August 2019

Item	Description	Rate	Prior %	Curr %	Amount
Contract Services	Task 1 - Purpose and Need	1,500.00	100%	0.00%	0.00
Contract Services	Task 2 - Alternative Analysis	3,500.00	15%	0.00%	0.00
Contract Services	Task 3.1 - Socioeconomic Analysis	3,000.00	100%	0.00%	0.00
Contract Services	Task 3.2 - Water Quality Conditions	1,000.00	100%	0.00%	0.00
Contract Services	Task 3.3 - Plant Communities and Wildlife Habitat	4,200.00	95%	5.00%	225.00
Contract Services	Task 3.4 - Wetlands and Wildlife Identification	1,000.00	85%	10.00%	100.00
Contract Services	Task 3.5 - Air Quality Assessment	1,000.00	70%	0.00%	0.00
Contract Services	Task 3.6 - Floodplain Assessment	1,000.00	100%	0.00%	0.00
Contract Services	Task 3.7 - Cultural Resources Assessment	1,000.00	25%	10.00%	100.00
Contract Services	Task 3.7a - Historical Resource Analysis	0.00	0%	0.00%	0.00
Contract Services	Task 3.8 - Historical Materials	1,350.00	100%	0.00%	0.00
Contract Services	Task 3.9 - Historical Identification	1,500.00	5%	6.00%	0.00
Contract Services	Task 3.9a - Indirect Impacts Assessment	2,000.00	85%	10.00%	200.00
Contract Services	Task 3.10 - Cumulative Impacts Assessment	15,000.00	35%	0.00%	0.00
Contract Services	Task 4 - Draft and Final EA				

*Memorize Due*

**Total** \$825.00  
**Balance Due** \$825.00

Phone # 713-951-7951  
 Fax # 713-951-7957

*SR*  
 Code # 1738A  
 9/3/2019

Task	Previous % Complete	Current % Complete
1 - Purpose and Need	100%	100%
Comment: No activity.		
2 - Alternative Analysis	15%	15%
Comment: No activity.		
3.1 - Socioeconomic Analysis	100%	100%
Comment: No activity.		
3.2 - Water Quality Conditions	100%	100%
Comment: No activity.		
3.3 - Plant Communities and Wildlife Habitat	95%	100%
Comment: Response to TxDOT comments on Biological Evaluation Form and Tier I Assessment		
3.4 - Wetlands and Wetlands Identification	85%	95%
Comment: Response to TxDOT comments on Biological Evaluation Form and Tier I Assessment		
3.5 - Air Quality Assessment	70%	70%
Comment: No activity.		
3.6 - Floodplains Assessment	100%	100%

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 Houston, TX 77006

Comment:

- 3.7 – Cultural Resource Identification 25% 35%  
 Comment:  
 Memo supporting early parcel acquisition (impacts to historic resources, hazardous sites, park resources, and existing development); coordination with TxDOT
- 3.7a – Historical Resource Analysis 0% 0%  
 Comment:  
 No activity.
- 3.8 – Hazardous Materials 100% 100%  
 Comment:  
 No activity.
- 3.9 – Historical Resource Identification 5% 5%  
 Comment: No activity.
- 3.9A – Indirect Impacts Assessment 85% 85%  
 Comment:  
 Memo supporting early parcel acquisition (impacts to historic resources, hazardous sites, park resources, and existing development); coordination with TxDOT
- 3.10 – Cumulative Impacts Assessment 85% 95%  
 Comment:  
 Memo supporting early parcel acquisition (impacts to historic resources, hazardous sites, park resources, and existing development); coordination with TxDOT
- 4 – Draft and Final EA 35% 35%  
 Comment:  
 No activity.

# Invoice

Bill To
Ms. Michelle Lofton ETI Bookkeeping Services P.O. Box 73109 Houston, TX 77273

Date	Invoice #
8/31/2019	8-2019-41

Item	Description	Rate	Prior %	Curr %	Amount
Contract Services	Task 1 - North Gessner Project Implementation Assistance	20,000.00	100%	0.00%	0.00
Contract Services	Task 2 - Memorial Drive Project Implementation Assistance <i>1738A</i>	105,000.00	90%	2.00%	2,100.00

Terms	Project
	MCT103

<b>Total</b>	\$2,100.00
<b>Balance Due</b>	\$2,100.00

Phone #	Fax #
713-951-7951	713-951-7957

*Code # 1738A*  
*9/3/2019*



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Austin, TX 78757  
(512) 236-8002

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# PROGRESS REPORT

**To:** Scott Bean  
**From:** Jim Webb  
**Date:** September 1, 2019  
**Re:** Memorial City Redevelopment Authority Continued Implementation Assistance (MCT103) – August 2019

Task	Previous % Complete	Current % Complete
1 – North Gessner Project Implementation Assistance Comment: Task complete.	100%	100%
2 – Memorial Drive Project Implementation Assistance Comment: <ul style="list-style-type: none"><li>Discuss right-of-way acquisition and federal requirements with TxDOT, ABHR, and MCRA staff and consultants.</li></ul>	90%	92%

MEMORIAL CITY REDEVELOPMENT AUTHORITY TIRZ No. 17,  
TAX REINVESTMENT ZONE NO. 17  
HOUSTON, TEXAS

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**AGENDA MEMORANDUM**

TO: Memorial City Redevelopment Authority TIRZ No. 17 Board of Directors  
FROM: Executive Director  
SUBJECT: Agenda Item Materials

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6. Series 2019 Contract Tax Revenue Bonds, including
  - a. Appoint an Underwriter
  - b. Approve the Resolution Approving the Engagement Agreement for Disclosure Counsel and Authorize execution of the Engagement Letter
  - c. Authorize preparation of the Preliminary Official Statement
  - d. Approve the Resolution Authorizing the Issuance of the Series 2019 Contract Tax Revenue Bonds, approving contract documents relating to the Series 2019 Bonds, and authorizing representatives to take certain actions on behalf of the Authority

A RESOLUTION APPROVING AN ENGAGEMENT AGREEMENT FOR DISCLOSURE  
COUNSEL AND OTHER MATTERS IN CONNECTION THEREWITH

THE STATE OF TEXAS §  
COUNTY OF HARRIS §  
MEMORIAL CITY REDEVELOPMENT AUTHORITY §

WHEREAS, Memorial City Redevelopment Authority (the “Authority”) wishes to issue bonds to proceed with its Project Plan; and

WHEREAS, the Board requires legal counsel which specializes in public finance and is well versed in federal securities law to provide disclosure counsel legal services in connection with its bonds; and

WHEREAS, the Board wishes to engage Norton Rose Fulbright US LLP as disclosure counsel under a contingent fee contract which requires payment of a fee to such counsel only out of the proceeds of such bonds; and

WHEREAS, pursuant to Section 2254.1036, Texas Government Code, the Authority provided written notice to the public of the pendency of such contract, a copy of which is attached hereto as Exhibit A and

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF MEMORIAL CITY REDEVELOPMENT AUTHORITY THAT:

1. The recitals made in the Public Notice attached hereto as Exhibit A are hereby found to be true and are adopted as the findings of the Board.
2. The Board hereby further finds and declares: (i) there is a substantial need for the legal services to be provided by Norton Rose Fulbright US, LLP; (ii) the legal services cannot be adequately performed by the attorneys and supporting personnel of the Authority; and (iii) the legal services cannot reasonably be obtained from attorneys in private practice under a contract providing only for the payment of hourly fees, without regard to the outcome of the matter, because of the nature of the matter for which the services will be obtained and/or because the Authority does not have funds to pay the estimated amounts required under a contract providing only for the payment of hourly fees.
3. Based on the foregoing, the Board hereby approves the Authority entering into an engagement letter with Norton Rose Fulbright US LLP in substantially the form presented to the Board, and authorizes the Board Chair to execute the engagement letter.
4. It is officially found, determined and declared that the meeting at which this Resolution was adopted was open to the public and public notice of the time, place, and subject matter of this meeting and the notice required by Section 2254.1036, Texas Government Code, was given, all as required by Chapter 551, Texas Government Code.

5. This resolution shall be in force and effect from and after its final passage, and it is so resolved.

PASSED, ADOPTED AND APPROVED on this the 24th day of September, 2019.

MEMORIAL CITY REDEVELOPMENT AUTHORITY

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Chair, Board of Directors

ATTEST:

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Secretary, Board of Directors



Norton Rose Fulbright US LLP  
1301 McKinney, Suite 5100  
Houston, Texas 77010-3095  
United States

Direct line +1 713 651 3612  
kathleen.ellison@nortonrosefulbright.com

Tel +1 713 651 5151  
Fax +1 713 651 5246  
nortonrosefulbright.com

September 17, 2019

Board of Directors  
Memorial City Redevelopment Authority  
c/o Hawes Hill & Associates LLP  
P. O. Box 22167  
Houston, TX 77227-2167

Re: Engagement as Disclosure Counsel

Dear Board of Directors:

This letter confirms that Norton Rose Fulbright US LLP will represent Memorial City Redevelopment Authority (the "Authority") as disclosure counsel in connection with the issuance and delivery of its Tax Increment Contract Revenue and Refunding Bonds, Series 2019 (the "Matter").

### **Terms of Engagement**

This letter sets out the terms of our engagement as disclosure counsel in the Matter (the "Representation"). Certain of those terms are included in the body of this letter, and additional terms are contained in the attached document, entitled *Additional Terms of Engagement*. That document is expressly incorporated into this letter, and it should be read carefully. The execution and return of the enclosed copy of this letter constitutes an unqualified agreement to all the terms set forth in this letter and in the attached *Additional Terms of Engagement*.

As Disclosure Counsel, we will (1) compile the Official Statement for the Tax Increment Contract Revenue and Refunding Bonds, Series 2019 (the "Bonds") from materials provided to us by the Authority and its representatives; (2) advise you as to whether such materials address the types of information typically disclosed in offering materials for bonds of the same type, review such materials for internal consistency and consistency with information known to or learned by our lawyers who devote substantive attention to the Matter, and make such investigations and inquiries as you request; (3) draft letters of representation to be executed by those entities providing certain materials included in the offering materials related to the Bonds; and (4) subject to completion of proceedings to our satisfaction, render an opinion to you to the effect that the Bonds are exempt from registration under the Securities Act of 1933 and the document providing security for the Bonds is exempt from qualification under the Trust Indenture Act of 1939, as well as our advice that nothing has come to our attention that would lead us to believe that such offering materials contain a material misstatement or omission. Inquiries to support representations about the financial condition, results of operation and prospects of any persons described in the offering materials for the Bonds will be made only to the extent we have discussed such inquiries with you, and only to the extent we have agreed on such inquiries following such discussions.

It is understood and agreed that our engagement is limited to the Representation. Our acceptance of this engagement does not imply any undertaking to provide legal services other than those set forth in this letter.

#### **Our Personnel Who Will Be Working on the Matter**

Reginald Wilson, Leslie Bacon and I will be working on the Matter, and you may call, write, or e-mail us whenever you have any questions about the Representation. Other firm personnel, including firm lawyers and legal assistants, will participate in the Representation if, in our judgment, their participation is necessary or appropriate.

#### **Our Legal Fees and Other Charges**

We will charge a fee for the Representation in an amount determined by the Board of Directors upon advice from its staff and consultants at or about the time the Bonds are priced. Such fee shall be due within 30 days of closing of the Bonds.

#### **Conflicts of Interest**

Before accepting the Representation, we have undertaken reasonable and customary efforts to determine whether there are any potential conflicts of interest that would bar our firm from representing the Authority in the Matter. Based on the information available to us, we are not aware of any potential disqualification. We reviewed that issue in accordance with the rules of professional responsibility adopted in Texas. We believe that those rules, rather than the rules of any other jurisdiction, are applicable to the Representation; and the execution and return of the enclosed copy of this letter by you represents an express agreement to the applicability of those rules.

#### **Conclusion**

This letter and the attached *Additional Terms of Engagement* constitute the entire terms of the engagement of Norton Rose Fulbright US LLP in the Representation. These written terms of engagement are not subject to any oral agreements or understandings, and they can be modified only by further written agreement signed both by the Authority and Norton Rose Fulbright US LLP. Unless expressly stated in these terms of engagement, no obligation or undertaking shall be implied on the part of either the Authority or Norton Rose Fulbright US LLP.

Please carefully review this letter and the attached *Additional Terms of Engagement*. If both documents are acceptable, please sign and return the enclosed copy of this letter.

Very truly yours,

Kathleen R. Ellison

Memorial City Redevelopment Authority  
September 17, 2019  
Page 3

**MEMORIAL CITY REDEVELOPMENT AUTHORITY**  
agrees to and accepts this Letter and the  
Additional Terms of Engagement:

By: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

## **NORTON ROSE FULBRIGHT US LLP**

### ***Additional Terms of Engagement***

This is a supplement to our engagement letter, dated September 17, 2019. The purpose of this document is to set out additional terms of our agreement to provide the representation described in our engagement letter (the "Representation") concerning the issuance and delivery of the Tax Increment Contract Revenue and Refunding Bonds, Series 2019 (the "Matter"). Because these additional terms of engagement are a part of our agreement to provide legal services, you should review them carefully and should promptly communicate to us any questions concerning this document. We suggest that you retain this statement of additional terms along with our engagement letter and any related documents.

### ***The Scope of the Representation***

As lawyers, we undertake to provide representation and advice on the legal matters for which we are engaged. It is important for our clients to have a clear understanding of the legal services that we have agreed to provide. Thus, if there are any questions about the scope of the Representation that we are to provide in the Matter, please raise those questions promptly, so that we may resolve them at the outset of the Representation.

Any expressions on our part concerning the outcome of the Representation, or any other legal matters, are based on our professional judgment and are not guarantees. Such expressions, even when described as opinions, are necessarily limited by our knowledge of the facts and are based on our views of the state of the law at the time they are expressed.

Upon accepting this engagement on your behalf, Norton Rose Fulbright US LLP agrees to do the following: (1) provide legal counsel in accordance with these terms of engagement and the related engagement letter and in reliance upon information and guidance provided by you; and (2) keep you reasonably informed about the status and progress of the Representation.

To enable us to provide effective representation, you agree to do the following: (1) disclose to us, fully and accurately and on a timely basis, all facts and documents that are or might be material or that we may request, (2) keep us apprised on a timely basis of all developments relating to the Representation that are or might be material, (3) attend meetings, conferences, and other proceedings when it is reasonable to do so, and (4) otherwise cooperate fully with us.

Our firm has been engaged to provide legal services in connection with the Representation in the Matter, as specifically defined in our engagement letter. After completion of the Representation, changes may occur in the applicable laws or regulations that could affect your future rights and liabilities in regard to the Matter. Unless we are actually engaged after the completion of the Representation to provide additional advice on such issues, the firm has no continuing obligation to give advice with respect to any future legal developments that may pertain to the Matter.

It is our policy and your agreement that the person or entity that we represent is the one identified in our engagement letter, and that our attorney-client relationship does not include any related persons or entities. For example, if a corporation, partnership, or other organization is identified as our client in our engagement letter referenced above, we do not represent any related parent companies, subsidiaries, affiliates, employees, officers, directors, shareholders, partners, members, commonly owned corporations or partnerships, or other such persons,

entities, or affiliates, whether becoming such by virtue of merger, dissolution, acquisition, or any other means. Accordingly, it is understood that we may represent another client with interests adverse to any such affiliated or related person or entity without first obtaining consent from you.

It is further agreed that the attorney-client relationship terminates upon our completion of the services for which we have been retained in the Representation.

### ***Who Will Provide the Legal Services***

As our engagement letter confirms, Norton Rose Fulbright US LLP will represent you in the Matter. Norton Rose Fulbright US LLP is a registered limited liability partnership under Chapter 152 of the Texas Business Organizations Code.

Although our firm will be providing legal services, each client of the firm customarily has a relationship principally with one attorney, or perhaps a few attorneys. At the same time, however, the work required in the Representation, or parts of it, may be performed by other firm personnel, including lawyers and paralegals. Such delegation may be for the purpose of involving other firm personnel with experience in a given area or for the purpose of providing services on an efficient and timely basis.

### ***Our Relationships With Others***

Our law firm represents many companies and individuals. In some instances, the applicable rules of professional conduct may limit our ability to represent clients with conflicting or potentially conflicting interests. Those rules of conduct often allow us to exercise our independent judgment in determining whether our relationship with one client prevents us from representing another. In other situations, we may be permitted to represent a client only if the other clients consent to that representation.

Rules concerning conflicts of interest vary with the jurisdiction. In order to avoid any uncertainty, it is our policy that the governing rules will be those applicable to the particular office of our firm that prepares the engagement letter for a particular matter. The acceptance by you of our engagement letter constitutes an express agreement with that policy, unless the engagement letter specifically states that some other rules of professional responsibility will govern our attorney-client relationship.

You agree that we may represent current or future clients (including any parties adverse to you in this matter) in any matters that are not substantially related to this matter, even if the interests of such clients in the other matters are directly adverse to you. We agree however that your consent does not permit us to represent another client in a matter if we have obtained non-public proprietary or other confidential information from you that could be used by the other client to your material disadvantage in that matter.

In addition to our representation of other companies and individuals, we also regularly represent lawyers and law firms. As a result, opposing counsel in the Matter may be a lawyer or law firm that we may represent now or in the future. Likewise, opposing counsel in the Matter may represent our firm now or in the future. Further, we have professional and personal relationships with many other attorneys, often because of our participation in bar associations and other professional organizations. It is our professional judgment that such relationships with other attorneys do not adversely affect our ability to represent any client. The acceptance of these terms of engagement represents an unqualified consent to any such relationships

between our firm and other lawyers or law firms, even counsel who is representing a party that is adverse to you in the Matter that is the subject of this engagement or in some other matter.

### ***Communications and Confidentiality***

We have available Internet communication procedures that allow our attorneys to use e-mail for client communications in many instances. Accordingly, unless you specifically direct us otherwise, we may use unencrypted e-mail sent on the Internet to communicate with you and to send documents we have prepared or reviewed.

We recognize our obligation to preserve the confidentiality of attorney-client communications as well as client confidences, as required by the governing rules of professional responsibility. If the Matter involves transactions, litigation or administrative proceedings or like proceedings in which our firm appears as counsel of record for you in publicly available records, we reserve the right to inform others of the fact of our representation of you in the Matter and (if likewise reflected of record in publicly available records) the results obtained, unless you specifically direct otherwise.

Norton Rose Fulbright US LLP, Norton Rose Fulbright LLP, Norton Rose Fulbright Australia, Norton Rose Fulbright Canada LLP and Norton Rose Fulbright South Africa (incorporated as Deneys Reitz Inc.), each of which is a separate legal entity, are member firms in Norton Rose Fulbright Verein, a Swiss verein organization that does not itself provide legal services to anyone. Norton Rose Fulbright US LLP and the other member firms in the verein share non-privileged information about our respective clients for research, practice management, training and administrative purposes as a means of enhancing the quality and breadth of the services we are able to provide our clients; and, unless you direct us otherwise, we will share non-privileged information about you with those other member firms. Confidentiality agreements among the firms are in place to ensure maintenance of confidentiality with respect to such shared information.

### ***Disclaimer***

Norton Rose Fulbright US LLP has made no promises or guarantees to you about the outcome of the Representation or the Matter, and nothing in these terms of engagement shall be construed as such a promise or guarantee.

### ***Termination***

At any time, you may, with or without cause, terminate the Representation by notifying us of your intention to do so.

We are subject to the codes or rules of professional responsibility for the jurisdictions in which we practice. There are several types of conduct or circumstances that could result in our withdrawing from representing a client, including, for example, the following: non-payment of fees or charges; misrepresentation or failure to disclose material facts; fraudulent or criminal conduct; action contrary to our advice; and conflict of interest with another client. The right of Norton Rose Fulbright US LLP to withdraw in such circumstances is in addition to any rights created by statute or recognized by the governing rules of professional conduct. Further, a failure by you to meet any obligations under these terms of engagement shall entitle us to terminate the Representation. We try to identify in advance and discuss with our clients any situation that may lead to our withdrawal.

Termination of the Representation will not affect your obligation to pay for legal services rendered and expenses and charges incurred before termination, as well as additional services and charges incurred in connection with an orderly transition of the Matter. Further, in the event of termination of the Representation, you will take all steps necessary to release Norton Rose Fulbright US LLP of any further obligations in the Representation or the Matter, including without limitation the execution of any documents necessary to effectuate our withdrawal from the Representation or the Matter.

### ***Billing Arrangements and Terms of Payment***

Our engagement letter specifically explains our fees for services in the Matter. We will bill on a regular basis, normally each month, for fees and expenses and charges. It is agreed that you will make full payment within 30 days of receiving our statement. We will give notice if an account becomes delinquent, and it is further agreed that any delinquent account must be paid upon the giving of such notice. If the delinquency continues and you do not arrange satisfactory payment terms, we may withdraw from the Representation and pursue collection of our account.

### ***Document Retention***

At the close of any matter, we send our files in that matter to a storage facility for storage at our expense. The attorney closing the file determines how long we will maintain the files in storage. After that time, we will destroy the documents in the stored files.

At the conclusion of the Representation, we return to the client any documents that are specifically requested to be returned. As to any documents so returned, we may elect to keep a copy of the documents in our stored files.

### ***Charges for Other Expenses and Services***

Typically, our invoices will include amounts, not only for legal services rendered, but also for other expenses and services. Examples include charges for photocopying, travel and conference expenses, messenger deliveries, telephone conferences, and computerized research. In addition, we reserve the right to send to you for direct payment any invoices delivered to us by others, including experts and any vendors. It is further agreed that we are expressly authorized to retain any consultants, experts, or vendors that are appropriate, in our judgment, during the Representation reasonably necessary to the Representation.

In situations where we can readily determine the exact amount of expenses for products and services provided by third parties to be charged to your account, our invoices will reflect the cost to us of the products and services. In many situations, however, the precise total cost of providing a product or service is difficult to establish, in which case we will use our professional judgment on the charges to be made for such product or service, which charges may vary from or exceed our direct cost of such product or service. In some situations, we can arrange for ancillary services to be provided by third parties with direct billing to the client. Attached is a copy of our current recharge schedule for expenses and services, which is subject to change from time to time.

## THE TEXAS LAWYER'S CREED — A MANDATE FOR PROFESSIONALISM

The Texas Supreme Court and the Texas Court of Criminal Appeals adopted this Creed, with the requirement that lawyers advise their clients of its contents when undertaking representation.

I am a lawyer; I am entrusted by the People of Texas to preserve and improve our legal system. I am licensed by the Supreme Court of Texas. I must therefore abide by the Texas Disciplinary Rules of Professional Conduct, but I know that Professionalism requires more than merely avoiding the violation of laws and rules. I am committed to this Creed for no other reason than it is right.

**I. OUR LEGAL SYSTEM.** A lawyer owes to the administration of justice personal dignity, integrity, and independence. A lawyer should always adhere to the highest principles of professionalism. I am passionately proud of my profession. Therefore, "My word is my bond." I am responsible to assure that all persons have access to competent representation regardless of wealth or position in life. I commit myself to an adequate and effective pro bono program. I am obligated to educate my clients, the public, and other lawyers regarding the spirit and letter of this Creed. I will always be conscious of my duty to the judicial system.

**II. LAWYER TO CLIENT.** A lawyer owes to a client allegiance, learning, skill, and industry. A lawyer shall employ all appropriate means to protect and advance the client's legitimate rights, claims, and objectives. A lawyer shall not be deterred by any real or imagined fear of judicial disfavor or public unpopularity, nor be influenced by mere self-interest. I will advise my client of the contents of this Creed when undertaking representation. I will endeavor to achieve my client's lawful objectives in legal transactions and in litigation as quickly and economically as possible. I will be loyal and committed to my client's lawful objectives, but I will not permit that loyalty and commitment to interfere with my duty to provide objective and independent advice. I will advise my client that civility and courtesy are expected and are not a sign of weakness. I will advise my client of proper and expected behavior. I will treat adverse parties and witnesses with fairness and due consideration. A client has no right to demand that I abuse anyone or indulge in any offensive conduct. I will advise my client that we will not pursue conduct which is intended primarily to harass or drain the financial resources of the opposing party. I will advise my client that we will not pursue tactics which are intended primarily for delay. I will advise my client that we will not pursue any course of action which is without merit. I will advise my client that I reserve the right to determine whether to grant accommodations to opposing counsel in all matters that do not adversely affect my client's lawful objectives. A client has no right to instruct me to refuse reasonable requests made by other counsel. I will advise my client regarding the availability of mediation, arbitration, and other alternative methods of resolving and settling disputes.

**III. LAWYER TO LAWYER.** A lawyer owes to opposing counsel, in the conduct of legal transactions and the pursuit of litigation, courtesy, candor, cooperation, and scrupulous observance of all agreements and mutual understandings. Ill feelings between clients shall not influence a lawyer's conduct, attitude, or demeanor toward opposing counsel. A lawyer shall not engage in unprofessional conduct in retaliation against other unprofessional conduct. I will be courteous, civil, and prompt in oral and written communications. I will not quarrel over matters of form or style, but I will concentrate on matters of substance. I will identify for other counsel or parties all changes I have made in documents submitted for review. I will attempt to prepare documents which correctly reflect the agreement of the parties. I will not include provisions which have not been agreed upon or omit provisions which are necessary to reflect the agreement of the parties. I will notify opposing counsel, and, if appropriate, the Court or other persons, as soon as practicable,

when hearings, depositions, meetings, conferences or closings are canceled. I will agree to reasonable requests for extensions of time and for waiver of procedural formalities, provided legitimate objectives of my client will not be adversely affected. I will not serve motions or pleadings in any manner that unfairly limits another party's opportunity to respond. I will attempt to resolve by agreement my objections to matters contained in pleadings and discovery requests and responses. I can disagree without being disagreeable. I recognize that effective representation does not require antagonistic or obnoxious behavior. I will neither encourage nor knowingly permit my client or anyone under my control to do anything which would be unethical or improper if done by me. I will not, without good cause, attribute bad motives or unethical conduct to opposing counsel nor bring the profession into disrepute by unfounded accusations of impropriety. I will avoid disparaging personal remarks or acrimony towards opposing counsel, parties and witnesses. I will not be influenced by any ill feeling between clients. I will abstain from any allusion to personal peculiarities or idiosyncrasies of opposing counsel. I will not take advantage, by causing any default or dismissal to be rendered, when I know the identity of an opposing counsel, without first inquiring about that counsel's intention to proceed. I will promptly submit orders to the Court. I will deliver copies to opposing counsel before or contemporaneously with submission to the court. I will promptly approve the form of orders which accurately reflect the substance of the rulings of the Court. I will not attempt to gain an unfair advantage by sending the Court or its staff correspondence or copies of correspondence. I will not arbitrarily schedule a deposition, Court appearance, or hearing until a good faith effort has been made to schedule it by agreement. I will readily stipulate to undisputed facts in order to avoid needless costs or inconvenience for any party. I will refrain from excessive and abusive discovery. I will comply with all reasonable discovery requests. I will not resist discovery requests which are not objectionable. I will not make objections nor give instructions to a witness for the purpose of delaying or obstructing the discovery process. I will encourage witnesses to respond to all deposition questions which are reasonably understandable. I will neither encourage nor permit my witness to quibble about words where their meaning is reasonably clear. I will not seek Court intervention to obtain discovery which is clearly improper and not discoverable. I will not seek sanctions or disqualification unless it is necessary for protection of my client's lawful objectives or is fully justified by the circumstances.

**IV. LAWYER AND JUDGE.** Lawyers and judges owe each other respect, diligence, candor, punctuality, and protection against unjust and improper criticism and attack. Lawyers and judges are equally responsible to protect the dignity and independence of the Court and the profession. I will always recognize that the position of judge is the symbol of both the judicial system and administration of justice. I will refrain from conduct that degrades this symbol. I will conduct myself in court in a professional manner and demonstrate my respect for the Court and the law. I will treat counsel, opposing parties, the Court, and members of the Court staff with courtesy and civility. I will be punctual. I will not engage in any conduct which offends the dignity and decorum of proceedings. I will not knowingly misrepresent, mischaracterize, misquote or miscite facts or authorities to gain an advantage. I will respect the rulings of the Court. I will give the issues in controversy deliberate, impartial and studied analysis and consideration. I will be considerate of the time constraints and pressures imposed upon the Court, Court staff and counsel in efforts to administer justice and resolve disputes.

**RESOLUTION AUTHORIZING THE ISSUANCE OF MEMORIAL CITY REDEVELOPMENT AUTHORITY TAX INCREMENT CONTRACT REVENUE AND REFUNDING BONDS, SERIES 2019; APPROVING CONTRACT DOCUMENTS RELATING TO THE SERIES 2019 BONDS; AUTHORIZING THE REDEMPTION PRIOR TO MATURITY OF CERTAIN OUTSTANDING BONDS; AUTHORIZING THE REFUNDING OF CERTAIN OUTSTANDING BONDS AND CONTAINING OTHER PROVISIONS RELATED THERETO**

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE MEMORIAL CITY REDEVELOPMENT AUTHORITY (also known as the TIRZ 17 Redevelopment Authority):

**ARTICLE I**

**RECITALS**

WHEREAS, by Ordinance No. 1999-759, adopted on July 21, 1999, the City of Houston (the "City") created Reinvestment Zone Number Seventeen, City of Houston, Texas (the "TIRZ") pursuant to Chapter 311, Texas Tax Code, and approved a preliminary project plan for the TIRZ and a preliminary reinvestment zone financing plan for the TIRZ; and

WHEREAS, by Resolution No. 2002-26, adopted on August 14, 2002, the City authorized the creation of the Memorial City Redevelopment Authority (also known as the TIRZ 17 Redevelopment Authority) (the "Authority") to aid, assist and act on behalf of the City in the performance of the City's governmental and proprietary functions with respect to, and to provide financing for, the TIRZ; and

WHEREAS, by Ordinance No. 2002-1145, adopted on December 11, 2002, the City approved and on November 22, 2002, the Boards of Directors of the TIRZ and the Authority approved that certain Agreement by and between the City, the TIRZ, and the Authority (the "Tri-Party Agreement"), pursuant to which the City delegated to the Authority the power and authority to issue, sell or deliver its bonds, notes or other obligations in accordance with the terms of the Tri-Party Agreement; and

WHEREAS, by Ordinance No. 2011-729, adopted on August 17, 2011, the City authorized the Authority to issue, sell, or deliver its bonds in an amount not to exceed Fifty-Five Million Dollars (\$55,000,000) outstanding at any one time to be secured by certain moneys paid to the Authority pursuant to the Tri-Party Agreement; and

WHEREAS, By Ordinance No. 2019-\_\_ adopted on \_\_\_\_\_, 2019, the City authorized the Authority to issue, sell, or deliver its bonds and notes in an amount not to exceed One Hundred Twenty Million Dollars (\$120,000,000) outstanding at any one time to be secured by certain moneys paid to the Authority pursuant to the Tri-Party Agreement; and

WHEREAS, the Authority has previously issued its \$9,400,000 Tax Increment Contract Revenue Refunding Bonds, Series 2011 (the "Series 2011 Bonds"), \$30,600,000 Tax Increment Contract Revenue Bonds, Series 2011A (the "Series 2011A Bonds"), \$17,955,000 Tax Increment Contract Revenue Refunding Bonds, Series 2016 (collectively, the "Outstanding Bonds") and is in the process of issuing its Tax Increment Contract Revenue and Refunding Bonds, Series 2019 (the "Series 2019 Bonds"); and

WHEREAS, the Authority currently has a total of \$\_\_\_\_\_ in bonds outstanding, leaving \$\_\_\_\_\_ in remaining bond authorization; and

WHEREAS, the Authority desires to refund certain portions of the Series 2011 Bonds, and the Series 2011A Bonds (the "Refunded Bonds"), in advance of maturity as provided herein; and

WHEREAS, Chapter 1207 of the Texas Government Code, as amended, provides that the Authority is authorized to issue refunding bonds for the purpose of refunding the Refunded Bonds in advance of their maturities, and to accomplish such refunding by depositing directly with a paying agent for the Refunded Bonds the proceeds of such refunding bonds, together with other available funds, in an amount adequate to provide for the payment or redemption of the Refunded Bonds, and that such deposit shall constitute the making of firm banking and financial arrangements for the discharge and final payment or redemption of the Refunded Bonds

WHEREAS, upon the issuance of the refunding bonds herein authorized, the Refunded Bonds shall no longer be regarded as being outstanding, and the pledges, liens, trusts and all other covenants, provisions, terms and conditions of the resolution authorizing the issuance of the Refunded Bonds shall be, with respect to the Refunded Bonds, discharged, terminated and defeased; and

WHEREAS, as permitted by the Act, the Authority desires to issue its Tax Increment Contract Revenue and Refunding Bonds, Series 2019 upon the terms and conditions and for the purposes herein provided; and

## ARTICLE II

### DEFINITIONS AND INTERPRETATIONS

Section 2.1: Definitions. In this Resolution, the following terms shall have the following meanings, unless the context clearly indicates otherwise. Terms not defined herein shall have the meanings assigned to such terms in the Indenture:

The term "Annual Financial Information and Operating Data" shall mean the financial information and operating data with respect the Authority and the Participants in the final Official Statement authorized by this Resolution in the tables and schedules under the headings \_\_\_\_\_," and in Appendix \_\_\_\_ (the Audited Reports of the Authority) of the Official Statement.

The term "Business Day" shall mean any day which is not a Saturday, Sunday, or a day on which banking institutions in the city where the designated payment office of the Paying Agent/Registrar is located are authorized by law or executive order to close, or a legal holiday.

The term "Closing Date" means the date of the initial delivery of and payment for the Bonds.

The term "Comptroller" shall mean the Comptroller of Public Accounts of the State of Texas.

The term "DTC" shall mean The Depository Trust Company of New York, New York, or any successor securities depository.

The term "DTC Participant" shall mean brokers, dealers, banks, trust companies, clearing corporations and certain other organizations on whose behalf DTC was created to facilitate the clearance and settlement of securities transactions among DTC Participants.

The term "EMMA" means the Electronic Municipal Market Access System established by the MSRB.

The term "Indenture" shall mean the Indenture of Trust dated as of January 15, 2008 between the Authority and Wells Fargo Bank, National Association, as Trustee, as may be amended from time to time.

The term "Initial Series 2019 Bond" shall mean the Initial Series 2019 Bond authorized by Section 3.4(d).

The term "Interest Payment Date" shall mean, with respect to the Series 2019 Bonds, March 1, 2020, and each September 1 and March 1 thereafter until maturity or redemption.

The term "Issuance Date" shall mean the date on which each such Series 2019 Bond is authenticated by the Paying Agent/Registrar and delivered to and paid for by the Purchaser.

The term "Material" shall have the meaning of such word as used under federal securities laws.

The term "MSRB" means the Municipal Securities Rulemaking Board.

The term "Paying Agent/Registrar" shall mean Wells Fargo Bank, National Association, and its successors in that capacity.

The term "Paying Agent for the Refunded Bonds" means Wells Fargo Bank, National Association.

The term "Record Date" shall mean, for any Interest Payment Date, the fifteenth (15th) calendar day of the month next preceding each Interest Payment Date.

The term "Refunded Bonds" means a portion of the Series 2011 Bonds, and the Series 2011A Bonds, as identified in the Approval Certificate.

The term "Resolution" or "Bond Resolution" shall mean this Resolution Authorizing the issuance of Memorial City Redevelopment Authority Tax Increment Contract Revenue and Refunding Bonds, Series 2019, and all amendments hereof and supplements hereto.

The term "Rule" means SEC Rule 15c2-12, as amended from time to time.

The term "SEC" means the United States Securities and Exchange Commission.

The term "Series 2019 Bond" or "Series 2019 Bonds" shall mean the Authority's Tax Increment Contract Revenue and Refunding Bonds, Series 2019 authorized by this Resolution.

The term "Underwriter" means \_\_\_\_\_.

Section 2.2: Interpretations. All terms defined herein and all pronouns used in this Resolution shall be deemed to apply equally to singular and plural and to all genders. The titles and headings of the articles and sections of this Resolution have been inserted for convenience of reference only and are not to be considered a part hereof and shall not in any way modify or restrict any of the terms or provisions hereof.

This Resolution and all the terms and provisions hereof shall be liberally construed to effectuate the purposes set forth herein and to sustain the validity of the Parity Bonds and the validity of the lien on and pledge of the Pledged Revenues to secure the payment of the Parity Bonds.

### ARTICLE III

#### TERMS OF THE BONDS

Section 3.1: Amount, Purpose, Authorization. The Series 2019 Bonds shall be issued in fully registered form in the aggregate principal amount not to exceed \$\_\_\_\_\_, and at an interest rate not to exceed \_\_\_\_\_% for the purpose of (1) paying Project Costs, (2) refunding the Refunded Bonds, and (3) paying costs of issuance, all under and pursuant to the authority of the Act and all other applicable law. None of the proceeds of the Series 2019 Bonds shall be used for the purpose of paying or otherwise providing for educational facilities.

Any officer or Director of the Board of Directors of the Authority is hereby designated as the "Authorized Representative" of the Authority, and is hereby authorized, appointed, and designated as the officer or employee of the Authority authorized to act on behalf of the Authority, which actions shall be evidenced by a certificate executed by the Authorized Representative (the "Approval Certificate") in the selling and delivering of the Bonds and carrying out the other procedures specified in this Resolution, including the execution of an appropriate letter of representations if deemed appropriate, the determining and fixing of the date of the Bonds, any additional or different designation or title by which the Bond's shall be known, the principal amount of the Bonds, the price at which the Bonds will be sold, the dates, price and terms upon and at which the Bonds shall be subject to redemption prior to the due date or maturity at the option of the Authority, any mandatory sinking fund redemption revisions, terms relating to municipal bond insurance, and approving modifications to this Resolution and executing such instruments, documents and agreements as may be necessary with respect thereto, and all other matters relating to the issuance, sale and delivery of the Bonds.

Section 3.2: Name, Designation, Date, and Interest Payment Dates. The Series 2019 Bonds shall be designated as the "MEMORIAL CITY REDEVELOPMENT AUTHORITY TAX INCREMENT CONTRACT REVENUE AND REFUNDING BONDS, SERIES 2019," shall be issued in fully registered form, without coupons and shall be dated as of the Closing Date (the "Dated Date").

Section 3.3: Principal Amounts and Interest Rates; Numbers and Denomination. (a) The Series 2019 Bonds shall be initially issued in the principal amounts, mature on the dates, and bear interest at the rates set forth in the Approval Certificate. The Initial Bond shall be numbered IB-1 and the definitive Bond shall be

numbered R-1. Bonds delivered in transfer of or in exchange for other Bonds shall be numbered in order of their authentication by the Registrar, shall be in the denomination of \$100,000 or integral multiples of \$5,000 in excess thereof, and shall mature on the same date and bear interest at the same rate as the Bond or Bonds in lieu of which they are delivered.

(b) Interest shall accrue initially from the Dated Date and thereafter from and including the Interest Payment Date until the day before the next Interest Payment Date. Interest on the Series 2019 Bonds is payable, semiannually on September 1 and March 1, commencing March 1, 2020, until maturity or earlier redemption. Interest shall be calculated on the basis of a 360-day year of twelve 30-day months.

Section 3.4: Principal Amounts and Interest Rates; Numbers and Denomination. (a) The Series 2019 Bonds shall be signed by the Director of the Board and countersigned by the Secretary or any other officer of the Board, by their manual, lithographed, or facsimile signatures. Such facsimile signatures on the Series 2019 Bonds shall have the same effect as if each of the Series 2019 Bonds had been signed manually and in person by each of said officers.

(b) If any officer of the Authority whose manual or facsimile signature shall appear on the Series 2019 Bonds shall cease to be such officer before the authentication of such Series 2019 Bonds or before the delivery of such Series 2019 Bonds, such manual or facsimile signature shall nevertheless be valid and sufficient for all purposes as if such officer had remained in such office.

(c) Except as provided below, no Series 2019 Bond shall be valid or obligatory for any purpose or be entitled to any security or benefit of this Resolution unless and until there appears thereon the Paying Agent/Registrar's Authentication Certificate substantially in the form provided herein, duly authenticated by manual execution by an officer or duly authorized signatory of the Paying Agent/Registrar. In lieu of the executed Paying Agent/Registrar's Authentication Certificate described above, the Initial Series 2019 Bond delivered on the Issuance Date shall have attached thereto the Comptroller's Registration Certificate substantially in the form provided herein, manually executed by the Comptroller, or by his duly authorized agent, which certificate shall be evidence that the Initial Series 2019 Bond has been duly approved by the Attorney General of the State of Texas and that it is a valid and binding obligation of the Authority, and has been registered by the Comptroller.

(d) On the Issuance Date, the Initial Series 2019 Bond, being a single bond representing the entire principal amount of the Series 2019 Bonds, payable in stated installments to the Underwriters or their designee, executed by manual or facsimile signature of the Director, Vice Chairman or Secretary and any other officer of the Board, approved by the Attorney General, and registered and manually signed by the Comptroller of Public Accounts, shall be delivered to the Underwriter or its designee.

Upon payment for the Initial Series 2019 Bond, the Paying Agent/Registrar shall cancel the Initial Series 2019 Bond and deliver Series 2019 Bonds to DTC in accordance with Section 3.9.

Section 3.5: Payment of Principal and Interest. The Paying Agent/Registrar is hereby appointed as the registrar and paying agent for the Series 2019 Bonds. The principal reduction payments of the Series 2019 Bonds shall be payable, without exchange or collection charges, in any coin or currency of the United States of America which, on the date of payment, is legal tender for the payment of debts due the United States of America, as they respectively become due and payable, whether at maturity or by prior redemption, at the designated office of the Paying Agent/Registrar. The interest on each Series 2019 Bond shall be payable by check on the Interest Payment Date, mailed by the Paying Agent/Registrar on or before each Interest Payment Date to the Owner of record as of the Record Date, to the address of such Owner as shown on the Register, or by such other method, acceptable to the Paying Agent/Registrar, requested by and at the risk and expense of the Owner.

If the date for the payment of principal or interest on any Series 2019 Bond is not a Business Day, then the date for such payment shall be the next succeeding Business Day, and payment on such date shall have the same force and effect as if made on the original date such payment was due.

Section 3.6: Successor Paying Agent/Registrars. The Authority covenants that at all times while any Series 2019 Bonds are Outstanding it will provide a commercial bank, or trust company or other entity duly qualified and legally authorized to act as Paying Agent/Registrar for the Series 2019 Bonds. The Authority reserves the right to change the Paying Agent/Registrar for the Series 2019 Bonds on not less than sixty (60) days written notice to the Paying Agent/Registrar, so long as any such notice is effective not less than sixty (60) days prior to the next succeeding principal or interest payment date on the Series 2019 Bonds. Promptly upon the appointment of any successor Paying Agent/Registrar, the previous Paying Agent/Registrar shall deliver the Register or a copy thereof to the new Paying Agent/Registrar, and the new Paying Agent/Registrar shall notify each Owner, by United States mail, first class postage prepaid, of such change and of the address of the new Paying Agent/Registrar. Each Paying Agent/Registrar hereunder, by acting in that capacity, shall be deemed to have agreed to the provisions of this Section.

Section 3.7: Special Record Date. If interest on any Series 2019 Bond is not paid on any Interest Payment Date and continues unpaid for thirty (30) days thereafter, the Paying Agent/Registrar shall establish a new record date for the payment of such interest, to be known as a "Special Record Date." The Paying Agent/Registrar shall establish a Special Record Date when funds to make such interest payment are received from or on behalf of the Authority. Such Special Record Date shall be fifteen (15) days prior to the date fixed for payment of such past due interest, and notice of the date of

payment and the Special Record Date shall be sent by United States mail, first class, postage prepaid, not later than five (5) days prior to the Special Record Date, to each Owner of record of an affected Series 2019 Bond as of the close of business on the day prior to the mailing of such notice.

Section 3.8: Ownership; Unclaimed Principal and Interest. Subject to the further provisions of this Section, the Authority, the Paying Agent/Registrar and any other person may treat the person in whose name any Series 2019 Bond is registered as the absolute Owner of such Series 2019 Bond for the purpose of making and receiving payment of the principal of or interest on such Series 2019 Bond, and for all other purposes, whether or not such Series 2019 Bond is overdue, and neither the Authority nor the Paying Agent/Registrar shall be bound by any notice or knowledge to the contrary. All payments made to the person deemed to be the Owner of any Series 2019 Bond in accordance with this Section 3.8 shall be valid and effectual and shall discharge the liability of the Authority and the Paying Agent/Registrar upon such Series 2019 Bond to the extent of the sums paid.

Amounts held by the Paying Agent/Registrar which represent principal of and interest on the Series 2019 Bonds remaining unclaimed by the Owner after the expiration of three (3) years from the date such amounts have become due and payable shall be remitted to the Authority, except to the extent that they are required by law to be reported and disposed of by the Paying Agent/Registrar in accordance with the applicable provisions of Texas law including, to the extent applicable, Title 6 of the Texas Property Code, as amended.

Section 3.9: Reserved.

Section 3.10: Reserved.

Section 3.11: Reserved.

Section 3.12: Registration, Transfer, and Exchange. So long as any Series 2019 Bonds remain Outstanding, the Paying Agent/Registrar shall keep the Register at its designated office and, subject to such reasonable regulations as it may prescribe, the Paying Agent/Registrar shall provide for the registration and transfer of Series 2019 Bonds in accordance with the terms of this Resolution.

Each Series 2019 Bond shall be transferable only upon the presentation and surrender thereof at the designated office of the Paying Agent/Registrar, duly endorsed for transfer, or accompanied by an assignment duly executed by the Registered Owner or his authorized representative in form satisfactory to the Paying Agent/Registrar. Upon due presentation of any Series 2019 Bond in proper form for transfer, the Paying Agent/Registrar shall authenticate and deliver in exchange therefor, a new Series 2019 Bond or Series 2019 Bonds, registered in the name of the transferee or transferees, in

authorized denominations and of the same maturity, aggregate principal amount, and Dated Date, and bearing interest at the same rate as the Series 2019 Bond or Series 2019 Bonds so presented.

All Series 2019 Bonds shall be exchangeable upon presentation and surrender thereof at the designated office of the Paying Agent/Registrar for a Series 2019 Bond or Series 2019 Bonds of the same maturity, Dated Date, and interest rate and in any authorized denomination, in an aggregate amount equal to the unpaid principal amount of the Series 2019 Bond or Series 2019 Bonds presented for exchange. The Paying Agent/Registrar shall be and is hereby authorized to authenticate and deliver exchange Series 2019 Bonds in accordance with the provisions of this Section 3.12. Each Series 2019 Bond delivered in accordance with this Section 3.12 shall be entitled to the benefits and security of this Resolution to the same extent as the Series 2019 Bond or Series 2019 Bonds in lieu of which such Series 2019 Bond is delivered.

The Authority or the Paying Agent/Registrar may require the Owner of any Series 2019 Bond to pay a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with the transfer or exchange of such Series 2019 Bond. Any fee or charge of the Paying Agent/Registrar for such transfer or exchange shall be paid by the Authority.

The Paying Agent/Registrar shall not be required to transfer or exchange any Series 2019 Bond during the period beginning on a Record Date or a Special Record Date and ending on the next succeeding Interest Payment Date or to transfer or exchange any Series 2019 Bond called for redemption during the period beginning thirty days prior to the date fixed for redemption and ending on the date fixed for redemption; provided, however, that this limitation shall not apply to the exchange by the Owner of the unredeemed portion of a Series 2019 Bond called for redemption in part.

Section 3.13: Cancellation of Series 2019 Bonds. All Series 2019 Bonds paid or redeemed in accordance with this Resolution, and all Series 2019 Bonds in lieu of which exchange Series 2019 Bonds or replacement Series 2019 Bonds are authenticated and delivered in accordance herewith, shall be cancelled upon the making of proper records regarding such payment or redemption and retained in accordance with the Paying Agent/Registrar's document retention policy. Upon request of the Authority therefore, the Paying Agent/Registrar shall furnish the Authority with appropriate certificates of cancellation of such Series 2019 Bonds.

Section 3.14: Mutilated, Lost, or Stolen Series 2019 Bonds. Upon the presentation and surrender to the Paying Agent/Registrar of a mutilated Series 2019 Bond, the Paying Agent/Registrar shall authenticate and deliver in exchange therefor a replacement Series 2019 Bond of like maturity, Dated Date, interest rate and principal amount, bearing a number not contemporaneously Outstanding. The Authority or the

Paying Agent/Registrar may require the Owner of such Series 2019 Bond to pay a sum sufficient to cover any tax or other governmental charge that may be imposed in connection therewith and any other expenses connected therewith, including the fees and expenses of the Paying Agent/Registrar.

If any Series 2019 Bond is lost, apparently destroyed, or wrongfully taken, the Authority, pursuant to the applicable laws of the State of Texas and in the absence of notice or knowledge that such Series 2019 Bond has been acquired by a bona fide purchaser, shall execute and the Paying Agent/Registrar shall authenticate and deliver a replacement Series 2019 Bond of like maturity, Dated Date, interest rate and principal amount, bearing a number not contemporaneously Outstanding, provided that the Owner thereof shall have:

- (1) furnished to the Authority and the Paying Agent/Registrar satisfactory evidence of the ownership of and the circumstances of the loss, destruction or theft of such Series 2019 Bond;
- (2) furnished such security or indemnity as may be required by the Paying Agent/Registrar and the Authority to save them harmless;
- (3) paid all expenses and charges in connection therewith, including, but not limited to, printing costs, legal fees, fees of the Paying Agent/Registrar and any tax or other governmental charge that may be imposed; and
- (4) met any other reasonable requirements of the Authority and the Paying Agent/Registrar.

If, after the delivery of such replacement Series 2019 Bond, a bona fide purchaser of the original Series 2019 Bond in lieu of which such replacement Series 2019 Bond was issued presents for payment such original Series 2019 Bond, the Authority and the Paying Agent/Registrar shall be entitled to recover such replacement Series 2019 Bond from the person to whom it was delivered or any person taking therefrom, except a bona fide purchaser, and shall be entitled to recover upon the security or indemnity provided therefor to the extent of any loss, damage, cost or expense incurred by the Authority or the Paying Agent/Registrar in connection therewith.

If any such mutilated, lost, apparently destroyed or wrongfully taken Series 2019 Bond has become or is about to become due and payable, the Authority in its discretion may, instead of issuing a replacement Series 2019 Bond, authorize the Paying Agent/Registrar to pay such Series 2019 Bond.

Each replacement Series 2019 Bond delivered in accordance with this Section 3.14 shall be entitled to the benefits and security of this Resolution to the same extent as the Series 2019 Bond or Series 2019 Bonds in lieu of which such replacement Series 2019 Bond is delivered.

Section 3.15: Redemption. The Series 2019 Bonds are subject to optional redemption on the dates and for the redemption prices set forth in the form of the Series 2019 Bond in this Resolution. The Series 2019 Bonds may be redeemed only in denominations of \$5,000 or integral multiples of \$5,000 in excess thereof. Notwithstanding any provision hereof to the contrary, the Underwriter will not be required to tender the Series 2019 Bond to receive any redemption payment. Unless waived by the Owner, notice of any redemption identifying the Series 2019 Bonds to be redeemed shall be given as provided in the form of Series 2019 Bond in this Resolution. Any notice given as provided in this Section 3.15 shall be conclusively presumed to have been duly given, whether or not the Owner receives such notice. By the date fixed for redemption, due provision shall be made with the Paying Agent/Registrar for payment of the redemption price of the Series 2019 Bonds or portions thereof to be redeemed, plus accrued interest to the date fixed for redemption. When Series 2019 Bonds have been called for redemption in whole or in part and due provision has been made to redeem the same as herein provided, the Series 2019 Bonds or portions thereof so redeemed shall no longer be regarded as Outstanding except for the purpose of receiving payment solely from the funds so provided for redemption, and the rights of the Owners to collect interest which would otherwise accrue after the redemption date on any Series 2019 Bond or portion thereof called for redemption shall terminate on the date fixed for redemption.

Section 3.16: Limited Obligations. THE SERIES 2019 BONDS AND ALL PARITY BONDS ARE A LIMITED OBLIGATION OF THE AUTHORITY, PAYABLE SOLELY OUT OF THE PLEDGED REVENUES, WHICH IS THE SOLE ASSET OF THE AUTHORITY PLEDGED THEREFOR. THE SERIES 2019 BONDS ARE OBLIGATIONS SOLELY OF THE AUTHORITY AND DO NOT CONSTITUTE, WITHIN THE MEANING OF ANY STATUTORY OR CONSTITUTIONAL PROVISION, AN INDEBTEDNESS, AN OBLIGATION OR A LOAN OF CREDIT OF THE CITY OF HOUSTON, THE STATE OF TEXAS, OR ANY OTHER MUNICIPALITY, COUNTY, OR OTHER MUNICIPAL OR POLITICAL CORPORATION OR SUBDIVISION OF THE STATE OF TEXAS. THE CITY OF HOUSTON IS NOT OBLIGATED TO MAKE PAYMENTS ON THE SERIES 2019 BONDS.

## ARTICLE IV

### FORM OF SERIES 2019 BONDS AND CERTIFICATES

Section 4.1: Forms. The form of the Series 2019 Bonds, including the form of the Paying Agent/Registrar's authentication certificate, the form of assignment, and the form of the Comptroller's Registration Certificate for the Series 2019 Bonds to be initially issued, shall be substantially as follows, with such additions, deletions and variations, as may be necessary or desirable and not prohibited by this Resolution:



REVENUES, WHICH IS THE SOLE ASSET OF THE AUTHORITY PLEDGED THEREFOR. THE SERIES 2019 BONDS ARE OBLIGATIONS SOLELY OF THE AUTHORITY AND DO NOT CONSTITUTE, WITHIN THE MEANING OF ANY STATUTORY OR CONSTITUTIONAL PROVISION, AN INDEBTEDNESS, AN OBLIGATION OR A LOAN OF CREDIT OF THE CITY OF HOUSTON, THE STATE OF TEXAS, OR ANY OTHER MUNICIPALITY, COUNTY, OR OTHER MUNICIPAL OR POLITICAL CORPORATION OR SUBDIVISION OF THE STATE OF TEXAS. THE CITY OF HOUSTON IS NOT OBLIGATED TO MAKE PAYMENTS ON THE SERIES 2019 BONDS.

THIS SERIES 2019 BOND IS ONE OF A DULY AUTHORIZED SERIES OF SERIES 2019 BONDS aggregating [Refer to Approval Certificate] issued for the purpose of (1) paying Project Costs, (2) refunding the Refunded Bonds, and (3) paying Costs of Issuance of the Authority, all under and pursuant to the authority of the Act and all other applicable laws, and the Resolution. None of the proceeds of the Series 2019 Bonds shall be used for the purpose of paying or otherwise providing for educational facilities.

THIS SERIES 2019 BOND AND THE SERIES OF WHICH IT IS A PART are limited obligations of the Authority that are together with all other Parity Bonds heretofore or hereafter issued under the Indenture described below, payable from, and are equally and ratably secured by a lien on the Pledged Revenues, which include the Contract Tax Increments, moneys on deposit in the Pledged Revenue Fund and the Debt Service Fund, and interest earned on moneys deposited therein, as defined and more fully provided in the Indenture of Trust dated as of January 15, 2008, between the Authority and Wells Fargo Bank, National Association, as Trustee (the "Indenture"). This Series 2019 Bond and the series of which it is a part and all other Parity Bonds, together with the interest thereon, are payable solely from such Pledged Revenues.

THE AUTHORITY RESERVES THE RIGHT to redeem the Series 2019 Bonds in whole or in part from time to time, in integral multiples of \$100,000 or any integral multiple of \$5,000 in excess thereof, on any date, at par plus accrued interest on the principal amounts called for redemption to the date fixed for redemption. Reference is made to the Resolution for complete details concerning the manner of redeeming the Series 2019 Bonds.

IN ADDITION TO BEING SUBJECT TO OPTIONAL REDEMPTION, THE BONDS ARE ISSUED AS TERM BONDS and are subject to mandatory redemption prior to maturity in the following amounts (subject to reduction as hereinafter provided), on the following dates ("Mandatory Redemption Dates"), at a price equal to the principal amount redeemed plus accrued interest to each Mandatory Redemption Date, subject to the conditions set forth below:

## TERM BOND

### Mandatory Redemption

### Principal Amount

ON OR BEFORE 30 days prior to each Mandatory Redemption Date set forth above, the Registrar shall (i) determine the principal amount of such Series 2019 Bond that must be mandatorily redeemed on such Mandatory Redemption Date, after taking into account deliveries for cancellation and optional redemptions as more fully provided for below, (ii) select, by lot or other customary random method, the Series 2019 Bond or portions of the Series 2019 Bond of such maturity to be mandatorily redeemed on such Mandatory Redemption Date, and (iii) give notice of such redemption as provided in the Bond Resolution. The principal amount of any Series 2019 Bond to be mandatorily redeemed on such Mandatory Redemption Date shall be reduced by the principal amount of such Series 2019 Bond which, by the 45th day prior to such Mandatory Redemption Date, either has been purchased in the open market and delivered or tendered for cancellation by or on behalf of the Authority to the Registrar or optionally redeemed and which, in either case, has not previously been made the basis for a reduction under this sentence.

UNLESS WAIVED BY THE OWNER NOTICE OF ANY REDEMPTION shall be given at least thirty (30) days prior to the date fixed for redemption by first class mail, addressed to the Registered Owners of each Series 2019 Bond to be redeemed in whole or in part at the address shown on the books of registration kept by the Paying Agent/Registrar. Such notices shall state the redemption date, the redemption price, the place at which Series 2019 Bonds are to be surrendered for payment and, if less than all Series 2019 Bonds Outstanding of a particular maturity are to be redeemed, the numbers of the Series 2019 Bonds or portions thereof of such maturity to be redeemed. When Series 2019 Bonds or portions thereof have been called for redemption, and due provision has been made to redeem the same, the principal amounts so redeemed shall be payable solely from the funds provided for redemption, and interest which would otherwise accrue on the amounts called for redemption shall terminate on the date fixed for redemption.

THIS SERIES 2019 BOND IS TRANSFERABLE only upon presentation and surrender at the designated office of the Paying Agent/Registrar, duly endorsed for transfer or accompanied by an assignment duly executed by the Registered Owner or his authorized representative, subject to the terms and conditions of the Resolution.

THIS SERIES 2019 BOND IS EXCHANGEABLE at the designated office of the Paying Agent/Registrar for Series 2019 Bonds in the principal amount of \$100,000 or

any integral multiple of \$5,000 in excess thereof, subject to the terms and conditions of the Resolution.

NEITHER THE AUTHORITY NOR THE PAYING AGENT/REGISTRAR shall be required to transfer or exchange any Series 2019 Bond during the period beginning on the fifteenth calendar day of the month next preceding any interest payment date and ending on such interest payment date or to transfer any Series 2019 Bond called for redemption during the 30 day period prior to the redemption date.

THIS SERIES 2019 BOND shall not be valid or obligatory for any purpose or be entitled to any benefit under the Resolution unless this Series 2019 Bond is either (i) registered by the Comptroller of Public Accounts of the State of Texas by registration certificate attached or affixed hereto or (ii) authenticated by the Paying Agent/Registrar by due execution of the authentication certificate endorsed hereon.

THE AUTHORITY HAS RESERVED THE RIGHT to issue Additional Parity Bonds, subject to the restrictions contained in the Resolution and the Indenture, which may be equally and ratably payable from, and secured by a lien on and pledge of, the Pledged Revenues in the same manner and to the same extent as this Series 2019 Bond and the series of which it is a part.

IT IS HEREBY DECLARED AND REPRESENTED that this Series 2019 Bond has been duly and validly issued and delivered; that all acts, conditions, and things required or proper to be performed, exist, and be done precedent to or in the issuance and delivery of this Series 2019 Bond have been performed, existed, and been done in accordance with law; that the Series 2019 Bonds do not exceed any statutory limitation; and that provision has been made for the payment of the principal of and interest on this Series 2019 Bond and all of the Parity Bonds by the creation of the aforesaid lien on and pledge of the Pledged Revenues as provided in the Indenture.

IN WITNESS WHEREOF, the Authority has caused this Series 2019 Bond to be executed by the manual or facsimile signatures of the Chairman and the Secretary.

MEMORIAL CITY REDEVELOPMENT  
AUTHORITY

\_\_\_\_\_  
Chairman, Board of Directors

\_\_\_\_\_  
Secretary, Board of Directors

(b) Form of Registration Certificate of Comptroller of Public Accounts.

COMPTROLLER'S REGISTRATION CERTIFICATE: REGISTER NO. \_\_\_\_\_

I hereby certify that this Series 2019 Bond has been examined, certified as to validity, and approved by the Attorney General of the State of Texas, and that this Series 2019 Bond has been registered by the Comptroller of Public Accounts of the State of Texas.

WITNESS MY SIGNATURE AND SEAL this \_\_\_\_\_.

\_\_\_\_\_  
Comptroller of Public Accounts  
of the State of Texas

(SEAL)

(c) Form of Paying Agent/Registrar's Authentication Certificate

AUTHENTICATION CERTIFICATE

It is hereby certified that this Series 2019 Bond  
has been delivered pursuant to the Bond  
Resolution described in the text of this  
Series 2019 Bond.

\_\_\_\_\_, as Trustee

By: \_\_\_\_\_  
Authorized Signature

Date of Authentication: \_\_\_\_\_

(d) Form of Assignment

Assignment

For value received, the undersigned hereby sells, assigns, and transfers unto

\_\_\_\_\_  
(Please print or type name, address, and zip code of Transferee)

\_\_\_\_\_  
(Please insert Social Security or Taxpayer Identification Number of Transferee)  
the within Series 2019 Bond and all rights thereunder, and hereby irrevocably constitutes and appoints \_\_\_\_\_ attorney to transfer said Series 2019 Bond on the books kept for registration thereof, with full power of substitution in the premises.

DATED: \_\_\_\_\_

<p>Signature Guaranteed:</p> <p>_____</p> <p>_____</p> <p>NOTICE: Signature(s) must be guaranteed by an institution which is a participant in the Securities Transfer Agent Medallion Program ("STAMP") or similar program.</p>	<p>_____</p> <p>_____</p> <p>Registered Owner</p> <p>NOTICE: The signature above must correspond to the name of the Registered Owner as shown on the face of this Bond in every particular, without any alteration, enlargement or change whatsoever.</p>
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(e) The Initial Series 2019 Bond shall be in the form set forth in paragraphs (a), (b) and (d) of this Section, except for the following alteration:

(i) immediately under the name of the Bond, the headings "INTEREST RATE" and "MATURITY DATE" shall both be completed with the words "As Shown Below" and the word "CUSIP" deleted;

(ii) in the first paragraph of the Series 2019 Bond, the words "on the maturity date specified above," "the principal amount identified above" and "at the rate shown above" shall be deleted and the following shall be inserted at the end of the first sentence, "...with such principal to be paid in installments on

September 1 in each of the years and in the principal amounts identified in the following schedule and with such installments bearing interest at the per annum rates set forth in the following schedule:

- (iii) the Initial Series 2019 Bond shall be numbered IB-1.

Section 4.2: Legal Opinion. The approving opinion of Bond Counsel may be printed on the Bonds, but errors or omissions in the printing of such opinion shall have no effect on the validity of the Bonds.

## **ARTICLE V**

### **ADDITIONAL BONDS**

Section 5.1: Additional Parity Bonds. The Authority reserves the right to issue, for any lawful purpose (including the refunding of any previously issued Parity Bonds), one or more series of Additional Parity Bonds payable from and secured by a lien on the Pledged Revenues, on a parity with the Series 2019 Bonds, and any previously issued Additional Parity Bonds; provided, however, that Additional Parity Bonds may be issued only in accordance with the provisions of Article III of the Indenture.

Section 5.2: Subordinate Lien Obligations. The Authority reserves the right to issue, for any lawful purpose, bonds, notes or other obligations secured in whole or in part by liens on the Pledged Revenues that are junior and subordinate to the lien on Pledged Revenues securing payment of the Parity Bonds. Such subordinate lien obligations may be further secured by any other source of payment lawfully available for such purposes.

## **ARTICLE VI**

### **COVENANTS AND PROVISIONS RELATING TO ALL PARITY BONDS**

Reference is made to Article V of the Indenture. All covenants made by the Authority therein are hereby incorporated into this Resolution.

## **ARTICLE VII**

### **PROVISIONS CONCERNING SALE AND APPLICATION OF PROCEEDS OF SERIES 2019 BONDS**

Section 7.1: Sale. The officers of the Authority and other appropriate officials and agents of the Authority are hereby authorized to do any and all things

necessary or desirable to satisfy the conditions set out therein and to provide for the issuance and delivery of the Bonds. The Authorized Representative, acting for and on behalf of the Authority, is authorized to arrange for the Bonds to be sold at a negotiated sale to the Underwriter and to enter into and carry out a purchase agreement in substantially the form presented to the Authority (the "Purchase Agreement") with the Underwriter at such price and other matters as shall be set forth therein and, with such changes as are acceptable to the Authorized Representative, provided that the interest rate for the Bonds does not exceed \_\_\_\_\_% (using the all in true interest cost method). Upon its execution and delivery, the Purchase Agreement shall constitute a binding and enforceable agreement of the Authority in accordance with its terms. If the procuring of municipal bond insurance is approved by the Authorized Representative, the printing of an appropriate statement of insurance on the Bonds is hereby authorized and any provision relating to municipal bond insurance in the Approval Certificate incorporated herein and shall remain in effect so long as such municipal bonds insurance remains in effect.

To pay the interest coming due on the Series 2019 Bonds on March 1, 2020, there is hereby appropriated from current funds on hand, which are hereby certified to be on hand available for such purpose, an amount adequate to pay such interest, and such amount shall be for no other purpose

Section 7.2: Application of Proceeds. Proceeds from the sale of the Series 2019 Bonds shall, promptly upon receipt by the Trustee, be deposited (1) into the Project Fund to pay the Project Costs, (2) into the Debt Service Fund to refund the Refunded Bonds, as more fully provided below, and (3) to the extent not otherwise provided for, to pay all expenses arising in connection with the issuance of the Bonds the refunding of the Refunded Bonds. Any proceeds of the Bonds remaining after making all such deposits and payments shall be deposited into the Debt Service Fund confirmed by the Authority pursuant to this Resolution. The proceeds in the Project Fund may be used to pay or reimburse the Authority for Project Costs including costs of issuance.

Section 7.3: Redemption of Refunded Bonds. The District hereby irrevocably calls the Refunded Bonds for redemption prior to their scheduled maturities on the redemption dates specified below for a redemption price equal to the principal amount thereof plus accrued interest to the redemption date:

[Refer to Approval Certificate]

The District authorizes all notices required to be given pursuant to the resolutions authorizing the Refunded Bonds to be given as provided therein.

## ARTICLE VIII

### TAX EXEMPTION

Section 8.1: Federal Income Tax Exclusion. (a) General. The Authority intends that the interest on the Series 2019 Bonds shall be excludable from gross income for federal income tax purposes pursuant to sections 103 and 141 through 150 of the Internal Revenue Code of 1986, as amended (the 'Code), and the applicable Income Tax Regulations (the "Regulations"). The Authority covenants and agrees not to take any action, or knowingly omit to take any action within its control, that if taken or omitted, respectively, would cause the interest on the Series 2019 Bonds to be includable in gross income, as defined in section 61 of the Code, for federal income tax purposes. In particular, the Authority covenants and agrees to comply with each requirement of this Section 8.1; provided, however, that the Authority shall not be required to comply with any particular requirement of this Section 8.1 if the Authority has received an opinion of nationally recognized bond counsel ("Counsel's Opinion") that such noncompliance will not adversely affect the exclusion from gross income for federal income tax purposes of interest on the Series 2019 Bonds or if the Authority has received a Counsel's Opinion to the effect that compliance with some other requirement set forth in this Section 8.1 will satisfy the applicable requirements of the Code and the Regulations, in which case compliance with such other requirement specified in such Counsel's Opinion shall constitute compliance with the corresponding requirement specified in this Section 8.1.

(b) No Private Use or Payment and No Private Loan Financing. The Authority shall certify, through an authorized officer, employee or agent that based upon all facts and estimates known or reasonably expected to be in existence on the date the Series 2019 Bonds are delivered, that proceeds of the Series 2019 Bonds will not be used, in a manner that would cause the Series 2019 Bonds to be "private activity bonds" within the meaning of section 141 of the Code and the Regulations promulgated thereunder. Moreover, the Authority covenants and agrees that it will make such use of the proceeds of the Series 2019 Bonds including interest or other investment income derived from Bond proceeds, regulate the use of property financed, directly or indirectly, with such proceeds, and take such other and further action as may be required so that the Series 2019 Bonds will not be "private activity bonds" within the meaning of section 141 of the Code and the Regulations promulgated thereunder.

(c) No Federal Guarantee. The Authority covenants and agrees that it has not and will not take any action, and has not knowingly omitted and will not knowingly omit to take any action within its control, that, if taken or omitted, respectively, would cause the Series 2019 Bonds to be federally guaranteed within the meaning of section 149(b) of the Code and the applicable Regulations thereunder, except as permitted by section 149(b)(3) of the Code and such Regulations.

(d) No Hedge Bonds. The Authority covenants and agrees that it has not and will not take any action, and has not knowingly omitted and will not knowingly omit to take any action, within its control, that, if taken or omitted, respectively, would cause the Series 2019 Bonds to be hedge bonds' within the meaning of section 149(g) of the Code and the applicable Regulations thereunder.

(e) No Arbitrage. The Authority shall certify, through an authorized officer, employee or agent that based upon all facts and estimates known or reasonably expected to be in existence on the date the Series 2019 Bonds are delivered, the Authority will reasonably expect that the proceeds of the Series 2019 Bonds will not be used in a manner that would cause the Series 2019 Bonds to be "arbitrage bonds" within the meaning of section 148(a) of the Code and the applicable Regulations promulgated thereunder. Moreover, the Authority covenants and agrees that it will make such use of the proceeds of the Series 2019 Bonds including interest or other investment income derived from Bond proceeds, regulate investments of proceeds of the Series 2019 Bonds, and take such other and further action as may be required so that the Series 2019 Bonds will not be "arbitrage bonds" within the meaning of section 148(a) of the Code and the applicable Regulations promulgated thereunder.

(f) Arbitrage Rebate. If the Authority does not qualify for an exception to the requirements of Section 148(f) of the Code relating to the required rebate to the United States, the Authority will take all necessary steps to comply with the requirement that certain amounts earned by the Authority on the investment of the "gross proceeds" of the Series 2019 Bonds (within the meaning of section 148(f)(6)(B) of the Code), be rebated to the federal government. Specifically, the Authority will (i) maintain records regarding the investment of the gross proceeds of the Series 2019 Bonds as may be required to calculate the amount earned on the investment of the gross proceeds of the Series 2019 Bonds separately from records of amounts on deposit in the funds and accounts of the Authority allocable to other bond issues of the Authority or moneys which do not represent gross proceeds of any bonds of the Authority, (ii) calculate at such times as are required by applicable Regulations, the amount earned from the investment of the gross proceeds of the Series 2019 Bonds which is required to be rebated to the federal government, and (iii) pay, not less often than every fifth anniversary date of the delivery of the Series 2019 Bonds or on such other dates as may be permitted under applicable Regulations, all amounts required to be rebated to the federal government. Further, the Authority will not indirectly pay any amount otherwise payable to the federal government pursuant to the foregoing requirements to any person other than the federal government by entering into any investment arrangement with respect to the gross proceeds of the Series 2019 Bonds that might result in a reduction in the amount required to be paid to the federal government because such arrangement results in a smaller profit or a larger loss than would have resulted if the arrangement had been at arm's length and had the yield on the issue not been relevant to either party.

(g) Information Reporting. The Authority covenants and agrees to file or cause to be filed with the Secretary of the Treasury, not later than the 15th day of the second calendar month after the close of the calendar quarter in which the Series 2019 Bonds are issued, an information statement concerning the Series 2019 Bonds, all under and in accordance with section 149(e) of the Code and the applicable Regulations promulgated thereunder.

(h) Continuing Obligation. Notwithstanding any other provision of this Resolution, the Authority's obligations under the covenants and provisions of this Section 8.1 shall survive the defeasance and discharge of the Series 2019 Bonds.

Section 8.2: Continuing Obligation. Notwithstanding any other provision of this Resolution, the Authority's representations and obligations under the covenants and provisions of this Article VIII shall survive the defeasance and discharge of the Series 2019 Bonds for as long as such matters are relevant to the exclusion of interest on the Bonds from the gross income of the owners for federal income tax purposes.

Section 8.3: Qualified Tax-Exempt Obligations. The Series 2019 Bonds are NOT Qualified Tax-Exempt Obligations for financial institutions.

## ARTICLE IX

### CONTINUING DISCLOSURE OF INFORMATION

Section 9.1: Annual Reports. The Authority shall provide annually to EMMA, within six months after the end of each fiscal year of the Authority ending in or after 2019, Annual Financial Information and Operating Data with respect to the Authority. Any financial statements so provided shall be (1) prepared in accordance with the Accounting Principles described in this Resolution and (2) audited, if the Authority commissions an audit of such statements and the audit is completed within the period during which they must be provided. If the audit of such financial statements is not complete within such period, then the Authority shall provide unaudited financial statements for the applicable fiscal year to EMMA within such six month period, and audited financial statements, if and when the audit report on such statements becomes available.

If the Authority changes its fiscal year, the Authority will notify EMMA of the change (and of the date of the new fiscal year end) prior to the next date by which the Authority otherwise would be required to provide financial information and operating data pursuant to this Section.

The financial information and operating data to be provided pursuant to this Section may be set forth in full in one or more documents or may be included by

specific reference to any document (including an official statement or other offering document) available to the public on the MSRB's internet website or filed with the SEC

All documents provided to EMMA by the Authority pursuant to this Section shall be accompanied by identifying information as prescribed by the MSRB.

The Authority shall notify EMMA, in a timely manner, of any failure by the Authority to provide financial information or operating data in accordance with this subsection (a) by the time required by this subsection (a).

Section 9.2:            Event Notices. The Authority shall notify EMMA, in a timely manner, not in excess of ten business days after the occurrence of the event, of any of the following events with respect to the Series 2019 Bonds:

- A. Principal and interest payment delinquencies;
- B. Non-payment related defaults, if Material;
- C. Unscheduled draws on debt service reserves reflecting financial difficulties;
- D. Unscheduled draws on credit enhancements reflecting financial difficulties;
- E. Substitution of credit or liquidity providers, or their failure to perform;
- F. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other Material notices or determinations with respect to the tax status of the Series 2019 Bonds, or other Material events affecting the tax status of the Series 2019 Bonds;
- G. Modifications to rights of holders of the Series 2019 Bonds, if Material;
- H. Bond calls, if Material, and tender offers;
- I. Defeasances;
- J. Release, substitution, or sale of property securing repayment of the Series 2019 Bonds, if Material;
- K. Rating changes;
- L. Bankruptcy, insolvency, receivership or similar event of the Authority or other obligated person within the meaning of the Rule;
- M. Consummation of a merger, consolidation, or acquisition involving the Authority or other obligated person within the meaning of the Rule or the sale of all or substantially all of the assets of the Authority or other obligated person within the meaning of the Rule, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if Material;

- N. Incurrence of a financial obligation of the District or other obligated person within the meaning of the Rule, if Material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the District or other obligated person within the meaning of the Rule, any of which affect Beneficial Owners of the Bonds, if Material;
- O. Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the District or other obligated person within the meaning of the Rule, any of which reflect financial difficulties; and
- P. Appointment of a successor or additional trustee or the change of name of a trustee, if Material.

Section 9.3: Limitations, Disclaimers, and Amendments. The Authority shall be obligated to observe and perform the covenants specified in this Section for so long as, but only for so long as, the Authority remains an "obligated person" with respect to the Series 2019 Bonds within the meaning of the Rule, except that the Authority in any event will give the notice required by subsection (b) of this Section of any Bond calls and defeasance that cause the Authority to be no longer such an "obligated person."

The provisions of this Section are for the sole benefit of Owners and beneficial owners of the Series 2019 Bonds, and nothing in this Section, express or implied, shall give any benefit or any legal or equitable right, remedy, or claim hereunder to any other person. The Authority undertakes to provide only the financial information, operating data, financial statements, and notices which it has expressly agreed to provide pursuant to this Section and does not hereby undertake to provide any other information that may be relevant or material to a complete presentation of the Authority's financial results, condition, or prospects or hereby undertake to update any information provided in accordance with this Section or otherwise, except as expressly provided herein. The Authority does not make any representation or warranty concerning such information or its usefulness to a decision to invest in or sell Bonds at any future date.

UNDER NO CIRCUMSTANCES SHALL THE AUTHORITY BE LIABLE TO THE OWNER OR BENEFICIAL OWNER OF ANY BOND OR ANY OTHER PERSON, IN CONTRACT OR TORT, FOR DAMAGES RESULTING IN WHOLE OR IN PART FROM ANY BREACH BY THE AUTHORITY, WHETHER NEGLIGENT OR WITHOUT FAULT ON ITS PART, OF ANY COVENANT SPECIFIED IN THIS SECTION, BUT EVERY RIGHT AND REMEDY OF ANY SUCH PERSON, IN CONTRACT OR TORT, FOR OR ON ACCOUNT OF ANY SUCH BREACH SHALL BE LIMITED TO AN ACTION FOR MANDAMUS OR SPECIFIC PERFORMANCE.

No default by the Authority in observing or performing its obligations under this Section shall constitute a breach of or default under this Resolution for purposes of any other provision of this Resolution.

Nothing in this Section is intended or shall act to disclaim, waive, or otherwise limit the duties of the Authority under federal and state securities laws.

The provisions of this Section may be amended by the Authority from time to time to adapt to changed circumstances that arise from a change in legal requirements, a change in law, or a change in the identity, nature, status, or type of operations of the Authority, but only if the provisions of this Section, as so amended, would have permitted an underwriter to purchase or sell Bonds in the original primary offering of the Series 2019 Bonds in compliance with the Rule, taking into account any amendments and interpretations of the Rule to the date of such amendment, as well as such changed circumstances, and either the Owners of a majority in aggregate principal amount (or any greater amount required by any other provision of this Resolution that authorizes such an amendment) of the outstanding Bonds consent to such amendment or a Person that is unaffiliated with the Authority (such as nationally recognized bond counsel) determines that such amendment will not materially impair the interests of the Owners and beneficial owners of the Series 2019 Bonds. If the Authority so amends the provisions of this Section, it shall include with any amended financial information or operating data next provided in accordance with subsection (a) of this Section an explanation, in narrative form, of the reasons for the amendment and of the impact of any change in the type of financial information or operating data so provided. The Authority may also repeal or amend the provisions of this Section if the SEC amends or repeals the applicable provisions of the Rule or any court of final jurisdiction enters judgment that such provisions of the Rule are invalid, but in either case only if and to the extent that its right to do so would not prevent an underwriter from lawfully purchasing or selling Bonds in the primary offering of the Series 2019 Bonds.

## ARTICLE X

### AUTHORIZATION AND CONFIRMATION OF AGREEMENTS

The Board hereby approves issuance of the Series 2019 Bonds and all reasonable agreements necessary in connection with the issuance of the Series 2019 Bonds, including without limitation the following: the Paying Agent/Registrar Agreement by and between the Authority and The Bank of New York Mellon Trust Company, National Association, in the form attached hereto as Exhibit A; the Purchase Agreement by and between the Authority and the Underwriters, in the form attached hereto as Exhibit B; the Preliminary Official Statement; the Approval Certificate; the preparation of the Final Official Statement reflecting the terms and provisions of this Resolution and the Approval Certificate; and any and all other documents and agreements reasonable and necessary to issue the Series 2019 Bonds (collectively, the "Agreements"). The Board, by a majority vote of its members, at a regular meeting, hereby approves the form, terms, and provisions of the Agreements and authorizes the execution and delivery of the Agreements.

## ARTICLE XI

### MISCELLANEOUS

Section 11.1: Further Proceedings. The Chairman, Vice Chairman, Secretary and Assistant Secretary and other appropriate officials of the Authority are hereby authorized and directed to do any and all things necessary and/or convenient to carry out the intent, purposes and terms of this Resolution, including the execution and delivery of such certificates, documents or papers necessary and advisable.

Section 11.2: Severability. If any Section, paragraph, clause or provision of this Resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such Section, paragraph, clause or provision shall not affect any of the remaining provisions of this Resolution.

Section 11.3: Open Meeting. It is hereby officially found and determined that the meeting at which this Resolution was adopted was open to the public, and that public notice of the time, place and purpose of said meeting was given, all as required by the Texas Open Meetings Act.

Section 11.4: Parties Interested. Nothing in this Resolution expressed or implied is intended or shall be construed to confer upon, or to give to, any person or entity, other than the Authority, the Paying Agent/Registrar, the Trustee and the Owners of the Series 2019 Bonds, any right, remedy or claim under or by reason of this Resolution or any covenant, condition or stipulation hereof, and all covenants, stipulations, promises and agreements in this Resolution shall be for the sole and

exclusive benefit of the Authority, the Paying Agent/Registrar, the Trustee and the Owners of the Series 2019 Bonds.

Section 11.5: Repealer. All orders, resolutions and ordinances, or parts thereof, inconsistent herewith are hereby repealed to the extent of such inconsistency.

Section 11.6: Effective Date. This Resolution shall become effective immediately upon passage by this Authority and signature of the Chairman or Vice Chairman of the Authority.

[Execution Page Follows]

PASSED AND APPROVED this 24th day of September, 2019.

By: \_\_\_\_\_  
Chairman, Board of Directors

ATTEST:

By: \_\_\_\_\_  
Secretary, Board of Directors

## **Exhibits**

- A. Paying Agent/Registrar Agreement (Tab \_\_\_\_\_)
- B. Bond Purchase Agreement (Tab \_\_\_\_\_)

CERTIFICATE FOR RESOLUTION

THE STATE OF TEXAS   §  
  §  
COUNTY OF HARRIS   §

I, the undersigned officer of the Board of Directors of Memorial City Redevelopment Authority (the "Authority"), do hereby certify as follows:

1. The Board of Directors of the Authority convened in regular session on the 24th day of September, 2019, at the regular meeting place of the Authority; and the roll was called of the duly constituted officers and members of said Board, to-wit:

Ann T. Givens	Chair
Brad Freels	Vice Chair
Glenn Airola	Secretary
David Durham	Assistant Secretary
Marshall Hines	Director
John Rickel	Director
Zachary R. Hodges	Director

and all of said persons were present, except Directors, thus constituting a quorum. Whereupon, among other business, the following was transacted at said meeting: a written

RESOLUTION AUTHORIZING THE ISSUANCE OF MEMORIAL CITY REDEVELOPMENT AUTHORITY TAX INCREMENT CONTRACT REVENUE AND REFUNDING BONDS, SERIES 2019; APPROVING CONTRACT DOCUMENTS RELATING TO THE SERIES 2019 BONDS; AUTHORIZING THE REDEMPTION PRIOR TO MATURITY OF CERTAIN OUTSTANDING BONDS; AUTHORIZING THE REFUNDING OF CERTAIN OUTSTANDING BONDS AND CONTAINING OTHER PROVISIONS RELATED THERETO

was introduced for the consideration of the Board. It was then duly moved and seconded that the resolution be adopted, and, after due discussion, the motion, carrying with it the adoption of the resolution, prevailed and carried unanimously.

2. That a true, full and correct copy of the aforesaid Resolution adopted at the meeting described in the above and foregoing paragraph is attached to and follows this certificate; that the Resolution has been duly recorded in the Board's minutes of the meeting; that the persons named in the above and foregoing paragraph are the duly chosen, qualified and acting officers and members of the Board as indicated therein; that each of the officers and members of the Board was duly and sufficiently notified officially and personally, in advance, of the time, place and purpose of the aforesaid meeting, and that the Resolution would be introduced and considered for adoption at

the meeting, and each of the officers and members consented, in advance, to the holding of the meeting for such purpose; that the meeting was open to the public as required by law; and that public notice of the time, place and subject of the meeting was given as required by Chapter 551, Texas Government Code.

SIGNED the 24<sup>th</sup> day of September, 2019.

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Secretary, Board of Directors

MEMORIAL CITY REDEVELOPMENT AUTHORITY TIRZ NO. 17,  
TAX REINVESTMENT ZONE NO. 17  
HOUSTON, TEXAS

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**AGENDA MEMORANDUM**

TO: Memorial City Redevelopment Authority TIRZ No. 17 Board of Directors  
FROM: Executive Director  
SUBJECT: Agenda Item Materials

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7. Consider a proposed Development Agreement for sanitary sewer relocation.

MEMORIAL CITY REDEVELOPMENT AUTHORITY TIRZ No. 17,  
TAX REINVESTMENT ZONE NO. 17  
HOUSTON, TEXAS

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**AGENDA MEMORANDUM**

TO: Memorial City Redevelopment Authority TIRZ No. 17 Board of Directors  
FROM: Executive Director  
SUBJECT: Agenda Item Materials

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8. CIP Committee:
- a. Project update from Gauge Engineering LLC
    - i. Presentation on W140-01-05 drainage infrastructure at Long Branch Lane parallel to Springrock Lane
    - ii. Consider Pay Application No. 9 from Reytec Construction, Briar Branch Channel and Straws improvements
    - iii. Consider a Task Order for construction phase engineering services for the N. Gessner project
  - c. Project update from LAN
  - d. Project update from the Goodman Corporation
  - e. Project update from SWA

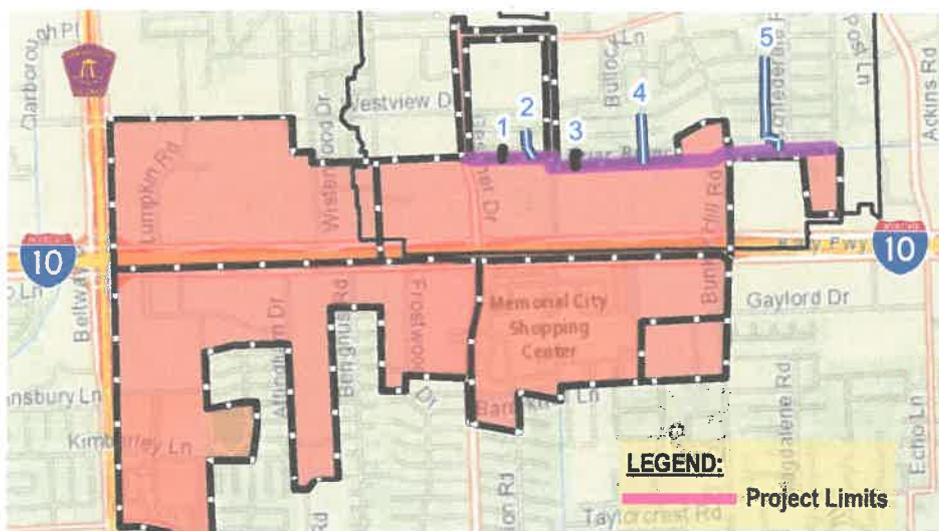
## PROGRESS REPORT—SEPTEMBER 2019

### Briar Branch (W140-01-00) Channel & Straws Improvements

WBS No. N-T17000-0018-3, T-1734 & T-1734B

#### PROJECT LOCATION

The channel improvement project is approximately 6,200 feet long, from Gessner Road east to Oak Tree Drive, approximately 1,750 feet east of Bunker Hill Road. This project is located in City Council District A.



#### PROJECT STATUS

- Continue with the installation of the dual storm box sewers marching towards Witte Road.
- Pavement work on straw no. 5 (Spring Rock Lane) completed. Continue with sodding and cleanup
- Straw 4 construction is underway
- Straw 1 is in place and actively being repaved

#### CURRENT TRAFFIC CONTROL CONFIGURATION

- All streets are open
- Northbound Bunker Hill Road is shifted towards the east at Bunker Hill crossing

#### PROJECT OBJECTIVE

##### Improve drainage by increasing conveyance and storage

The Briar Branch (W140-01-00) Channel & Straws Improvements project involves the construction of storm drainage improvements that are designed to lower water levels on Briar Branch, provide flood mitigation storage, and deliver flooding relief and protection to the surrounding community.

#### PROJECT DESCRIPTION

- The channel improvement project is approximately 6,200 feet long, from Gessner Road east to Oak Tree Drive, approximately 1,750 feet east of Bunker Hill Road. The proposed channel improvements will include constructing box culverts ranging in size from 7-FT x 7-FT to 10-FT x 8-FT RCBs along the length of the system, effectively enclosing the channel.
- The Straw improvements consist of approximately 2,600 linear feet of perpendicular improvements at five (5) separate lateral locations along Briar Branch, from Gessner Road east to Confederate Lane, approximately 1,000 feet east of Bunker Hill Road.
- Included in the channel improvements is the reconstruction of the Bunker Hill Road crossing at Briar Branch from dual 7-FT x 7-FT RCBs to triple 8'x8' RCBs.

# Cont. PROGRESS REPORT—SEPTEMBER 2019

## Briar Branch (W140-01-00) Channel & Straws Improvements

WBS No. N-T17000-0018-3, T-1734 & T-1734B

### CONSTRUCTION TIME

- Contract time: 24 Months
- Notice to Proceed date: December 17, 2018

### CONTACT INFORMATION

**Construction Manager (CM)**  
 Gauge Engineering  
 3200 Wilcrest Drive, Suite 220  
 Houston, TX 77042

**Contractor**  
 Reytec Construction Resources  
 1901 Hollister St.  
 Houston, TX 77080



### PAYMENT ESTIMATES

Original Contract Amount	\$18,794,957.00
Change Order Amount to Date	\$0.00
Current Contract Amount	\$18,794,957.00
Previous Payments	\$9,325,534.24
Current Payment Due	\$1,791,722.50
Contract Completion Date	11/30/2020
Balance Remaining	\$7,092,581.48

### PROGRESS PHOTOS



RCB installation west of Bunker Hill Road — Phase II



Sealant being installed on Springrock Lane—final pavement



Installing black base on Larston St. (Straw 1)



Installing sidewalk and dowel on curb on Larston St.—Straw 1



September 13, 2019

Scott Bean  
Memorial City Redevelopment Authority/TIRZ 17  
9610 Long Point, Suite 150  
Houston, Texas 77055

Reference: Briar Branch (W140-01-00) Channel and Straws Improvements Reconstruction and Drainage Improvements  
Gauge Project No.: 1005  
WBS No. N-T17000-0018-3 (T-1734 & T-1734B)  
Reytec Construction Resources, Inc. Payment No. 09

Dear Mr. Bean:

Reytec Construction Resources, Inc. (Reytec) has submitted estimate No. 09 in the amount of \$1,791,722.50 for construction services rendered through August 31, 2019. Based on our review, Reytec has complied with all requirements stated in the estimate and we recommend payment of **\$1,791,722.50** to Reytec.

The following billing information is to be used for payment:

Reytec Construction Resources, Inc.  
1901 Hollister St.  
Houston, TX 77080

If you have any questions or require additional information, please feel free to contact me at (832) 318-8800.

Sincerely,

A handwritten signature in blue ink, appearing to be "MA", with a long horizontal stroke extending to the right.

Muhammad Ali, P.E.  
Project Manager

Enclosures: Reytec Pay Est. No. 09



# Reytec Construction Resources, Inc.

1901 Hollister  
Houston, Texas 77080  
Office 713.957.4003  
Fax 713.681.0077

## Briar Branch Channel & Straws Improvements Project Pay Application

September 4, 2019

Mr. Muhammad Ali  
Gauge Engineering  
3200 Wilcrest Drive, Suite 220  
Houston, TX 77042

Re: Memorial City Redevelopment Authority  
Briar Branch (W140-01-00) Channel and Straws  
Improvements Project  
WBS No. N-T17000-0018-3

Dear Muhammad,

Please see attached for pay application 009 for August  
2019, Briar Branch (W140-01-00) Channel and Straws  
Improvements.

Thanks,



Keegan Droxler  
Project Manager  
Reytec Construction Resources  
832-844-8322  
[kdroxler@reytec.net](mailto:kdroxler@reytec.net)

# APPLICATION AND CERTIFICATE FOR PAYMENT

AIA DOCUMENT G702

TO (OWNER): **Memorial City Redevelopment Authority**  
 PROJECT: **Briar Branch (W140-01-00) Channel and Straws Improvements**  
 APPLICATION NO: 008  
 PERIOD TO: 8/1/2019 to 8/31/2019

FROM (CONTRACTOR): **Reytec Construction**  
**1901 Hollister Rd.**  
**Houston, Texas 77080**  
**Ph. 713-957-4003; Fax 713-681-0077**  
 PROJECT NO: **WBS No. N-117000-0018-3**  
**TIRZ 17 CIP No. T-1734 & T-1734B**

## CONTRACTOR'S APPLICATION FOR

CHANGE ORDER SUMMARY		ADDITIONS	DEDUCTIONS
Change Orders approved in previous months by owner			
TOTAL			
Approved this Month			
Number	Date		
TOTALS \$			

Application is made for Payment, as shown below, in connection with the Contract. Continuation Sheet, AIA Document G703, is attached.

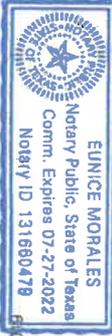
1. ORIGINAL CONTRACT SUM. \$ 18,794,957.00
2. Net change by Change Order 0.00
3. CONTRACT SUM TO DATE (Line 1+2) \$ 18,794,957.00
4. TOTAL COMPLETED & STORED TO DATE \$ 11,702,375.52

5. RETAINAGE:
- a. 5 % of Completed Work \$ 585,118.78
- b.      % of Stored Material \$

Total Retainage (Line 5a + 5b or Line 4 less Line 5 Total) \$ 585,118.78

6. TOTAL EARNED LESS RETAINAGE \$ 11,177,256.74
7. LESS PREVIOUS CERTIFICATES FOR PAYMENT (Line 6 from prior Certificate) \$ 9,325,534.24
8. CURRENT PAYMENT DUE \$ 1,791,722.50
9. BALANCE TO FINISH, PLUS RETAINAGE \$ 7,677,700.26

State of: Texas County of: Harris  
 Subscribed and sworn to before me this 20 day of September, 2019  
 Notary Public: Eunice Morales  
 My Commission expires: 07-27-2022



INSPECTOR: \_\_\_\_\_ Date: \_\_\_\_\_  
 CONTRACTOR: \_\_\_\_\_ Date: 9/6/19

## ARCHITECT'S CERTIFICATE FOR PAYMENT

In accordance with the Contract Documents, based on on-site observations and the data comprising the above application, the Architect certifies to the Owner that to the best of the Architect's knowledge, information and belief the Work has progressed as indicated, the quality of the Work is in accordance with the Contract Documents, and the Contractor is entitled to payment of the AMOUNT CERTIFIED.

AMOUNT CERTIFIED \$ 1,791,722.50  
 (Attach explanation if amount certified differs from the amount applied for)  
 ARCHITECT: \_\_\_\_\_

By: \_\_\_\_\_ Date: \_\_\_\_\_  
 This Certificate is not negotiable. The AMOUNT CERTIFIED is payable only to the Contractor named herein. Issuance, payment and acceptance of payment are without prejudice to any rights of the Owner or Contractor under this Contract.

CITY OF HOUSTON  
STANDARD DOCUMENT

MONTHLY SUBCONTRACTOR  
PAYMENT REPORTING FORM

Document 00642

MONTHLY SUBCONTRACTOR PAYMENT REPORTING FORM

Legal Project Name: Briar Branch Channel & Straws Improvements  
Outline Agreement No.: \_\_\_\_\_ WBS No.: N-T17000-0018-3  
Contractor's Company Name: Reyltec Construction Resources  
Address: 1901 Hollister St. Houston, Texas 77080

CERTIFICATION

Daniel Bonilla Jr, Contractor's Representative for the above referenced Contract, hereby certifies that (1) Contractor has paid all subcontractors, except those noted below, (2) Contractor made such payments (a) in proportion to the amount City paid Contractor and (b) in accordance and compliance with all applicable Contract Documents and laws; and (3) Contractor withheld no sums from any subcontractor for allegations of deficiency in Work. The term "subcontractor", as used herein, includes all persons or firms furnishing work, materials, services or equipment Contractor ordered incorporated into Work or placed near the Project for which the City made partial payment.

EXCEPTION: Contractor sent Payment Notifications to the following subcontractors explaining why Contractor withheld payment. Copies are attached.

Subcontractor Name: _____	Subcontractor Name: _____
Street Address: _____	Street Address: _____
City, State, and Zip Code: _____	City, State, and Zip Code: _____
Amount of Payment Withheld: _____	Amount of Payment Withheld: _____
Date Payment First Withheld: _____	Date Payment First Withheld: _____
Description of Good Faith Reason: _____	Description of Good Faith Reason: _____

  
(Signature of Contractor's Representative)

Daniel Bonilla Jr  
(Print or Type Name of Contractor's Representative)

SWORN TO AND SUBSCRIBED before me on:

09/03/2019  
Date



  
Notary Public in and for the State of Texas

My Commission Expires: 7/27/22  
Expiration Date

Eunice Morales  
Print or Type Name of Notary Public

**Memorial City Redevelopment Authority/TIRZ 17      Affidavits of Payment and Unconditional Waivers of Liens**

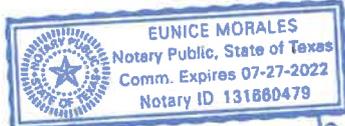
Reytec Construction Resources, Inc has been paid and has received a progress payment in the sum of \$1,962,159.16 for services, equipment or material furnished to Memorial City Development Authority/TIRZ 17 for the Briar Branch Channel & Straws Improvements Project (WBS No. N-T17000-0018-3 located in Houston, Texas, and does hereby release any mechanic's lien or bond right that undersigned has on the above referenced project to the following extent. This release covers a progress payment for labor, services, equipment or material furnished to the Memorial City Redevelopment Authority/TIRZ 17 through July 31, 2019 only, and does not cover any retention if any labor, services, equipment or materials furnished after that date. The undersigned warrants that all undisputed amounts due to its equipment lessors, suppliers, subcontractors, labor, insurance and taxes applicable to this work have been paid in full through the date set forth and hold the Memorial City Redevelopment Authority/TIRZ 17 against any loss arising from the nonpayment thereof. .

  
(Signature of Contractor's Representative)

Daniel Bonilla Jr  
(Print or Type Name of Contractor's Representative)

**SWORN TO AND SUBSCRIBED** before me on:

09/03/2019



Eunice Morales  
Notary Public in and for the State of Texas

My Commission Expires: 7/27/22  
Expiration Date

Eunice Morales  
Print or Type Name of Notary Public

WBS No. N-17000-0016-3  
 TIRZ 17 CIP No. T-1734 & T-1734B  
 Project: Bfdr Branch (W140-01-00) Channel & Straw Improvements

Owner:  
 Harris County Redevelopment Authority  
 8640 Long Point Road, Ste 106  
 Houston, Texas 77085

Contractor:  
 Royce Construction Resources, Inc  
 1801 Hollister St.  
 Houston, Texas 77080

Today's Date: 9/20/2019  
 Pay Period: 08/01 to 08/30  
 Pay Estimate No. 095  
 Rain Days This Month 1

Item	UOM	Est Unit Quantity	Unit Price	Centrif Amount	Previous Quantities	This Month Quantities	To Date Quantities	This Month Billing	Total Amount Billed	% Complete
<b>General Items</b>										
1.0	LS	1	\$600,000.00	\$600,000.00	1.00	1.00	1.00	\$	600,000.00	100%
2.0	Day	176	\$1,142.00	\$200,000.00	0.00	0.00	0.00	\$	\$	0%
3.1	EA	31	\$550.00	\$17,050.00	0.00	0.00	0.00	\$	\$	0%
3.2	EA	25	\$650.00	\$16,250.00	1.00	1.00	1.00	\$	650.00	100%
3.3	EA	4	\$132.00	\$528.00	0.00	0.00	0.00	\$	\$	0%
4.0	EA	4	\$150.00	\$600.00	0.00	0.00	0.00	\$	\$	0%
5.0	EA	500	\$2.00	\$1,000.00	2.00	2.00	2.00	\$	36,000.00	90%
6.0	LF	3000	\$16.00	\$48,000.00	280.00	280.00	280.00	\$	4,480.00	93%
7.0	LF	500	\$16.00	\$8,000.00	0.00	0.00	0.00	\$	\$	0%
8.0	LF	500	\$16.00	\$8,000.00	0.00	0.00	0.00	\$	\$	0%
9.0	LF	2	\$4,500.00	\$9,000.00	0.00	0.00	0.00	\$	\$	0%
10.0	EA	4	\$12,500.00	\$50,000.00	0.00	0.00	0.00	\$	\$	0%
11.0	EA	4	\$12,500.00	\$50,000.00	0.00	0.00	0.00	\$	\$	0%
12.0	EA	92	\$5,200.00	\$478,400.00	2.00	2.00	2.00	\$	25,000.00	80%
13.0	EA	92	\$5,200.00	\$478,400.00	0.00	0.00	0.00	\$	\$	0%
14.0	EA	144	\$1,500.00	\$216,000.00	123.00	123.00	123.00	\$	184,500.00	86%
15.0	EA	35	\$1,200.00	\$42,000.00	0.00	0.00	0.00	\$	\$	0%
16.0	EA	35	\$1,200.00	\$42,000.00	0.00	0.00	0.00	\$	\$	0%
17.0	EA	10715	\$5.00	\$53,575.00	0.00	0.00	0.00	\$	\$	0%
18.0	EA	9	\$4,700.00	\$42,300.00	0.00	0.00	0.00	\$	\$	0%
19.0	EA	8	\$15,000.00	\$120,000.00	6.00	6.00	6.00	\$	90,000.00	75%
20.0	EA	4	\$1,500.00	\$6,000.00	1186.00	2435.00	1470.00	\$	86,205.00	73%
21.0	EA	7890	\$5.00	\$39,450.00	0.00	0.00	0.00	\$	\$	0%
<b>Storm Items</b>										
22.0	EA	3	\$1,000.00	\$3,000.00	4.00	4.00	4.00	\$	4,000.00	133%
23.0	EA	30	\$250.00	\$7,500.00	0.00	0.00	0.00	\$	\$	0%
24.0	EA	35	\$3.00	\$105.00	0.00	0.00	0.00	\$	\$	0%
25.0	EA	82	\$4.00	\$328.00	0.00	0.00	0.00	\$	\$	0%
26.0	EA	133	\$6.00	\$798.00	0.00	0.00	0.00	\$	\$	0%
27.0	EA	301	\$36.00	\$10,836.00	118.00	118.00	118.00	\$	4,248.00	39%
28.0	EA	61	\$48.00	\$2,928.00	30.00	30.00	30.00	\$	1,440.00	49%
29.0	EA	119	\$48.00	\$5,712.00	168.00	168.00	168.00	\$	7,110.00	139%
30.0	EA	71	\$70.00	\$4,970.00	0.00	0.00	0.00	\$	\$	0%
31.0	EA	239	\$48.00	\$11,472.00	272.00	272.00	272.00	\$	10,368.00	91%
32.0	EA	36	\$25.00	\$900.00	0.00	0.00	0.00	\$	\$	0%
33.0	EA	38	\$25.00	\$950.00	0.00	0.00	0.00	\$	\$	0%
34.0	EA	9	\$35.00	\$315.00	0.00	0.00	0.00	\$	\$	0%
35.0	EA	177	\$35.00	\$6,195.00	6.00	6.00	6.00	\$	210.00	6%
36.0	EA	890	\$11.00	\$9,790.00	7.00	7.00	7.00	\$	77.00	1%
37.0	EA	29	\$8,000.00	\$2,320,000.00	1.00	1.00	1.00	\$	8,000.00	3%
38.0	EA	23	\$2,000.00	\$46,000.00	10.00	10.00	10.00	\$	20,000.00	43%
39.0	EA	99	\$1,400.00	\$138,600.00	10.00	10.00	10.00	\$	14,000.00	10%
40.0	EA	9	\$3,900.00	\$35,100.00	0.00	0.00	0.00	\$	\$	0%
41.0	EA	56	\$160.00	\$9,000.00	0.00	0.00	0.00	\$	\$	0%
42.0	EA	2000	\$14.00	\$28,000.00	0.00	0.00	0.00	\$	\$	0%
43.0	EA	48	\$2,000.00	\$96,000.00	202.00	202.00	202.00	\$	404,000.00	80%
44.0	EA	25	\$6,600.00	\$1,650,000.00	12.00	12.00	12.00	\$	79,200.00	4%
45.0	EA	210	\$3,400.00	\$714,000.00	86.00	86.00	86.00	\$	291,400.00	12%
46.0	EA	28	\$6,600.00	\$1,848,000.00	37.00	37.00	37.00	\$	243,840.00	13%
47.0	EA	25	\$9,000.00	\$2,250,000.00	0.00	0.00	0.00	\$	\$	0%
<b>Subtotal General Items</b>										
									\$ 14,810,000	71%
<b>Subtotal Storm Items</b>										
									\$ 921,204.00	71%

Item	UOM	Est Unit Quantity	Item Description	Unit Price	Contract Amount	Previous Quantity	This Month Quantity	To Date Quantity	1mo Month Billing	Total Amount Billed	% Complete
48.0	LF	15	72-inch Diameter RC3 Storm Sewer by open cut	\$680.00	\$10,200.00	16.00	16.00	16.00	\$10,880.00	\$10,880.00	100%
49.0	LF	25	72-inch RC3 Storm Sewer by open cut	\$920.00	\$23,000.00	20.00	20.00	20.00	\$18,400.00	\$18,400.00	80%
50.0	LF	2342	72-inch RC3 Storm Sewer by open cut	\$535.00	\$1,252,970.00	1644.00	16.00	16.00	\$8,660.00	\$8,660.00	71%
51.0	LF	3029	60-inch RC3 Storm Sewer by open cut	\$455.00	\$1,378,155.00	3039.00	10.00	10.00	\$4,550.00	\$4,550.00	100%
52.0	LF	8387	60-inch RC3 Storm Sewer by open cut	\$507.00	\$4,232,361.00	2054.00	2188.00	2188.00	\$1,101,720.00	\$1,101,720.00	82%
53.0	LF	940	90-inch RC3 Storm Sewer by open cut	\$664.00	\$624,960.00	868.00	0.00	0.00	\$0.00	\$0.00	0%
54.0	LF	80	90-inch RC3 Storm Sewer by open cut	\$725.00	\$58,000.00	80.00	0.00	0.00	\$0.00	\$0.00	0%
55.0	LF	2628	90-inch RC3 Storm Sewer by open cut	\$740.00	\$1,944,720.00	2488.00	140.00	140.00	\$103,600.00	\$103,600.00	95%
56.0	EA	1	Junction Box (59X20)	\$103,000.00	\$103,000.00	1.00	1.00	1.00	\$103,000.00	\$103,000.00	100%
57.0	EA	1	Junction Box (64X12) w/ Rebar (No. 3, 48" W x 54" H) (Three Channels)	\$81,500.00	\$81,500.00	0.00	0.00	0.00	\$0.00	\$0.00	0%
58.0	EA	3	Junction Box (64X12)	\$58,500.00	\$175,500.00	0.00	0.00	0.00	\$0.00	\$0.00	0%
59.0	EA	1	Junction Box (28X48) w/ Rebar (No. 1, 30" W x 36" H) Dual Openings	\$116,000.00	\$116,000.00	0.00	0.00	0.00	\$0.00	\$0.00	0%
60.0	EA	1	Junction Box (34X34) w/ Rebar (No. 2, 36" W x 36" H) Dual Openings	\$90,000.00	\$90,000.00	0.00	0.00	0.00	\$0.00	\$0.00	0%
61.0	EA	1	Junction Box (34X34)	\$27,000.00	\$27,000.00	1.00	1.00	1.00	\$27,000.00	\$27,000.00	100%
62.0	EA	1	Junction Box (14X14)	\$25,700.00	\$25,700.00	0.00	0.00	0.00	\$0.00	\$0.00	0%
64.0	EA	1	Junction Box (13X13)	\$25,800.00	\$25,800.00	1.00	1.00	1.00	\$25,800.00	\$25,800.00	100%
65.0	EA	9	Type B Inlet (Pre Cast)	\$57,300.00	\$515,700.00	0.00	0.00	0.00	\$0.00	\$0.00	0%
66.0	EA	15	Type C1 Inlet (Pre Cast)	\$3,400.00	\$51,000.00	7.00	7.00	7.00	\$23,800.00	\$23,800.00	47%
67.0	EA	17	Type B Inlet (Pre Cast)	\$5,400.00	\$91,800.00	6.00	3.00	6.00	\$32,400.00	\$32,400.00	47%
68.0	EA	3	Type C Inlet (Pre Cast)	\$2,500.00	\$7,500.00	0.00	0.00	0.00	\$0.00	\$0.00	0%
69.0	EA	3	Type C Inlet (Pre Cast)	\$4,500.00	\$13,500.00	0.00	0.00	0.00	\$0.00	\$0.00	0%
70.0	EA	1	Type E Inlet (Pre Cast)	\$3,300.00	\$3,300.00	0.00	0.00	0.00	\$0.00	\$0.00	0%
70.1	SY	1000	Asphalt Mill & Overlay - 2-Inches	\$20,000.00	\$20,000.00	0.00	0.00	0.00	\$0.00	\$0.00	0%
71.0	EA	1	Sheet Pile Treatment (for 36" RCP)	\$12,000.00	\$12,000.00	0.00	0.00	0.00	\$0.00	\$0.00	0%
71.1	EA	1	Sheet Pile Wear Adjustment	\$18,000.00	\$18,000.00	0.00	0.00	0.00	\$0.00	\$0.00	0%
<b>Channel &amp; Retaining Wall Items</b>											
72.0	CY	130	Remove and Dispose of Concrete rubble and concrete structures	\$22.00	\$2,860.00	6.03	6.03	6.03	\$132.66	\$132.66	4%
73.0	SY	1435	Remove and Dispose of Concrete Channel Liner & Low Flow, all thickness	\$25,830.00	\$37,065.00	1435.55	183.55	183.55	\$4,739.77	\$4,739.77	103%
74.0	SY	684	Concrete Channel Liner, 8" nominal thickness	\$136.00	\$93,144.00	78.22	148.68	226.90	\$31,212.48	\$31,212.48	33%
75.0	EA	2	Remove and Dispose of existing pedestrian bridge	\$5,000.00	\$10,000.00	1.00	1.00	1.00	\$5,000.00	\$5,000.00	50%
76.0	LF	6634	Retaining Wall (5' x 6' Foot)	\$79.00	\$524,086.00	3447.88	1684.00	5132.88	\$407,160.00	\$407,160.00	77%
77.0	LF	138	Combination Ball (CIM)	\$295.00	\$40,710.00	0.00	0.00	0.00	\$0.00	\$0.00	0%
78.0	LF	517	Perforation Handrail (PRD-13, TYPE B)	\$73.00	\$37,761.00	0.00	0.00	0.00	\$0.00	\$0.00	0%
79.0	EA	1	Pile Gate	\$1,800.00	\$1,800.00	0.00	0.00	0.00	\$0.00	\$0.00	0%
80.0	EA	1	Extended Concrete Curb (for Proposed Walkways)	\$1,800.00	\$1,800.00	0.00	0.00	0.00	\$0.00	\$0.00	0%
81.0	LF	38	Remove and Dispose Handrail/Guardrail	\$4,185.00	\$159,030.00	695.00	0.00	0.00	\$0.00	\$0.00	0%
82.0	LF	465	Remove Conc. Retaining Wall	\$13.00	\$6,045.00	292.66	0.00	0.00	\$0.00	\$0.00	0%
83.0	SY	1500	Remove Conc. Retaining Wall	\$13.00	\$19,500.00	292.66	0.00	0.00	\$0.00	\$0.00	0%
83.1	LF	420	Temporary 5' metal Shoring for Retaining Wall	\$572.00	\$240,240.00	315.00	0.00	0.00	\$0.00	\$0.00	0%
<b>Paving Items</b>											
84.0	SY	1098	Remove and Dispose Concrete Driveway w/ all thickness	\$6.00	\$6,588.00	110.84	286.82	397.66	\$2,321.52	\$2,321.52	39%
85.0	SY	7185	Remove and Dispose of Existing Asphalt Pavement and base, all thickness	\$2.00	\$14,370.00	382.84	611.00	993.84	\$1,982.00	\$1,982.00	68%
86.0	SY	140	Remove and Dispose Concrete Pavements, including All Thickness w/ or w/o Asph. Including Subgrade, w/ or w/o Curb, All Depths	\$92.00	\$12,880.00	0.00	0.00	0.00	\$0.00	\$0.00	0%
87.0	SY	188	Remove and Dispose of Concrete Pavements, including All Thickness w/ or w/o Asph. Including Subgrade, w/ or w/o Curb, All Depths	\$6.00	\$1,128.00	3.33	3.33	3.33	\$19.98	\$19.98	2%
88.0	LF	4190	Remove Existing Concrete Curb	\$1,760.00	\$7,363,600.00	1630.00	0.00	0.00	\$0.00	\$0.00	0%
89.0	EA	1	Rebar (5' & Rebar) Existing Ditches	\$6,285.00	\$6,285.00	0.00	0.00	0.00	\$0.00	\$0.00	0%
90.0	EA	1	Ums for Lime Stabilized Subgrade (ID# We (th) 158)	\$1,075.00	\$1,075.00	0.00	0.00	0.00	\$0.00	\$0.00	0%
91.0	EA	246	Ums for Lime Stabilized Subgrade (ID# We (th) 158)	\$24,700.00	\$6,076,200.00	68.30	27.30	95.60	\$2,363.10	\$2,363.10	64%
92.0	EA	35	Flexile Base Course (Form) (driveway Residential) up to 12 feet Wide	\$7.00	\$2,450.00	3974.47	170.00	5974.47	\$4,170.00	\$4,170.00	80%
93.0	EA	35	Flexile Base Course (Form) (driveway Residential) up to 12 feet Wide	\$590.00	\$20,650.00	0.00	0.00	0.00	\$0.00	\$0.00	0%
93.1	SY	6391	Reinforced Concrete Pavement, 8" Thick	\$63.00	\$402,813.00	2780.67	2014.60	4795.27	\$298,813.50	\$298,813.50	79%
93.2	SY	300	Concrete Maintenance Access Ramp	\$55.00	\$16,500.00	0.00	0.00	0.00	\$0.00	\$0.00	0%
94.0	EA	1154	Reinforced Concrete Pavement, 8" Thick - High Early	\$55.00	\$63,470.00	0.00	0.00	0.00	\$0.00	\$0.00	0%
94.0	EA	210	Reinforced Concrete Pavement, 8" Thick - High Early	\$7.00	\$1,470.00	0.00	0.00	0.00	\$0.00	\$0.00	0%
95.0	LF	210	Street Pavement Elevation Joint, with or without Load Transfer	\$6.00	\$1,260.00	485.00	202.81	687.81	\$4,126.80	\$4,126.80	281%
<b>Subtotal Month Items \$ 1,427,183.00 \$ 8,186,200.00</b>											
<b>Subtotal Contract &amp; Retaining Items \$ 14,913.00 \$ 68,310.00</b>											

WBS No. N 171000-0016-3  
 TIRZ 17 CIP No. T-1734 & T-1734B  
 Project: Briar Branch (W140-01-00) Channel & Straw Improvements

Owner:  
 Municipal City Redevelopment Authority  
 8510 Long Point Road, Ste 160  
 Houston, Texas 77065

Contractor:  
 Royce Construction Resources, Inc  
 1901 Hollister St  
 Houston, Texas 77060

Today's Date: 9/30/2019  
 Pay Period: 08/01 to 08/30  
 Pay Estimate No. 009  
 Rain Days This Month 1

Item	Item Description	UOM	Est Unit Quantity	Unit Price	Contract Amount	Previous Quantity	This Month Quantities	To Date Quantity	This Month Billing	Total Amount Billed	% Complete
96.0	Sew Curbs	LF	373	\$30.00	\$7,650.00	37	3461.82	4487.96	\$27.00	\$540.00	7%
97.0	Concrete Driveways including Excavation 6-inch thick (Rec)	SF	0	\$2,000.00	\$0.00	0	0	0	\$0.00	\$0.00	0%
97.1	Concrete Driveways including 6" thick - High Early (res)	SF	8180	\$7.50	\$61,350.00	895.76	880.00	1660.00	\$3,920.00	\$31,430.00	49%
98.0	6-inch Concrete Curb	LF	4812	\$4.00	\$19,248.00	600.00	880.00	1660.00	\$3,920.00	\$6,320.00	33%
99.0	Concrete Pavement Header	LF	387	\$8.00	\$3,096.00	81.00	81.00	81.00	\$648.00	\$648.00	22%
100.0	Curb Barn	LF	291	\$16.00	\$4,656.00	0.00	0.00	0.00	\$0.00	\$0.00	0%
101.0	Staple 1/2-inch thick	SF	1512	\$2.00	\$3,024.00	0.00	0.00	0.00	\$0.00	\$0.00	0%
102.0	Pay Materials and Replacement with Base Material / Asphalt Surface	SF	454	\$120.00	\$54,480.00	0.00	0.00	0.00	\$0.00	\$0.00	0%
<b>Wastewater Items</b>											
103.0	Remove and Dispose 4-inch diameter Sanitary Sewer	LF	38	\$17.00	\$612.00	0.00	0.00	0.00	\$0.00	\$0.00	0%
104.0	Remove and Dispose 6-inch diameter Sanitary Sewer	LF	21	\$15.00	\$315.00	30.00	30.00	30.00	\$450.00	\$450.00	138%
105.0	Remove and Dispose 8-inch diameter Sanitary Sewer	LF	110	\$57.00	\$6,270.00	65.00	65.00	65.00	\$3,705.00	\$3,705.00	260%
106.0	Remove and Dispose 10-inch diameter Sanitary Sewer	LF	22	\$72.00	\$1,584.00	159.00	159.00	159.00	\$11,442.00	\$11,442.00	145%
107.0	Remove and Dispose 15-inch diameter Sanitary Sewer	LF	4	\$13.00	\$52.00	0.00	0.00	0.00	\$0.00	\$0.00	0%
108.0	4-inch diameter PVC Sanitary Sewer Pipe, by open-cut	LF	4	\$820.00	\$3,280.00	0.00	0.00	0.00	\$0.00	\$0.00	0%
109.0	4-inch diameter PVC Sanitary Sewer Pipe, by open-cut with casing	LF	4	\$550.00	\$2,200.00	0.00	0.00	0.00	\$0.00	\$0.00	0%
110.0	6-inch diameter PVC Sanitary Sewer Pipe, by open-cut	LF	4	\$690.00	\$2,760.00	0.00	0.00	0.00	\$0.00	\$0.00	0%
111.0	6-inch diameter PVC Sanitary Sewer Pipe, by open-cut with casing	LF	4	\$800.00	\$3,200.00	0.00	0.00	0.00	\$0.00	\$0.00	0%
112.0	8-inch diameter PVC Sanitary Sewer Pipe, by open-cut	LF	8	\$500.00	\$4,000.00	0.00	0.00	0.00	\$0.00	\$0.00	0%
113.0	8-inch diameter PVC Sanitary Sewer Pipe, by open-cut with casing	LF	16	\$466.00	\$7,456.00	85.00	85.00	85.00	\$39,340.00	\$39,340.00	38%
114.0	10-inch diameter PVC Sanitary Sewer Pipe, by open-cut	LF	16	\$210.00	\$3,360.00	0.00	0.00	0.00	\$0.00	\$0.00	0%
115.0	10-inch diameter PVC Sanitary Sewer Pipe, by open-cut with casing	LF	204	\$42.00	\$8,568.00	189.00	189.00	189.00	\$7,962.00	\$7,962.00	78%
116.0	15-inch diameter PVC Sanitary Sewer Pipe, by open-cut	LF	4	\$900.00	\$3,600.00	0.00	0.00	0.00	\$0.00	\$0.00	0%
117.0	15-inch diameter PVC Sanitary Sewer Pipe, by open-cut with casing	EA	2	\$5,200.00	\$10,400.00	0.00	1.00	1.00	\$3,200.00	\$3,200.00	69%
118.0	Point Repair 4-inch diameter Sanitary Sewer	EA	2	\$3,300.00	\$6,600.00	0.00	0.00	0.00	\$0.00	\$0.00	0%
119.0	Point Repair 6-inch diameter Sanitary Sewer	EA	4	\$3,400.00	\$13,600.00	0.00	0.00	0.00	\$0.00	\$0.00	0%
120.0	Point Repair 10-inch diameter Sanitary Sewer	EA	8	\$3,800.00	\$30,400.00	0.00	0.00	0.00	\$0.00	\$0.00	0%
121.0	Point Repair 15-inch diameter Sanitary Sewer	EA	2	\$3,800.00	\$7,600.00	0.00	0.00	0.00	\$0.00	\$0.00	0%
122.1	4-foot diameter reseat sanitary sewer manhole	EA	4	\$4,500.00	\$18,000.00	0.00	0.00	0.00	\$0.00	\$0.00	0%
122.2	Construct 4-foot Extra Depth Sanitary Sewer Manhole	VF	3	\$200.00	\$600.00	0.00	0.00	0.00	\$0.00	\$0.00	0%
<b>Water Items</b>											
123.0	Adjust existing meter box to new grade	EA	20	\$800.00	\$16,000.00	0.00	0.00	0.00	\$0.00	\$0.00	0%
124.0	Remove and Dispose 8-inch diameter Water Line	LF	52	\$18.00	\$936.00	0.00	0.00	0.00	\$0.00	\$0.00	0%
125.0	Remove and Dispose 20-inch diameter Water Line	LF	31	\$46.00	\$1,426.00	0.00	0.00	0.00	\$0.00	\$0.00	0%
126.0	Culvert and abandon existing 8-inch diameter Water Line	EA	16	\$1,200.00	\$19,200.00	6.00	6.00	6.00	\$7,200.00	\$7,200.00	38%
127.0	8-inch diameter Water Line by Open-cut	LF	258	\$140.00	\$36,120.00	123.00	123.00	123.00	\$17,220.00	\$17,220.00	48%
128.0	8-inch diameter DIP water line by open-cut with restrained joints	LF	223	\$250.00	\$55,750.00	98.00	98.00	98.00	\$24,500.00	\$24,500.00	176%
129.0	20-inch diameter Water Line by Open-cut	LF	30	\$160.00	\$4,800.00	0.00	0.00	0.00	\$0.00	\$0.00	0%
130.0	8-inch diameter DIP water line by open-cut with restrained joints	LF	40	\$360.00	\$14,400.00	0.00	0.00	0.00	\$0.00	\$0.00	0%
131.0	8-inch diameter wet connection	EA	16	\$1,400.00	\$22,400.00	16.00	16.00	16.00	\$22,400.00	\$22,400.00	100%
132.0	20-inch diameter wet connection	EA	2	\$3,500.00	\$7,000.00	0.00	0.00	0.00	\$0.00	\$0.00	0%
132.1	Re-sill drilled water service lines, 4-inch	LF	150	\$80.00	\$12,000.00	0.00	0.00	0.00	\$0.00	\$0.00	0%
132.2	Repair damaged water service lines, 6-inch	LF	150	\$90.00	\$13,500.00	0.00	0.00	0.00	\$0.00	\$0.00	0%
132.3	Repair damaged water service lines, 8-inch	LF	150	\$100.00	\$15,000.00	0.00	0.00	0.00	\$0.00	\$0.00	0%
<b>Pavement Marking Items</b>											
133.0	Re-sill Pav Marking Tile with Two face Reflective (W/7)	EA	3	\$7.00	\$21.00	0.00	0.00	0.00	\$0.00	\$0.00	0%
134.0	Thermoplastic Pavement Markings, 4-inch White, Solid	LF	92	\$6.00	\$552.00	0.00	0.00	0.00	\$0.00	\$0.00	0%
135.0	Thermoplastic Pavement Markings, 4-inch Yellow, Dashed	LF	10	\$6.00	\$60.00	0.00	0.00	0.00	\$0.00	\$0.00	0%
<b>Extra Unit Prices</b>											
136.0	Remove misc concrete and masonry	CY	100	\$45.00	\$4,500.00	0.00	0.00	0.00	\$0.00	\$0.00	0%
137.0	6-inch Over Excavate trench bottom	LF	100	\$15.00	\$1,500.00	0.00	0.00	0.00	\$0.00	\$0.00	0%

**WBS No. N-117006-0018-3**  
**TIRZ 17 CIP No. T-1734 & T-1734B**  
**Project: Briar Branch (W140-01-00) Channel & Straw Improvements**  
**Owner: Memorial City Redevelopment Authority**  
 8610 Long Point Road, Ste 160  
 Houston, Texas 77055  
**Contractor: Perfect Construction Resources, Inc**  
 1901 Hollister St.  
 Houston, Texas 77080  
**Today's Date: 03/29/19**  
**Pay Period: 03/01 to 03/15**  
**Pay Estimate No: 009**  
**Rain Days This Month: 1**

Item	UOM	Est Unit Quantity	Unit Price	Work or Est. per	Previous Quantities	This Month's Billing	Total Amount Billed	% Complete
138.0	CY	100	\$25.00	\$2,500.00	0.00	\$	\$	0%
139.0	CY	100	\$35.00	\$3,500.00	0.00	\$	\$	0%
140.0	CY	50	\$25.00	\$1,250.00	0.00	\$	\$	0%
141.0	CY	100	\$25.00	\$2,500.00	0.00	\$	\$	0%
142.0	CY	100	\$30.00	\$3,000.00	0.00	\$	\$	0%
143.0	CY	100	\$40.00	\$4,000.00	0.00	\$	\$	0%
144.0	TON	1	\$3,500.00	\$3,500.00	0.00	\$	\$	0%
145.0	LB	1000	\$2.00	\$2,000.00	0.00	\$	\$	0%
146.0	CF	200	\$5.00	\$1,000.00	0.00	\$	\$	0%
147.0	LF	2500	\$25.00	\$62,500.00	0.00	\$	\$	0%
148.0	LF	1500	\$30.00	\$45,000.00	0.00	\$	\$	0%
<b>Cash Allowances</b>								
147.0	LS	1	\$3,000.00	\$3,000.00	0.00	\$	\$	0%
148.0	LS	1	\$3,000.00	\$3,000.00	0.87	\$ 317.89	\$ 3,023.70	07%
149.0	LS	1	\$750.00	\$750.00	0.00	\$	\$	0%
150.0	LS	1	\$750.00	\$750.00	0.00	\$	\$	0%
151.0	LS	1	\$30,000.00	\$30,000.00	0.00	\$	\$	0%
152.0	LS	1	\$2,000,000.00	\$2,000,000.00	0.00	\$	\$	0%
152A	LF	170	\$300.00	\$51,000.00	0.00	\$	\$	0%
152B	LF	60	\$229.00	\$13,740.00	0.00	\$	\$	0%
152C	LF	420	\$134.00	\$55,880.00	382.00	\$ 51,262.00	\$ 107,142.00	93%
152D	EA	2	\$2,400.00	\$4,800.00	0.00	\$	\$	0%
152E	EA	1	\$13,400.00	\$13,400.00	0.00	\$	\$	0%
152F	EA	515	\$23,175.00	\$11,835,375.00	0.00	\$	\$	0%
152G	EA	1	\$3,260.00	\$3,260.00	0.00	\$	\$	0%
152H	LF	40	\$1,200.00	\$48,000.00	40.00	\$ 48,000.00	\$ 1,200.00	100%
152I	LF	140	\$4,900.00	\$686,000.00	140.00	\$ 686,000.00	\$ 686,000.00	100%
152J	LS	1	\$2,500.00	\$2,500.00	1.00	\$ 2,500.00	\$ 2,500.00	100%
152K	LS	1	\$4,500.00	\$4,500.00	0.50	\$ 2,250.00	\$ 2,250.00	50%
152L	LS	1	\$750.00	\$750.00	0.00	\$	\$	0%
152M	LS	1	\$1,200.00	\$1,200.00	0.00	\$	\$	0%
<b>Subtotal Extra Unit Prices</b>								
					\$4,107.89	\$	\$4,107.89	0%
<b>Overall Totals</b>					\$18,794,987.00	\$11,702,375.52	\$11,702,375.52	62%
<b>Work Change Directive Budget</b>					\$2,000,000.00			
<b>Work Change Directive Completed To Date</b>					\$155,133.00			
<b>Remaining Work Change Directive Budget</b>					\$1,844,867.00			

**Contractor** \_\_\_\_\_ **Date** \_\_\_\_\_  
**Owner** \_\_\_\_\_ **Date** \_\_\_\_\_  
**Sub Total** \$11,117,256.74  
**Less Total Previous Payment** \$9,325,534.24  
**Amount due this Estimate** \$1,791,722.5

**Your transaction is complete. Thank you for using Street Cut Payment System.**

---

**Confirmation Number: 300701**

Permit #:	388268
Name on Check:	reytec construction resources
Email Address:	emorales@reytec.net
Phone number:	7139574003
Date Check Posted:	7/9/2019 8:44:18 AM

Bank Routing Number: XXXXX5723  
Bank Account Number: XXXXX6690  
Total Amount Paid: **\$231.29**  
Date Payment Submitted: 7/9/2019

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**Your transaction is complete. Thank you for using Street Cut Payment System.**

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**Confirmation Number: 280428**

Permit #:	380376
Name on Check:	REYTEC CONSTRUCTION RESOURCES
Email Address:	EMORALES@reytec.net
Phone number:	7139574003
Date Check Posted:	6/20/2019 8:37:01 AM

Bank Routing Number: XXXXX5723  
Bank Account Number: XXXXX6690  
Total Amount Paid: **\$28.90**  
Date Payment Submitted: 6/20/2019

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**Your transaction is complete. Thank you for using Street Cut Payment System.**

**Confirmation Number: 280429**

Permit #:	380238
Name on Check:	REYTEC CONSTRUCTION RESOURCES
Email Address:	EMORALES@reytec.net
Phone number:	7139574003
Date Check Posted:	6/20/2019 8:38:13 AM

Bank Routing Number: XXXXX5723  
Bank Account Number: XXXXX6690  
Total Amount Paid: **\$28.90**  
Date Payment Submitted: 6/20/2019

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**Your transaction is complete. Thank you for using Street Cut Payment System.**

**Confirmation Number: 280430**

Permit #:	380366
Name on Check:	REYTEC CONSTRUCTION RESOURCES
Email Address:	EMORALES@reytec.net
Phone number:	7136003017
Date Check Posted:	6/20/2019 8:38:59 AM

Bank Routing Number: XXXXX5723  
Bank Account Number: XXXXX6690  
Total Amount Paid: **\$28.90**  
Date Payment Submitted: 6/20/2019

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# Reytec Project No. 2203

## Deviated Plan

**Project Name:** 2203: Briar Branch (W140-01-00)Channel & Straws Improvement  
**Contract Amount::** \$18,794,957.00  
**Work Progress:** 52% complete  
**Pay Estimate Number:** 9  
**Pay Period:** 8/1/2019 to 08/31/2019

<b>Overall Goal:</b>	
Contracted:	3,383,092.26
Current:	2,018,648.47
	<b>-7.26% \$ 1,364,443.79</b>

double check Overall Goal

### MWSBE Goal:

<b>MBE Goal:</b>		<b>WBE Goal:</b>	
Contracted:	1,879,495.70	8.00% \$	1,503,596.56
Current:	567,590.74	7.72% \$	1,451,057.73
	<b>(-6.9% \$ (1,311,904.96))</b>	<b>-0.28% \$</b>	<b>52,538.83</b>

### Individual Goal:

<b>Moran Construction (MBE)</b>		<b>Access Data (WBE)</b>	
Contracted:	1,148,371.87	8.00% \$	1,503,596.56
Current:	92,950.94	7.72% \$	1,451,057.73
	<b>-5.61% \$ (-1,055,420.93)</b>	<b>-0.28% \$</b>	<b>52,538.83</b>

### Ecung (MBE)

Contracted:	67,661.85
Current:	15,225.00
	<b>-0.28% \$ 52,436.85</b>

### Rosales Trucking (MBE)

Contracted:	469,873.93
Current:	366,096.84
	<b>-0.55% \$ (103,777.09)</b>

### Fabco (MBE)

Contracted:	187,949.57
Current:	93,317.96
	<b>-0.50% \$ (94,631.64)</b>



September 18, 2019

Ms. Ann Givens, Chair of the Board  
Memorial City Redevelopment Authority / TIRZ 17  
9610 Long Point Road, Suite 150  
Houston, TX 77055

**Re: Proposal for Plans, Specifications, and Estimates – North Gessner Drainage and Mobility Improvements (T-1732A & T-1732B)**

Dear Mrs. Givens,

Gauge Engineering, LLC (Gauge) is pleased to submit this proposal for Construction Phase Services for North Gessner Drainage and Mobility Improvements. We propose to perform these services over the 22-month construction duration of the project for a Lump Sum amount of \$231,420. A detailed breakdown of the scope items and fee can be found under Exhibits "A" and "B" respectively. We are prepared to begin this work immediately.

Please feel free to contact me at (832) 318-8802 if you have any questions or need additional information.

Sincerely,

A handwritten signature in blue ink, appearing to be "MA", written over a horizontal line.

Muhammad Ali, P.E.  
Principal

Accepted For  
Memorial City Redevelopment Authority

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Print

Accepted for City of Houston

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Print

Attachments: Exhibit A - Scope of Services  
Exhibit B - Level-of-Effort



**EXHIBIT A**  
**SCOPE OF SERVICES**  
**MEMORIAL CITY REDEVELOPMENT AUTHORITY – TIRZ 17**  
**NORTH GESSNER DRAINAGE AND MOBILITY IMPROVEMENTS – (T-1732A & T-1732B)**  
**FROM IH-10 (KATY FWY) TO SOUTH OF LONG POINT**  
**CONSTRUCTION PHASE SERVICES**

This proposal is for construction phases services for the drainage and mobility improvements, and public utility upgrades and relocations for TIRZ 17's North Gessner Project. The following scope details the procedures that will be followed:

**A. CONSTRUCTION ADMINISTRATION – 22-MONTH DURATION**

1. Preconstruction Meeting:  
Attend and participate in the pre-construction meeting with TxDOT and Contractor prior to construction start date.
2. Monthly progress meetings:  
Represent TIRZ 17 and attend monthly progress meetings with TxDOT and Contractor. Act on the TIRZ's behalf with regard to all aspects of the project.
3. Coordination:  
Attend regularly scheduled Stakeholder coordination meetings representing TIRZ 17. Periodic coordination with Stakeholders, City, TxDOT and Contractor.
4. Periodic Inspections Visits:  
Team will make periodic visits to the site to observe work progress and quality of executed work and to determine in general if work is proceeding in accordance to Contract Documents. During visits to the construction site, and on the basis of our onsite observations as an experienced and qualified design professional, Team will keep TIRZ 17 informed of the extent of the progress of the work and advise TIRZ 17 of material and substantial defects and deficiencies in the contractor's work discovered by team or otherwise brought to our attention during construction. It is understood that the contractor is solely responsible for the means and methods to be used and the safety of its employees and all other persons on the job site. Team may on behalf of TIRZ 17, exercise whatever rights they may have to disapprove work and materials as failing to conform to the construction contract documents.

In performing this service, Team will not be responsible for the techniques and sequences of construction or the safety precautions incidental thereto and will not be responsible or liable in any degree for the contractor's failure to perform the construction work in accordance with the Contract Documents, except to the extent that the Engineer fails to exercise the usual degree of care and judgment of an ordinarily prudent engineer in the same or similar circumstances and conditions.

*Gauge will allocate 6 hours per week for a period of 22 months for these tasks.*

5. Change Orders  
Consult with and advise TIRZ 17, issue all instructions to Contractor requested by TIRZ 17 and prepare and issue change orders as required after approval by TIRZ 17.
6. Review schedules, submittals, laboratory test results, RFI's, and other data  
Review schedules, submittals, laboratory test results, RFI's, and other data which the Contractor submits. This review is for the benefit of TIRZ 17 and requires only general conformance with the design concept of



the Project and general compliance with the information given in the Contract Documents. It does not relieve Contractor of any responsibilities, such as dimensions to be confirmed and correlated at the job site, appropriate safety measures to protect workers and the public, or the necessity of constructing a complete and workable facility in accordance with the construction Contract Documents.

7. Prepare Progress Reports:

Develop monthly progress reports based on onsite observations and review of pay applications to present at TIRZ 17 board meetings.

8. Right-of-Entry Agreements

Develop documents and obtain "Right-of-Entry and Release for Driveway transitions" for 16 Driveways.

9. Large Water Meter Vault Easement

One of the existing large water meter vault will require relocation from within the existing right-of-way to a dedicated water meter easement on private property. Plan and Profile plans will be required along with two permits:

- Abandonment permit of existing meter from its old location
- New installation permit for the meter to its new location

10. Conduct Substantial Completion Inspection & Develop Punch list and Substantial Certificate Completion:

- a. Review progress of work for Substantial Completion walk-through
- b. Generate a punch list of items for correction
- c. Substantiate items that are completed
- d. Issue both Certificate of Substantial Completion (signed/sealed from Design Engineer) & Final Acceptance or 2nd walk through
- e. Issue Final Completion & Acceptance letter to City recommending acceptance & release of final payment
- f. Coordinate contractors, CM/CI to provide complete record of As-Builts Drawing
- g. Within thirty (30) days after receipt of As-Builts from the contractor to the CM, the project engineer shall provide to the City one (1) set of electronic reproducible record drawings, (PDF format) and an AutoCAD file (.dwg)

11. Finalize As-built Drawings

Maintain record drawings and specifications, the incorporation of field changes and information from the Contractor's as-built "red-line" drawings into the Record Drawings.

12. Parcel Maps and Meets & Bounds:

Kuo and Associates Inc. will develop parcel maps and meets & bounds needed for the water meter vault easement package.



**EXHIBIT B**

**NORTH GESSNER DRAINAGE AND MOBILITY IMPROVEMENTS – (T-1732A & T-1732B)  
CONSTRUCTION PHASE SERVICES - LEVEL OF EFFORT**



DESCRIPTION OF WORK TASKS	Sr. PROJ MGR	Sr. PROJ ENGINEER	GRAD ENGINEER	CADD TECH	ADMIN ASST	TOTAL HOURS	LABOR COSTS
<b>A. Construction Phase Services - 22 month Duration</b>							
1 Preconstruction Meeting	2	2				4	\$780.00
2 Monthly Progress Meetings	22	44	44			110	\$17,490.00
3 Coordination - Stakeholders, City, TxDOT and Contractor	18	24	40			82	\$12,810.00
4 Periodic Inspection Visits - 6 hrs per week	50	100	450			600	\$81,750.00
5 Change Orders	12	40	60			112	\$16,500.00
6 Review schedules, submittals, laboratory test results, RFIs, & other data	40	120	200			360	\$52,800.00
7 Prepare Progress Reports	8	12	16		30	66	\$8,250.00
8 Right-of-Entry Agreements - 16 Driveways	2	16	40		8	66	\$8,570.00
9 Large Water Meter Vault Easement Package	4	12	32			48	\$6,720.00
10 Substantial Completion Walkthrough, Punch list	4	8	16			28	\$4,140.00
11 Finalize As-built Drawings	12	24	24	60	2	122	\$15,110.00
<b>Total</b>	<b>174</b>	<b>402</b>	<b>922</b>	<b>60</b>	<b>40</b>	<b>1598</b>	<b>\$224,970.00</b>
<b>TOTAL HOURS</b>	<b>174</b>	<b>402</b>	<b>922</b>	<b>60</b>	<b>40</b>	<b>1598</b>	
Contract Labor Rate	\$225.00	\$165.00	\$120.00	\$90.00	\$85.00		
<b>TOTAL LABOR COSTS BASIC ENGINEERING SERVICES</b>	<b>\$39,150.00</b>	<b>\$66,330.00</b>	<b>\$110,640.00</b>	<b>\$5,400.00</b>	<b>\$3,400.00</b>		<b>\$224,970.00</b>

EXPENSES/SUBCONTRACTS	TOTAL
1 Printing and Reproduction/Mileage/Deliveries	\$1,500.00
2 Water Meter Vault - Parcel Map and Meets & Bounds - Kuo and Associates	\$5,000.00
<b>TOTAL REIMBURSABLE EXPENSES</b>	<b>\$6,500.00</b>

**PROJECT TOTAL \$231,420**



**Lockwood, Andrews  
& Newnam, Inc.**  
A LEO A DALY COMPANY

**Memorial City Redevelopment Authority - TIRZ 17**  
**One-Page Monthly Consultant Report**

**September 2019**

**Project Number: 120-11972-000**  
**Memorial Drive Improvements**

**Ongoing Activities:**

<b>Item</b>	<b>Description</b>
<b>1</b>	<b>Working on 95% design submittal – Due November 2019</b>
<b>2</b>	<b>Began Property Acquisition process</b>
<b>3</b>	<b>Working with TxDOT on Utility Coordination/Environmental efforts</b>
<b>4</b>	<b>Working with New TxDOT PM to get him caught up on Project status</b>



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# PROGRESS REPORT

**To:** Scott Bean, Executive Director  
**From:** Stephanie Kirschner  
**Date:** September 1, 2019  
**Re:** Environmental Studies for Categorical Exclusion Memorial Drive (Beltway 8 to Tallowood Road) (MCT102) – August 2019

Task	Previous % Complete	Current % Complete
<b>1 – Purpose and Need</b>	<b>100%</b>	<b>100%</b>
Comment: No activity.		
<b>2 – Alternative Analysis</b>	<b>15%</b>	<b>15%</b>
Comment: No activity.		
<b>3.1 – Socioeconomic Analysis</b>	<b>100%</b>	<b>100%</b>
Comment: No activity.		
<b>3.2 – Water Quality Conditions</b>	<b>100%</b>	<b>100%</b>
Comment: No activity.		
<b>3.3 – Plant Communities and Wildlife Habitat</b>	<b>95%</b>	<b>100%</b>
Comment: Response to TxDOT comments on Biological Evaluation Form and Tier I Assessment		
<b>3.4 – Waters and Wetlands Identification</b>	<b>85%</b>	<b>95%</b>
Comment: Response to TxDOT comments on Biological Evaluation Form and Tier I Assessment		
<b>3.5 – Air Quality Assessment</b>	<b>70%</b>	<b>70%</b>
Comment: No activity.		
<b>3.6 – Floodplains Assessment</b>	<b>100%</b>	<b>100%</b>

Comment:

**3.7 – Cultural Resource Identification** **25%** **35%**

Comment:

Memo supporting early parcel acquisition (impacts to historic resources, hazardous sites, park resources, and existing development); coordination with TxDOT)

**3.7a – Historical Resource Analysis** **0%** **0%**

Comment:

No activity.

**3.8 – Hazardous Materials** **100%** **100%**

Comment:

No activity.

**3.9 – Historical Resource Identification** **5%** **5%**

Comment: No activity.

**3.9A – Indirect Impacts Assessment** **85%** **95%**

Comment:

Memo supporting early parcel acquisition (impacts to historic resources, hazardous sites, park resources, and existing development); coordination with TxDOT)

**3.10 – Cumulative Impacts Assessment** **85%** **95%**

Comment:

Memo supporting early parcel acquisition (impacts to historic resources, hazardous sites, park resources, and existing development); coordination with TxDOT)

**4 – Draft and Final EA** **35%** **35%**

Comment:

No activity.



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# PROGRESS REPORT

**To:** Scott Bean  
**From:** Jim Webb  
**Date:** September 1, 2019  
**Re:** Memorial Drive Reconstruction Project (BW-8 to Tallowood) Soil and Groundwater Management Plan (MCT108) – August 2019

<b>Task</b>	<b>Previous % Complete</b>	<b>Current % Complete</b>
<b>1 – Create Soil Management Plan for TxDOT</b>	<b>85%</b>	<b>90%</b>

**Comments:**

Coordination review of plan with TxDOT  
Respond to TxDOT comments



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# PROGRESS REPORT

**To:** Scott Bean  
**From:** Stephanie Kirschner  
**Date:** September 1, 2019  
**Re:** Memorial Drive Public Meeting (Beltway 8 to Tallowood) (MCT104) – August 2019

<b>Task</b>	<b>Previous % Complete</b>	<b>Current % Complete</b>
<b>1 – Public Meeting per TxDOT Environmental Standards</b>	<b>99%</b>	<b>100%</b>

**Comments:**  
Finalized comments with TxDOT.



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# PROGRESS REPORT

**To:** Scott Bean  
**From:** Jim Webb  
**Date:** September 1, 2019  
**Re:** Memorial City Redevelopment Authority Continued Implementation Assistance (MCT103) – August 2019

<b>Task</b>	<b>Previous % Complete</b>	<b>Current % Complete</b>
<b>1 – North Gessner Project Implementation Assistance</b>	<b>100%</b>	<b>100%</b>
Comment: Task complete.		
<b>2 – Memorial Drive Project Implementation Assistance</b>	<b>90%</b>	<b>92%</b>
Comment:		
<ul style="list-style-type: none"><li>• Discuss right-of-way acquisition and federal requirements with TxDOT, ABHR, and MCRA staff and consultants.</li></ul>		

**SWA Houston**

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**PROJECT STATUS REPORT BY SWA**

SCOPE: LANDSCAPE ARCHITECTURE FOR MEMORIAL CITY REDEVELOPMENT AUTHORITY

PROJECTS: TIRZ #17 CIP

DATE: 24 September 2019

**CURRENT PROJECTS STATUS**

1. N. GESSNER DRAINAGE AND MOBILITY IMPRVTS – PH 1 (T-1732A) (SWA WO#12)
  - SWA has finalized post-100% / bid-ready design of the streetscape with Gauge Engineering, TXDOT, METRO, CenterPoint as well as with the partnering management districts (Memorial Management and Spring Branch Management Districts) and key property owners and other agencies.
2. MEMORIAL DRIVE DRAINAGE AND MOBILITY IMPROVEMENTS - (T1731B)(SWA WO#13)
  - SWA is coordinating design review of the 90% design submittal of the streetscape with TXDOT and LAN, as well as the Memorial Management District and local property owners.
3. ON-CALL (SWA WO#15)
  - SWA is working with area stakeholders (TIRZ 17, City of Houston, TXDOT, Memorial Management District, H-GAC) on the Beltway 8 Pathway connecting Buffalo Bayou and Memorial Drive. Phase One of the project by TXDOT is complete and work on amenity design and installation on-going. (also see SWA WO#17 below). (Project paused at Client request).
4. TOWN & COUNTRY WEST DRAINAGE AND MOBILITY IMPRVTS (T-1717) (SWA WO#16)
  - Project is complete.
5. ON-CALL BELTWAY 8 TXDOT ENHANCE SIDEWALK (SWA WO#17)
  - SWA has prepared design documents to construct the landscape amenities to complement the sidewalk installation by TXDOT and is coordinating these with TxDOT. (Project paused at Client request).
6. W140 MAINTENANCE ACCESS LAYOUT (SWA WO#18)
  - SWA is preparing design documents for access improvements associated with the W140 in coordination with Gauge Engineering. (Project paused at Client request).

END OF REPORT