

**MINUTES OF THE MEETING OF THE
HOBBY AREA MANAGEMENT DISTRICT
BOARD OF DIRECTORS**

May 12, 2016

DETERMINE QUORUM; CALL TO ORDER.

The Board of Directors of the Hobby Area Management District held a regular meeting on Thursday, May 12, 2016, at 1:00 p.m. in the Doubletree Hilton Hobby, 8181 Airport Blvd., Houston, Texas 77061, inside the boundaries of the District, open to the public, and the roll was called of the duly appointed members of the Board, to-wit:

Position 1 -	Danny Perkins, <i>Chairman</i>	Position 7 -	Marjorie Evans
Position 2 -	Helen Bonsall, <i>Vice-Chair</i>	Position 8 -	Joe Edd Nelson
Position 3 -	Todd Szilagyi	Position 9 -	Darryl Bailey
Position 4 -	Jesus H. Saenz, Jr.	Position 10 -	Vic J. Zachary
Position 5 -	Ann Collum	Position 11 -	Alberto Cardenas
Position 6 -	Sue De Haven, <i>Secretary</i>		

and all the above were present, with the exception of Directors Szilagyi, DeHaven, Evans and Zachary, thus constituting a quorum. Also present were Jerry Lowry, Tony Allender, Gretchen Larson and Linda Clayton, all with Hawes Hill Calderon, LLP; Clark Lord, Bracewell LLP; Jack Roland, Governmental Financial Reporting, LLC; and Jeff Sonnheim, Equi-Tax. Others attending the meeting were O'Brien McFadden and Rhedonda Cox, both of SEAL Security; Sherry Weesner and Ann Culver, both of Scenic Houston; Sheila Condon and Jason Miller, both of Clark Condon; Brenda Diaz, Priscilla Meehar and Angelica M., all with South Texas Dental. Chairman Perkins called the meeting to order at 1:06 p.m.

RECEIVE PUBLIC COMMENTS.

There were no public comments.

APPROVE MINUTES OF MEETING HELD APRIL 14, 2016.

Upon a motion duly made by Director Nelson, and being seconded by Director Bonsall, the Board voted unanimously to approve the Minutes of the April 14, 2016, Board meeting, as amended on page 3 reflecting Director Bailey seconding the motion for the sponsorship of the golf tournament.

RECEIVE ASSESSMENTS COLLECTION REPORT.

Mr. Sonnheim presented the Assessments Collection Report, included in the Board agenda materials. He reported a 96% collection rate on the 2015 assessments with \$1.2 million in uncertified values. He stated the Perdue Brandon Delinquent Assessment Report is included in the Board agenda materials for review. No action from the Board was required.

RECEIVE BOOKKEEPER'S REPORT AND APPROVE INVOICES FOR PAYMENT.

Mr. Roland presented the Bookkeeper's Report, Quarterly Investment Report and went over invoices, included in the Board agenda materials. An expense report for Gretchen Larson was distributed, a copy is attached as Exhibit A. Upon a motion duly made by Director Collum, and being seconded by Director Nelson, the Board voted unanimously to accept the Bookkeeper's Report, Quarterly Investment Report and approved payment of invoices, as presented.

RECEIVE UPDATE AND RECOMMENDATIONS FROM ENVIRONMENT, URBAN DESIGN AND MOBILITY COMMITTEE.

Mr. Allender reported the Committee met on April 20, a copy of the Committee Minutes is included in the Board agenda materials. He stated a walk-thru was being held with the City for the Broadway Boulevard project from Bellfort to I-45.

a. Consider approval of an amended Memorandum of Understanding with Scenic Houston.

An Agreement Regarding Enhanced Broadway/Hobby Corridor Redevelopment Project between the District and Scenic Houston was distributed, a copy is attached as Exhibit B. Mr. Allender reported several revisions were made from the original document including the insurance component and clarification in language as to maintenance. Mr. Lord reported the other revision made was in the payment structure.

b. Consider award of a contract to Jerdon for completion of improvements to the Broadway Street corridor.

Mr. Miller reported three bids were received and at the last board meeting the Board approved issuance of a Notice of Intent to award Jerdon the contract for completion of improvements to Broadway Blvd. He stated the original contract bid was for \$4,934,820.70 and the change order will lower the contract price to \$3,697,311.35. There was a lengthy discussion regarding the landscape maintenance component being reduced from one year to 90 days; and the District's responsibility for the maintenance after 90 days. Mr. Miller stated the plants will have a one-year guarantee. He reported he was anticipating a notice to proceed next week with a completion goal of the project by the end of December.

Mr. Lord recommended authorizing approval of the contract with Jerdon subject to Scenic Houston agreement to the Memorandum of Understanding and subject to Scenic Houston agreeing to contract with Jerdon. Director Cardenas had several questions regarding the accountability mechanism/balance sheet of funds coming in and going out. Mr. Lord stated a special condition of the construction contract states the District is not liable and Scenic Houston will be paying the contractor. Ms. Weesner stated invoices would be presented to the Scenic Houston Board and would be paid through Scenic Houston.

c. Consider a change order to the contract for improvements to the Broadway Street corridor.

A Change Order to the Jerdon contract was handed out, a copy is attached as Exhibit C. Mr. Miller reviewed the change order and answered questions. He reported the change order kept the median intact and eliminated landscaping and irrigation in the setback lines. Ms. Condon reported when originally pricing the project it was well over \$5 million, and the targeted funding of the project was over \$5 million.

She stated funding of the project came in around \$3.9 million and the change order lowers the cost of the project to the funding budget.

Upon a motion duly made by Director Collum, and being seconded by Director Nelson, the Board voted unanimously to approve the Memorandum of Understanding, approve award of contract to Jerdon for landscape improvements on Broadway Blvd. and approve the Change Order all subject to final delegation of Chairman Perkins' review of final documents, and subject to Scenic Houston agreeing to Memorandum of Understanding and subject to Scenic Houston agreeing to contract with Jerdon.

CONSIDER REQUEST TO FUND MEETING COSTS FOR LIVABLE CENTERS STUDY STAKEHOLDERS MEETINGS.

Mr. Allender provided a handout on the costs associated with hosting three Livable Centers Study meetings at the Doubletree Hobby Hotel, a copy is attached as Exhibit D. He answered questions regarding outreach to stakeholders in the District. Chairman Perkins stated a database is being compiled and the database will be grouped to target stakeholders for each focus group, as well as a large community forum. Upon a motion duly made by Director Cardenas, and being seconded by Director Bonsall, the Board voted unanimously to approve funding costs of meetings associated with the Livable Centers study meetings and workshops.

RECEIVE UPDATE AND RECOMMENDATIONS FROM BUSINESS & ECONOMIC DEVELOPMENT COMMITTEE.

- a. Consider participation at the 88th Annual American Association of Airport Executives (AAAE) Conference and Exposition on May 15-18, 2016.**

Ms. Larson reported the 88th AAAE Conference and Exposition is being held in Houston this year and would provide an opportunity for the District to meet with strategic partners in the airport industry. She reported the Committee was recommending approval of participation in the event in an amount not to exceed \$4,000.00. She stated this would include fees and expenses to attend the conference and an exhibit booth for the District. She reported the event would provide awareness of the District and the possibility of bringing businesses to the Hobby area. She reported there was sufficient funding in the business and economic development budget for the request. Upon a motion duly made by Director Cardenas, and being seconded by Director Bonsall, the Board voted unanimously to approve the District's participation at the 88th Annual American Association of Airport Executives Conference and Exhibition on May 15-18, 2016, at a cost not to exceed \$4,000.00.

- b. Consider participation in Mayor Turner's 2016 State of Mobility event on May 17, 2016.**

Ms. Larson reported the Committee reviewed the sponsorship request and noted it was an opportunity to advocate for needed infrastructure in the District, as well as marketing for the District. She reported after review the Committee was recommending sponsoring at the gold level in the amount of \$1,000.00. She reported there was sufficient funding in the budget for the event. Upon a motion duly made by Director Collum, and being seconded by Director Nelson, the Board voted to approve sponsoring Mayor Turner's State of Mobility even on May 17, 2016, in the amount of \$1,000.00. Director Cardenas voted nay. The motion passed.

RECEIVE UPDATE FROM PUBLIC SAFETY COMMITTEE.

Mr. Lowry reported the Committee met on April 20, a copy of the Committee Minutes is included in the Board agenda materials. Officer McFadden presented the SEAL Security Incident Report for April 2016, included in the Board agenda materials, and answered questions. No action from the Board was required.

RECEIVE THE EXECUTIVE DIRECTOR’S MONTHLY REPORT ON ACTIONS AND INITIATIVES IN SUPPORT OF THE DISTRICT’S SERVICE PLAN.

Mr. Lowry reviewed the Executive Director’s Report, included in the Board agenda materials. He provided a handout on the preliminary HobbyFest financial summary prepared by HNTB, a copy is attached as Exhibit E. He reported five scholarships were given out this year and twenty teams participated in the barbecue cook-off. Director Cardenas requested a Board update on the contract awarded to Jerdon before the next Board meeting.

ANNOUNCEMENTS.

Director Saenz announced Wm. P. Hobby Airport has been recognized as a 4-star airport.

ADJOURN.

There being no further business to come before the Board, Chairman Perkins adjourned the meeting at 2:10 p.m.

(Seal)



List of Exhibits:

- A. Expense Report from Gretchen Larson
- B. Agreement Regarding Enhanced Broadway/Hobby Corridor Redevelopment Project (Memorandum of Understanding)
- C. Change Order No. 1 from Jerdon Enterprise, LP for landscape improvements to Broadway Blvd.
- D. Costs associated with Livable Centers Study meetings for focus groups and workshops to be held at Doubletree Hobby Hilton
- E. Preliminary HobbyFest 2016 Financial Summary, dated April 17, 2016

Expense Report/ Request for Reimbursement
 District or Zone: Hobby AREA District

Ex A

Name: Gretchen Carson

I hereby verify that the following fees and actual expenses were reasonably and necessarily incurred by me in connection with the services and business purposes described.

Date	Description and purpose, location	Participants	Project/program	Amount	Budget Code
3/25	Double Tree Hotel	Danny Perkins	Hobby LCS	\$384 ⁰⁰	6060
3/31	TM Productions	Gretchen Carson	Hobbyfest	\$1694 ²⁵	6222
4/05	Place maker	"	"	\$385 ⁰⁰	6230
4/08	Sams Club	"	"	\$518 ⁵⁶	6220
4/09	Starbucks (Judges & Staff)	"	"	\$300	6220
4/14	PRP Entertainment (DJ HF)	Deposit	"	\$525	6230
4/15	Sams Club (Food for public)	"	30	\$1498 ²⁸	6220
4/15	HEB (Food for volunteers)	"	30	\$286 ⁵	6220
4/16	Sams Club (Food for public & VIP)	"	30	\$586 ³⁵	6220
4/16	HEB	"	FTI	\$127 ¹⁸	6220
4/16	Sams Club	"	30	\$837 ⁶⁴	6220
4/16	Walmart (promo items table)	"	30	\$189 ²²	6220
4/16	Browning Market (water)	"	*	\$125 ⁰⁰	6220
4/17	Pappas Post (Food VIP)	"	"	\$266 ⁰⁰	6220
4/18	CNP	"	"	\$150 ⁰⁰	6220
4/19	Texas Self Storage	"	Hobbyfest storage	\$77 ⁴⁰	6220
	dry out storage unit	"	"	\$15 ¹⁴	
		"	"	\$3 ⁶⁰	

I have attached receipts and supporting documentation of all expenses.

Signed: Gretchen Carson
 Approved: _____

Date: 5/2/16
 Date: _____



DOUBLETREE

BY HILTON™

HOUSTON HOBBY AIRPORT

8181 Airport Boulevard Houston, TX 77061

Phone: 713-645-3000 - Fax: 713-645-1409

Not Tax Exempt

Page 1 of 1

Banquet Check

BEO#: 48915

Group Name: Hobby Area Management District	F&B Acct: H2551
Post As: Hobby District Liveable Centers Meeting	Site Contact: Ms. Gretchen Larson
Catering Mgr: Angie Thompson	

Day/Date	Time	Function	Room	Qty	Actual
Wednesday, March 16, 2016	10:00 am		917	12	

ROOM RENTAL	PRICE	SUBTOTAL	TOTAL
Room: 917	Function: MTG	300.00	300.00
	TOTAL		300.00
	SERVICE CHARGE %	22.00	66.00
	Room Rental Tax %	6.00	18.00
	Sales Tax %	0.00	0.00
			384.00

Grand Total: 384.00

Balance Due: 384.00

Page 1 of 1

Date: 5/11/2016

Client Signature _____



8181 Airport Blvd. • Houston, TX 77061
 Phone (713) 645-3000 • Fax (713) 645-2251
 For reservations across the nation
 www.doubletree.com or 1-800-222-TREE

Name & Address

HOBBY DISTRICT LIVEABLE CENTER
 8121 BROADWAY
 SUITE 135
 HOUSTON TX 77061
 UNITED STATES OF AMERICA

Room H 2551
 Arrival Date 3/14/2016 12:00:00 AM
 Departure Date 3/18/2016 12:00:00 AM

Adult/Child
 Room Rate

Rate Plan:
 HH #
 AL:
 Car:

Folio

3/24/2016



DATE	REFERENCE	DESCRIPTION	AMOUNT
3/16/2016	809574	*BANQUETS	\$66.00
3/16/2016	809575	*BANQUETS	\$318.00
3/24/2016	815156	VS *0980	(\$384.00)
		BALANCE	\$0.00



ACCOUNT NO.
CARD MEMBER NAME
ESTABLISHMENT NO. & LOCATION
CARD MEMBER'S SIGNATURE

DATE OF CHARGE	FOLIO NO./CHECK NO.
	250280 A
AUTHORIZATION	INITIAL
PURCHASES & SERVICES	
TAXES	
TIPS & MISC.	
TOTAL AMOUNT	-384.00

PAYMENT DUE UPON RECEIPT

MEMBERSHIP AND/OR SERVICES PURCHASED ON THIS CARD SHALL NOT BE REFUND OR RETURNED FOR A CASH REFUND.

Twisted Mister Promotions, Productions
and Events, L.L.C.
1302 Waugh Drive #884
Houston, Texas 77019

Estimate

Number: E32016
Date: 3/29/2016

Bill To
Gretchen Larson
Hobby Management District
P.O.Box 22167
Houston, Texas, 77227-2127

Ship To
Gretchen Larson
Hobby Management District
P.O.Box 22167
Houston, Texas, 77227-2127

PO Number **Terms** **Project**
Net 10 Days Hobby Fest VIP Party 4/15/2016

Date	Description	Hours	Rate	Amount
4/15	start set up day/ti Tents, tables, chairs	1.00	\$1,310.00	\$1,310.00
4/15	DJ and BBQ Staff Generatois required	2.00	\$325.00	\$650.00
4/15	coolers/ice chests soda/water/ice	3.00	\$32.00	\$96.00
	trash pickup/removal fr plastic bagged	1.00	\$275.00	\$275.00
	Constant Attendant 1 Senior	10.00	\$45.00	\$450.00
	Constant attendant 2 e manpower/labor	24.00	\$22.50	\$540.00
	misc/errands etc manpower staff	3.00	\$22.50	\$67.50

Amount Paid	\$0.00	Discount	\$0.00
Amount Due	\$3,388.50	Shipping Cost	\$0.00
		Sub Total	\$3,388.50
		Total	\$3,388.50

847.12 } 50% deposit
847.13 } pd via CC

\$1694.25 on 3/31

balance paid by Check
@ 4-14-16 Board mtg.

Gretchen Larson

From: Placemaker Media | \\\"365 Things to Do in Houston\\\"
Sent: Tuesday, April 5, 2016 3:58 PM
To: glarson@hhcllp.com
Subject: Invoice Paid: #0416-0012 from Placemaker Media | \"365 Things to Do in Houston\"

Invoice from Placemaker Media | \"365
Things to Do in Houston\"
Total paid \$385.00

 Thank you, invoice paid



Placemaker Media | \"365
Things to Do in Houston\"

Info 365 Things to Do in Houston | Advertising Invoice for
Hobby Airport's HobbyFest
April 5, 2016
Invoice #0416-0012

To Gretchen Larson
glarson@hhcllp.com

Cc amber@amberambrose.com

Sponsored Spotlight Story

* 1 Sponsored Story with 2 Facebook Posts & 1 Instagram Post

* Advertiser will approve story prior to publication

* Publication dates for 1 Sponsored Stories (website) & 2

Facebook Posts TBD

* Payment due prior to publication of sponsored website and/or

Facebook content

* 365 Things to Do in Houston is a publication of Placemaker

Media

Sponsored Spotlight Story **\$385.00**

Subtotal **\$385.00**

Total **\$385.00**

VISA 0980

04/05/16, 3:57 PM

PLACEMAKER MEDIA | "365 THINGS TO DO IN HOUSTON"

1303 Waugh Drive, Box 983 (Mail Only), Houston, TX 77019

payments@placemakermedia.com

832-429-4550

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1063 7131 0416 1608 1200 110

1 H-E-B GARDEN SALAD
7 Ea. @ 1/ 2.98 F 20.86
2 ORGANIC GRAPE TOMATO
5 Ea. @ 1/ 3.48 FW 17.40
3 TB MACAROONS CHOC DIPPD *
2 Ea. @ 1/ 2.98 F 5.96
4 DL SPRING MIX 10 OZ. CLMS
3 Ea. @ 1/ 4.98 F 14.94
5 50 50 SPRING MIX SPINACH F 4.98
6 GO TXN PINK FRSTD COOKIES
2 Ea. @ 1/ 2.98 F 5.96
7 HEB TB BROWNIE BITES *
2 Ea. @ 1/ 3.78 F 7.56
8 SD SUGAR COOKIE F 3.99
9 SD CHOCOLATE CHUNK COOKI F 3.99
10 SIMPLY DELICIOUS CANDY CO F 3.99
11 MINI CHOCOLATE CONFETTI C
2 Ea. @ 1/ 2.98 F 5.96
12 GOLDEN VANILLA CONFETTI C
2 Ea. @ 1/ 2.98 F 5.96
13 SIMPLY DELICIOUS CANDY CO F 3.99
14 CUSTOM FLORAL ARRANGEMENT T 19.99
C.G.R.: ***** Sale Subtotal*** 125.53
Sales Tax 1.65
***** Total Sale*** 127.18
Account No.:*****0980
Appr No.:016906
Ref No.:920813
*** VISA EPS 127.18

ITEMS PURCHASED: 31

RECEIPT EXPIRES ON 07-15-16



1063 7131 0416 1608 1200 110

HEB Food-Drugs #55/110
8900 Highway 6, Missouri City, TX 77459
Phone: (281) 778-1300
Pharmacy: (281) 778-1350
Fax: (281) 778-1027
Store Hours: 6 a.m to Midnight
Your Cashier:USCAN OPERATOR 91
637131 04-16-16 8:12A 091/12/00110



1063 3183 0415 1612 3100 110

1 GOLDEN VANILLA CONFETTI C
2 Ea. @ 1/ 2.98 F 5.96
2 GO TXN PINK FRSTD COOKIES F 2.98
3 BLACK & WHITE F 4.48
4 TB MACAROONS CHOC DIPPD * F 2.98
5 HEB TB BROWNIE BITES * F 3.78
6 SD CHOCOLATE CHUNK COOKI F 3.99
7 LINZAR TARTS F 4.48

***** Total Sale*** 28.65
Account No.:*****0980
Appr No.:015823
Ref No.:917781
*** VISA EPS 28.65

ITEMS PURCHASED: 8

Tell us how we are doing and you could
win a \$500 H-E-B gift card/month
and \$1,000 cash prize/quarter.
NO PURCHASE NECESSARY.
See rules and take survey at
www.heb.com/survey
for 10 entries or call
1-866-583-5024 for 1 entry.
Odds depend on entries received.
Must be 18. Ends 5/12/16.

Para Espanol, visitenos por Internet a
www.heb.com/survey
o llame al 1-866-583-5024

CERTIFICATE CODE

110041 516633 183214

RECEIPT EXPIRES ON 07-14-16



1063 3183 0415 1612 3100 110

HEB Food-Drugs #55/110
8900 Highway 6, Missouri City, TX 77459
Phone: (281) 778-1300
Pharmacy: (281) 778-1350
Fax: (281) 778-1027
Store Hours: 6 a.m to Midnight
Your Cashier:CHESTINE S
633183 04-15-16 12:31P 289/08/00110



Pappas BBQ #20
 8560 Gulf Frwy, Houston, TX 77017
 (713) 947-9927

0129
 FELICIA B
 TO-GO

SvrCk: 7 12:33 04/16/16

- 1 Green Card
- 3 Value Pack 6
- HOBBY FEST WI

-50.00
 -50.00
 -50.00
 -50.00
 -50.00
 518.85

Sub Total: 518.85
 Tax: 22.21
541.06

04/16 13:35 TOTAL:

Green Card	xxxx0072 (	0.00)	50.00
Green Card	xxxx0064 (	0.00)	50.00
Green Card	xxxx0056 (	0.00)	50.00
Green Card	xxxx0049 (	0.00)	50.00
Green Card	xxxx0031 (	0.00)	25.00
Blue Card	xxxx3217 (	0.00)	266.06
Visa	xxxx0980		
			TOTAL: 541.06

 We would like to hear about your dining
 experience. Please visit our website at
www.pappasbbq.com

ORDER #: 29

	AMT-TEND	CHANGE	TALLY
Green Card	50.00		50.00
Green Card	50.00		50.00
Green Card	50.00		50.00
Green Card	50.00		50.00
Green Card	25.00		25.00
Blue Card	266.06		266.06
Visa	-----		-----
	541.06		541.06

(Rec:68) Memo: 123329,6006493871000280072, 50.00
 (Rec:69) Memo: 123340,6006493871000280064, 50.00
 (Rec:70) Memo: 123346,6006493871000280056, 50.00
 (Rec:71) Memo: 123352,6006493871000280049, 50.00
 (Rec:72) Memo: 123359,6006493871000280031, 50.00
 (Rec:73) Memo: 123405,6006491393079473217, 25.00
 (Rec:127) Memo: 266.06 GRETCHEN LARSON
 04/16/16 13:35

INVOICE for email

Charles Nicholas Promotions Products and Office Supplies
1302 Waugh Drive
Box 884
Houston, Texas 77019

Date Invoice #
4/18/2016 041816

Bill To:

Hobby Area District
Email Invoice
P.O. Box 22167
Houston, TX 77227-2167

P.O. Number Customer Contact Rep Account # Terms

Gretchen Larson

Net 10 Days

Item Code	Quantity	Description	Amount
Printing	500/500	HobbyFest materials	\$503.00
Promo	500	Goodies bags	\$647.00

Thank you!

\$1,150.00

AGREEMENT REGARDING ENHANCED BROADWAY/HOBBY CORRIDOR REDEVELOPMENT PROJECT

THIS AGREEMENT REGARDING ENHANCED BROADWAY/HOBBY CORRIDOR REDEVELOPMENT PROJECT (this "Agreement") is made and entered into as of the ____ day of May, 2016, by and between SCENIC HOUSTON, having an address of 5615 Kirby Drive, Suite 645, Houston, Texas 77005 ("Scenic Houston"), and HARRIS COUNTY IMPROVEMENT DISTRICT NO. 9, having an address of c/o Hawes Hill Calderon LLP, 9610 Long Point Rd., Suite 150, Houston, Texas 77005 (the "District").

RECITALS:

A. The District is a management district created in June 2007 under Section 59, Article XVI of the Texas Constitution and Chapter 4110 of the Texas Special District Local Laws Code and as such has the power, among others, to provide and develop within the boundaries of the District public transportation and pedestrian facilities including improved street lighting and street landscaping and improved street access.

B. Scenic Houston is dedicated to preserving and enhancing the quality of the visual character of Houston by promoting sign control, billboard reduction, scenic byway development and enhanced design standards and landscaping for streets and other public projects. Scenic Houston is the primary chapter of Scenic Texas, Inc., a 501c3 organization.

C. The City of Houston, Texas (the "City") has initiated certain improvements to Broadway Street from Interstate 45 to Airport Boulevard under TxDOT Project No. C912-70-64 (the "Original Broadway Project")

D. The District and Scenic Houston have requested that the City modify the Original Broadway Project by adding certain additional elements and making other changes, all as described on Exhibit A attached hereto (the "Additions and Modifications"). The Original Broadway Project as modified by the Additions and Modification is called herein the "Project").

E. The City has agreed to incorporate the Additions and Modifications into the Original Broadway Project so long as the District and/or Scenic Houston provide the funds required to construct such Additions and Modifications to the extent the construction thereof causes the City to incur costs in excess of the costs the City would otherwise incur for the Original Broadway Project (the "Excess Costs").

F. The District has paid, or will pay, to the Centerpoint Energy ("Centerpoint") \$134,678.00 for the installation of enhanced street lights along Broadway Street as part of the Project (the "Streetlight Payment").

G. Pursuant to that certain Agreement Regarding Broadway/Hobby Center Redevelopment Project dated as of February 12, 2015, by and between the District and Scenic Houston (the "Initial Agreement"), Scenic Houston agreed, from the net proceeds of Scenic Houston's comprehensive fundraising campaign, to reimburse the District for the Streetlight

Payment and any payments made by the District to the City for Excess Costs, all as set forth in the Initial Agreement.

H. After the completion of the Project, Scenic Houston and the District intend to work together to design, develop and construct additional enhanced landscaping and other streetscape improvements to Broadway Street (the "Enhanced Project") to further beautify and enhance Broadway Street as a gateway to Hobby Airport.

I. The District and Scenic Houston are executing and entering into this Agreement to memorialize their agreements and understandings with regard to the Enhanced Project.

AGREEMENT:

NOW THEREFORE, in consideration of the mutual covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

1. Design Development Drawings/Construction Drawings. The District has engaged Clark Condon Associates ("Clark Condon") to prepare, and Clark Condon has prepared, the design development drawings for the Enhanced Project described on Exhibit A attached hereto (the "Design Development Drawings"). Scenic Houston and the District will jointly direct Clark Condon, pursuant to a contract between the District and Clark Condon approved by Scenic Houston, to prepare detailed construction drawings for the Enhanced Project based on the Design Development Drawings, with the final detailed construction drawings to be subject to the approval of each of Scenic Houston and the District (such approved final, detailed construction drawings being, the "Construction Drawings"). It is contemplated that the Construction Drawings will be completed and approved by each of Scenic Houston and the District on or before September 15, 2015.

2. Budget. Scenic Houston and the District will jointly develop and agree upon a budget for the design, development and construction of the Enhanced Project. Any changes to the budget must be approved by each of the District and Scenic Houston.

3. Bidding. Upon the completion and approval of the Construction Drawings as provided above, the District and Scenic Houston will jointly cause the construction of the Enhanced Project as set forth in the Construction Drawings to be bid in accordance with all applicable laws. The parties anticipate that the construction of the Enhanced Project will be bid by way of competitive sealed proposals with bid specifications jointly approved by the District and Scenic Houston. At a minimum, the bid specifications will also include one year of maintenance by the contractor after substantial completion. The District and Scenic Houston will jointly evaluate all submitted bids, jointly select the preferred contractor and jointly negotiate the resulting construction and maintenance contract, with such selected contractor and such contract to be subject to the approval of each of the District and Scenic Houston.

4. Project Management and Reporting. The District shall, without fee or other compensation, provide overall project management and reporting for the design, development and construction of the Enhanced Project. Accordingly, the District shall be the party contracting with

Clark Condon and the contractor for the design, development, construction and construction administration of the Enhanced Project, with all such contracts to be subject to the approval of each of the District and Scenic Houston. Notwithstanding the foregoing to the contrary, Scenic Houston, and not the District, will be the party responsible for making payments due to the contractor for the construction of the Enhanced Project. The District shall not execute a contract with the contractor who will construct the Enhanced Project until the District and Scenic Houston mutually agree to do so. The District's duties and obligations with regard to project management and reporting are set forth in Exhibit B attached hereto.

5. Maintenance. As provided above, pursuant to the initial contract with such contractor, the contractor selected to construct the Enhanced Project will be responsible for maintaining the Enhanced Project for ninety (90) days after the substantial completion of the construction of the Enhanced Project. Thereafter, the District hereby agrees to maintain and repair the Enhanced Project, and pay the costs thereof, in accordance with the District's 10-year service and assessment plan and at a minimum in accordance with the standards to which first class, public landscape and hardscape projects paid for in whole or in part by private donations are then maintained and repaired in the City of Houston.

6. Fundraising and Funding. Scenic Houston will use its good faith, reasonable efforts to engage in a comprehensive fundraising campaign to obtain private and/or public funding from donors to provide funds to pay for the costs of the development, construction and interim maintenance of the Enhanced Project. Scenic Houston shall be responsible for making payments directly to the contractor engaged to construct the Enhanced Project, and the construction contract with such contractor shall contain provisions reasonably applicable to Scenic Houston and the District acknowledging that the District shall not be responsible for payments under such contract. Finally, notwithstanding any terms of this Agreement or the Initial Agreement to the contrary, the District hereby subordinates its right to be paid the Streetlight Payment to the payment in full of the Excess Costs and to the payment in full of the costs related to the preparation of the Construction Drawings for the Enhanced Project.

7. Cooperation. The parties will work together cooperatively toward implementing the design, development, construction and maintenance of the Enhanced Project, and will execute future agreements, with third parties and with each other, with regard to their respective obligations and responsibilities in connection with the Enhanced Project as they each deem appropriate at the time. The parties recognize that the phasing of the construction of the Enhanced Project must be coordinated with Scenic Houston's actual receipt of fundraising proceeds so that the District and Scenic Houston do not commit to third-party expenditures in advance of the availability of actual fundraising or other proceeds.

8. Representatives. The District hereby designates David Hawes to be the representative of the District (the "**District Representative**"), who shall be authorized to act on behalf of the District under this Agreement. The District shall have the right, from time to time, to change the individual who is the District Representative by giving at least ten (10) days' prior written notice to Scenic Houston thereof. With respect to any action, decision or determination to be taken or made by the District under this Agreement, the District Representative shall take such action or make such decision or determination or shall notify Scenic Houston in writing of the person(s) responsible for such action, decision or determination and shall forward any

communications and documentation to such person(s) for response or action. Any written approval, decision, confirmation or determination hereunder by the District Representative shall be binding on the District; *provided, however*, that notwithstanding anything in this Agreement to the contrary, the District Representative shall not have any right amend or terminate this Agreement. Scenic Houston hereby designates Anne Culver to be the representative of Scenic Houston (the "Scenic Houston Representative"), who shall be authorized to act on behalf of Scenic Houston under this Agreement. Scenic Houston shall have the right, from time to time, to change the individual who is a Scenic Houston Representative by giving at least ten (10) days' prior written notice to the District thereof. With respect to any action, decision or determination to be taken or made by Scenic Houston under this Agreement, the Scenic Houston Representative shall take such action or make such decision or determination or shall notify the District in writing of the person(s) responsible for such action, decision or determination and shall forward any communications and documentation to such person(s) for response or action. Any written approval, decision, confirmation or determination hereunder by the Scenic Houston Representative shall be binding on Scenic Houston; *provided, however*, that notwithstanding anything in this Agreement to the contrary, the Scenic Houston Representative shall not have any right to amend or terminate this Agreement.

9. Default. If either party believes that the other party has defaulted under the terms of this Agreement, the non-defaulting party must send written notice detailing the nature of the default to the alleged defaulting party. The alleged defaulting party shall have a period of thirty (30) days after receipt of such notice to cure such alleged default to the reasonable satisfaction of the non-defaulting party. Upon the failure of the alleged defaulting party to cure the alleged default as set out above, the non-defaulting party will have the right to pursue all remedies available at law or equity as a result of such alleged default, including the right to terminate this Agreement upon five (5) days' additional written notice to the alleged defaulting party.

10. Independent Contractor. It is understood and agreed that the relationship of the parties shall be that of independent contractors. Nothing contained in this Agreement or inferable herefrom shall be deemed or construed to (i) make either party the agent, servant, or employee of the other party or (ii) create any partnership, joint venture, or other association between the parties.

11. Waiver of Performance. The failure of either party to insist, in any one or more instances, on the performance of any of the terms, covenants or conditions of this Agreement, or to exercise any of its rights under this Agreement, shall not be construed as a waiver or relinquishment by such party of such term, covenant, condition or right with respect to further performance.

12. Governing Law. This Agreement will be governed, construed and enforced in accordance with the laws of the State of Texas.

13. Attorneys' Fees. If either party places the enforcement of this Agreement, or any part hereof, or the exercise of any remedy herein provided, in the hands of an attorney who institutes an action or proceeding upon the same (either by direct action or counterclaim), the non-prevailing party shall pay to the prevailing party its reasonable attorneys' fees and costs of court. In addition to the foregoing award of attorneys' fees to the prevailing party, the prevailing party shall be entitled to its attorneys' fees incurred in any post-judgment proceeding or action to

collect or enforce the judgment. This provision is separate and several and shall survive the expiration or earlier termination of this Agreement or the merger of this Agreement into any judgment on such instrument.

14. Severability. If any provision of this Agreement is held to be illegal, invalid or unenforceable under present or future laws, the legality, validity and enforceability of the remaining provisions of this Agreement shall not be affected thereby, and this Agreement shall be liberally construed so as to carry out the intent of the parties to it.

15. Notices. Any notice, request or other communication required or permitted to be given under this Agreement shall be given in writing by delivering it against receipt for it, by depositing it with an overnight delivery service or by depositing it in a receptacle maintained by the United States Postal Service, postage prepaid, registered or certified mail, return receipt requested, addressed to the respective parties at the addresses shown herein (and if so given, shall be deemed given when mailed). Notice sent by any other manner shall be effective upon actual receipt by the party to be notified. Actual notice, however and from whomever given or received, shall always be effective when received. Either party's address for notice may be changed at any time and from time to time, but only after thirty (30) days' advance written notice to the other party and shall be the most recent address furnished in writing by one party to the other. The giving of notice by one party which is not expressly required by this Agreement will not obligate that party to give any future notice.

16. Parties in Interest. The terms of this Agreement shall be binding upon, and inure to the benefit of, the parties hereto and their permitted successors and assigns. Nothing in this Agreement, whether express or implied, shall be construed to give any person or entity (other than the parties hereto and their permitted successors and assigns) any legal or equitable right, remedy or claim under or in respect of any terms or provisions contained in this Agreement or any standing or authority to enforce the terms and provisions of this Agreement.

17. General. The masculine and neuter genders used in this Agreement each includes the masculine, feminine and neuter genders, and whenever the singular number is used, the same shall include the plural where appropriate, and vice versa. Wherever the term "including" or a similar term is used in this Agreement, it shall be read as if it were written "including by way of example only and without in any way limiting the generality of the clause or concept referred to." The headings used in this Agreement are included for reference only and shall not be considered in interpreting, applying or enforcing this Agreement. All exhibits described in this Agreement as being attached to it are hereby incorporated into it. The words "shall" and "will" as used in this Agreement have the same meaning. This Agreement shall not be modified or amended in any manner except by a writing signed by all the parties hereto. This Agreement represents the entire and integrated agreement between the parties with respect to the subject matter hereof. All prior negotiations, representations or agreements not expressly incorporated into this Agreement are hereby superseded and canceled. The parties acknowledge and represent that this Agreement has been jointly drafted by the parties, that no provision of this Agreement will be interpreted or construed against any party solely because that party or its legal counsel drafted such provision and that each of them has read, understood, and approved the language and terms set forth herein. This Agreement may be executed in multiple counterparts, each of which shall constitute but one agreement. All signatures need not be on the same counterpart.

EXECUTED as of the date first set out above.

**HARRIS COUNTY IMPROVEMENT
DISTRICT NO. 9**

By: _____
Name: _____
Title: _____

SCENIC HOUSTON

By: _____
Name: _____
Title: _____

EXHIBIT A

DESIGN DEVELOPMENT DRAWINGS

1. [LIST DRAWINGS]

EXHIBIT B

PROJECT MANAGEMENT AND REPORTING

1. Design Phase. During the design phase of the Enhanced Project, the District shall coordinate with Scenic Houston and with the Architect to obtain final drawings and specifications (including mock-ups and color samples) acceptable to Scenic Houston, and the District's responsibilities will include, without limitation, the following:

(a) Reviewing, commenting on and coordinating changes in preliminary design and working drawings, specifications and site plans that are requested by Scenic Houston;

(b) Providing a design issues tracking system upon which the most recent status of all design issues will be updated and transmitted to Scenic Houston;

(c) Obtaining cost estimates from contractors and preparing revisions to the budget for the construction phase in light of the development of the design;

(d) Advising Scenic Houston with respect to preferred construction methods and the constructability of the Enhanced Project pursuant to the then-current drawings and specifications;

(e) Preparing the Schedule for Completion of the Enhanced Project acceptable to Scenic Houston;

(f) Reviewing and analyzing the scope of work and all drawings and specifications and making continuing recommendations regarding value engineering and the feasibility of completing the Enhanced Project in accordance with the drawings and specifications and within the parameters of the Schedule and the Budget;

(g) Coordinating the finalization and approval of final drawings and specifications;

(h) Identifying and recommending proposed contractors for the Enhanced Project, coordinating the process for the selection of the contractors, analyzing proposals from such proposed contractors and reviewing for acceptability the bids received from contractors;

(i) Preparing and/or reviewing and evaluating agreements with contractors, and negotiating such agreements (it being understood that all such agreements shall be subject to Scenic Houston's prior approval); and

(j) Organizing, scheduling and managing all meetings relating to the design phase of the Enhanced Project and consulting with and advising Scenic Houston and the Architect.

2. Construction Phase. Once construction of the Enhanced Project commences, the District will serve as a general project manager, and the District's responsibilities with respect to the Enhanced Project will include, without limitation, the following:

(a) Making regular visits to the job site as and when necessary to perform its obligations pursuant to, and in accordance with, the terms of this Exhibit to review the work and progress of construction with the contractors and with the Architect;

(b) Consulting with Scenic Houston regarding proposed changes and modifications to the Plans and Specifications and coordinating issuance of change orders if and when changes are approved in writing by Scenic Houston and the District, the appropriate contractors, and other necessary parties including, but not limited to, evaluating all proposed change orders with respect to the validity, necessity and cost thereof and any implications to the overall job progress, the overall costs under the Budget, identifying possible alternatives, and preparing and submitting to Scenic Houston a written report, together with recommendations regarding each proposed change order and any possible alternatives prior to commencement of any work contemplated by each change order;

(c) Responding promptly (in no more than forty-eight (48) hours) to any questions from Scenic Houston regarding the work or progress of construction, construction methods, scheduling, and the like;

(d) Requiring special inspection or testing, as appropriate, or reviewing recommendations by contractors or the Architect regarding special inspection or testing of work not in accordance with the Construction Contracts, whether or not such work is fabricated, installed or completed;

(e) Monitoring or causing the contractors to monitor the safety programs developed by the contractors and subcontractors as required by the Construction Contracts, including site security, and informing Scenic Houston of any non-compliance with such programs;

(f) Coordinating and supervising abatement of hazardous materials;

(g) Ensuring that any other construction work is coordinated with the on-site contractors for the Enhanced Project;

(h) Developing and maintaining a non-conformance report log, notifying the contractors and Scenic Houston of any such non-conformances, and monitoring and reporting corrective actions;

(i) Coordinating the turnover of portions of the Enhanced Project as and when the same are appropriately completed, including performing walk-throughs to identify punch list items;

(j) Consulting with the Architect, the contractors and other designated parties regarding the status of the work of each contractor or subcontractor and assisting in

assessing the state of Completion of the Enhanced Project or any part thereof, in order to monitor compliance with established construction schedules and contract documents;

(k) Coordinating efforts by all appropriate parties to complete the Enhanced Project substantially in accordance with the Plans and Specifications thereof, as the same may be amended from time to time with the approval of all necessary parties, such efforts to include, without limitation, assisting in the scheduling of inspections and the preparation of punchlists;

(l) Assisting the Architect to determine the dates of substantial completion and final completion (as such terms are defined in the Construction Contracts) and upon achieving substantial completion, monitoring contractor's obligation to achieve final completion under the construction contract;

(m) Coordinating efforts by all appropriate parties to complete the punchlist items identified by Architect and the District;

(n) Using commercially reasonable efforts to obtain, or causing the Architect or the contractors to obtain all appropriate and necessary governmental permissions to occupy the Enhanced Project;

(o) Procuring a certificate of completion from the Architect and the appropriate contractors and procurement of all other items described in the description of the term "Completion;" and

(p) Observing the initial start up, testing and commissioning by the contractors of utilities, operating systems and equipment.

3. All Phases. During all phases of the Enhanced Project, the District's responsibilities will include, without limitation, the following:

(a) Providing Scenic Houston with monthly progress reports (and at least twice monthly progress reports during construction) so as to keep Scenic Houston fully apprised of the progress of design, development, construction and Completion as provided in Section 10 of this Exhibit, and provide Scenic Houston with the Draw Requests and the Enhanced Project Control Reports as provided in Section 10 of this Exhibit;

(b) If in any month the District determines that the expected cost of design, development or construction in that month will be in excess of the amount set forth in the approved schedule of expenditures forming part of the Budget, the District shall give prompt, detailed, written notice to Scenic Houston of such excess costs to be incurred by Scenic Houston in that month and the reason why the expenditures are in excess of the estimated expenditures for that month;

(c) Notifying Scenic Houston of any actual or anticipated change in the Schedule of which the District becomes aware;

(d) Notifying Scenic Houston of any actual or anticipated increase in a Budget Category within the Budget of which the District becomes aware;

(e) Advising Scenic Houston with respect to all material dealings with all governmental authorities who have control over the design, development, construction or Completion of the Enhanced Project;

(f) Coordinating and managing the performance of the contractors and the Architect under their respective contracts;

(g) Using commercially reasonable efforts to resolve and settle any conflict among the contractors and the Architect and keeping Scenic Houston fully informed with respect to such conflicts and settlement discussions;

(h) Negotiating with all applicable utility companies, whether governmental or otherwise, for the installation of all applicable utility services to the Enhanced Project on a timely basis;

(i) Organizing and coordinating a schedule of monthly draw meetings to be attended by the District, Scenic Houston and Architect, which schedule shall set forth the dates on which the monthly draw meetings will be held for the ensuing three (3) months;

(j) Reviewing applications for payment submitted by Architect and the contractors and preparing documentation for all requests for payments from Scenic Houston, in form and content sufficient to permit Scenic Houston to determine the appropriateness of such payments;

(k) Coordinating the performance of any tests and inspections required by any governmental authority;

(l) Using commercially reasonable efforts to accomplish Completion of the Enhanced Project in accordance with the Schedule, within the Budget, and in accordance with the Plans and Specifications and applicable law;

(m) Sending to Scenic Houston the Monthly Draw Package and copies of all material notices received by the District from the Architect, the contractors and legal authorities;

(n) Advising Scenic Houston with respect to any master planning issues relating to the Enhanced Project;

(o) Obtaining, through contractors, all permits, licenses and approvals related to the development, construction and Completion of the Enhanced Project, and management of the progress of all contractors with the terms of such permits, licenses and approvals;

(p) Recording and reporting to Scenic Houston the progress of the construction of the Enhanced Project, which reports shall be made on a weekly basis and shall include

reports on the status of Completion of the Enhanced Project relative to the Schedule, the expenditures under the Budget, any changes in the Plans and Specifications that the District believes may be required, lists of change orders and any other matters affecting, or that the District believes may affect, in any material respect the timely Completion of the Enhanced Project in accordance with the Budget and the Plans and Specifications;

(q) Attending meetings with and assisting Scenic Houston in providing progress reports to Scenic Houston's Finance Committee or other stakeholders and assisting Scenic Houston with the communication of pertinent information pertaining to the Enhanced Project to interested parties and the general public;

(r) Preparing and maintaining complete and accurate files, books of account and other records of all development and construction costs and expenses of the Enhanced Project incurred by Scenic Houston in accordance with generally accepted accounting principles;

(s) Recommending and implementing strategies and schedules to realize cost and time efficiencies, including development and implementation of recovery plans to achieve Completion of the Enhanced Project by the Completion Date;

(t) Evaluating the contents of all claims, obtaining the factual information concerning any such claim, reviewing the time/cost impact of the alleged cause of such claim, and making recommendations with regard to such claim;

(u) Coordinating the submission of all insurance claims and processing all paperwork relating to such claims;

(v) Developing a confidential tracking system that will allocate the responsibility for changes and claims to the party responsible for the cause of the change or claim; and

(w) Performing generally such other acts and functions as may be required in accordance with this Exhibit for the full and complete supervision and coordination of the design, development, construction and Completion of the Enhanced Project and advising and consulting with Scenic Houston with respect thereto.

4. Completion of the Enhanced Project. The District hereby agrees to diligently use its commercially reasonable efforts and devote sufficient time and personnel to prosecute, in accordance with the terms of this Exhibit, the coordination and management of the design, development, construction and Completion of the Enhanced Project in compliance with the time parameters established therefor by Scenic Houston and the District as herein provided and in compliance with such contractual obligations of the District, and to use its commercially reasonable efforts to cause all construction required for Completion to be completed on or before the applicable Completion Date set forth in the Schedule, in accordance with the Budget and in compliance with applicable law and the Plans and Specifications.

5 Employees. The District shall have in its employ at all times a sufficient number of capable employees to enable the District to properly perform its duties and obligations under this

Exhibit including, without limitation, managing, arranging, supervising and coordinating activities necessary to achieve Completion of the Enhanced Project in accordance with the Schedule. The District shall be responsible out of the District's own funds for all costs and expenses related to the employment of such personnel. All persons employed by the District in the performance of its responsibilities hereunder shall be exclusively controlled by and shall be the employees of the District and not of Scenic Houston, and Scenic Houston shall have no liability, responsibility or authority with respect thereto. The identity of the project manager and other key personnel of the District involved in the design, development, construction and Completion of the Enhanced Project are listed on Schedule 1 attached hereto (collectively, "Key Persons"), and any replacements of such Key Persons shall be subject to the prior written approval of Scenic Houston, in Scenic Houston's sole and absolute discretion.

6. Information. The District shall keep Scenic Houston fully informed on a weekly basis of the progress of the development, design, construction and completion of any work to be accomplished in connection with the Enhanced Project, including, without limitation, (a) all meetings to be held with governmental officials, (b) all meetings of the project construction team, which shall include Scenic Houston and the contractors, architects and engineers engaged in connection therewith, and (c) any defaults, or potential defaults of any material nature under this Exhibit or any of the agreements entered into in connection with this Exhibit. All notices, progress reports, monthly and weekly reports (as provided in Section 10 of this Exhibit), documents and other such information required to be delivered by the District to Scenic Houston under this Agreement shall be delivered pursuant to Section 15 of the Agreement.

7. Implementation of Budget. The District shall use prudence and diligence and shall employ its commercially reasonable efforts to ensure that the actual costs incurred for each Budget Category as set forth in the Budget shall not exceed such category in the Budget. The District shall advise Scenic Houston promptly if it appears that the total costs in any Budget Category specified in the Budget will exceed the amount budgeted therefor. All expenses shall be charged to the proper Budget Category in the Budget, and, except as otherwise expressly provided herein, no expenses may be classified or reclassified for the purpose of avoiding an excess in the budgeted amount of a Budget Category without Scenic Houston's prior written approval. The District shall secure Scenic Houston's prior written approval before incurring or paying any cost which will result in aggregate expenditures under any one Budget Category in the Budget exceeding the amount budgeted therefore or which would result in the Budget being "out of balance," i.e., would result in the remaining costs, as reasonably anticipated by Scenic Houston, exceeding the remaining funds in the Budget. Nothing contained in this Section 7 shall act to amend or otherwise modify the Budget or the Schedule, unless Scenic Houston and the District shall agree otherwise in writing.

8. Revision of Budget. If the District at any time determines that the Budget for the Enhanced Project is not compatible with the then-prevailing status of the Enhanced Project and does not adequately provide for the Completion of the Enhanced Project, the District shall promptly prepare and submit to Scenic Houston an appropriate revision of the Budget. Any such revision shall require the prior written approval of Scenic Houston, and if Scenic Houston objects to any such revision, Scenic Houston shall notify the District in writing of its disapproval of the proposed revision and specify in such notice the items to which it objects. The failure of Scenic Houston to object to any such proposed revision shall not be deemed to be Scenic Houston's

consent to such revision. In the event of any such objection, the District and Scenic Houston shall consult and endeavor to reconcile their differences. No revision to the Budget shall change the Schedule or limit the liability of the District under this Agreement, unless Scenic Houston shall agree otherwise in writing.

9. Books of Account. The District shall maintain or cause to be maintained for a period of not less than three (3) years after the Completion of the Enhanced Project, proper and complete records and books of account which shall fully and accurately reflect the design, development, construction and Completion of the Enhanced Project. All entries to such books of account shall be supported by sufficient documentation to permit Scenic Houston and any of their auditors to ascertain that said entries are properly and accurately recorded. Such books of account shall be located at the District's principal office and shall be maintained in accordance with generally accepted accounting principles consistently applied. The District shall keep vouchers, statements, receipted bills and invoices and all other records covering all collections, if any, disbursements and other data prior to final completion of construction. Upon request by Scenic Houston at any time prior to the third (3rd) anniversary of the Completion of the Enhanced Project, the originals of all such accounts and records, including all correspondence, shall be delivered to Scenic Houston without charge therefor. Records and accounts shall be maintained on a basis sufficient to permit the preparation therefrom of financial statements in accordance with generally accepted accounting principles and shall be adequate to provide Scenic Houston and its representatives with all financial information as may reasonably be needed by Scenic Houston. The provisions of this Section 9 shall survive any termination of this Agreement.

10. Monthly Reports. Promptly following the end of each calendar month in which construction activities are ongoing, the District shall prepare both a "Draw Request" and a "Project Control Report" with respect to the Enhanced Project, and shall cause the same to be delivered to Scenic Houston no later than the tenth (10th) day of each month. The Draw Request and Project Control Report for the month shall include a project cost summary spreadsheet which shall be a static financial account of all costs incurred (hard and soft) as more particularly set forth on Schedule 2 (the "Monthly Draw Package") and any funding required from Scenic Houston. The Draw Request and Project Control Report shall also include an Enhanced Project to date lien waiver summary spreadsheet identifying all lien waivers received and accrued to date which shall equal the amount of hard costs paid through the previous Draw Request. The Project Control Report shall include an updated project schedule, the most current progress reports or other written reports received from the Architect, and a comparison of the amount of actual costs incurred as of the effective date of such report to the budgeted costs as of such date, shown on a line-item basis using the same categories or line items set forth in the applicable Budget. The Project Control Report shall include a daily project diary of all details of the work, equipment and labor on site. The Project Control Report shall also include information with respect to the status of contractor defaults, force majeure events or other such problems encountered previously, and shall otherwise be in a form and contain types of information reasonably satisfactory to Scenic Houston. Together with each Draw Request, the District shall submit (or cause the contractors to submit) to Scenic Houston AIA documents G702 Application for Payment (approved by the Architect) and G703 Continuation Sheet for each direct contract in place. All documents shall be type written and shall not have any handwritten changes to dollar values. Any handwritten changes of a non-dollar nature shall be initialed and dated by the person who made the change. Each such request shall be

certified by the District's project manager to the best of such person's knowledge after reasonably diligent inquiry.

11. Examination of Books and Records. Scenic Houston and Scenic Houston's agents and representatives, at Scenic Houston's expense, shall have the right at all reasonable times during normal business hours and upon at least twenty-four (24) hours advance notice, to audit, examine, and make copies of or extracts from the books of account and records maintained by the District with respect to the Enhanced Project. If Scenic Houston shall notify the District of either weaknesses in internal control or errors in record keeping, the District shall correct such weaknesses and errors as soon as possible after they are disclosed to the District. The District shall notify Scenic Houston in writing of the actions taken to correct such weaknesses and errors. If any such audit shall disclose any overpayment by Scenic Houston to the District, written notice of such overpayment shall be provided to the District and the amount of such overpayment shall be promptly reimbursed by the District to Scenic Houston together with interest at the rate of one percent (1%) per month from the date of payment by Scenic Houston until the date repaid by the District. The provisions of this Section 11 shall survive any termination of this Agreement.

12. Indemnity of Scenic Houston. To the extent permitted by applicable law, the District hereby agrees to indemnify, defend and hold harmless Scenic Houston and their respective officers, directors, parents, subsidiaries, trustees, investment advisors, agents and employees, from and against any and all claims, demands, losses, liabilities, actions, lawsuits and other proceedings, judgments and awards, and costs and expenses (including without limitation reasonable attorneys' fees and court costs incurred in connection with the enforcement of this indemnity or otherwise), suffered or incurred by Scenic Houston as a result of (i) any failure by the District to comply with its obligations under this Exhibit or (ii) fraud, negligence or willful misconduct of the District in connection with this Exhibit or the District's services or work hereunder or (iii) the District acting outside the scope of its duties or authority hereunder. The District shall have the right to defend, and shall defend, at its expense and by counsel of its own choosing (subject to Scenic Houston's approval of such counsel, not to be unreasonably withheld), against any claim or liability to which the indemnity agreement set forth in this Section 12 would apply. Any settlement of any such claim or liability by the District shall be subject to the reasonable approval of Scenic Houston. The right of Scenic Houston or any Persons to be defended hereunder to defend or settle any such claim shall be limited to those cases where the District has failed or refused to defend after written notice to the District or to where Scenic Houston or any Persons to be defended hereunder reasonably determine that a conflict of interest exists. The District or Scenic Houston, as applicable, shall regularly apprise the other of the status of all proceedings. The provisions of this Section 12 hereof shall survive the completion of the District's services hereunder or any termination of this Agreement.

13. Insurance Requirements. The District shall carry and maintain, or cause its consultants working on the Enhanced Project to carry and maintain, insurance with respect to the Enhanced Project in accordance with the provisions contained in Schedule 3 attached hereto and incorporated herein by this reference. A certificate of insurance in force, issued by the insurer as provided in Schedule 3 attached hereto, shall be delivered by the District, or its consultants, to Scenic Houston on or before the commencement of the District's, or its applicable consultant's, services hereunder, and with respect to renewal or replacement policies, not less than thirty (30) calendar days prior to the expiration of the policy being renewed or replaced.

14. Definitions. As used in this Exhibit B, the following terms shall have the following meanings:

“Architect” shall mean the architect engaged by the District in connection with the design and construction of the Enhanced Project. The current Architect is Clark Condon Associates.

“Architect’s Contract” shall mean the architect’s contract entered into by the District and Architect providing for the plans, drawings, specifications, contract administration and related matters appropriate for the construction of the improvements comprising the Enhanced Project.

“Budget” shall mean the budget(s), as amended from time to time with the parties’ prior written approval, of all expenses estimated and projected to be incurred with respect to the design, development and construction of the Enhanced Project.

“Budget Category” shall mean the categories of costs and/or expenses set forth in the Budget.

“Business Day” shall mean any day other than Saturday, Sunday or any other day on which banks or savings and loan associations in the metropolitan area where the Enhanced Project is located are permitted or required to be closed.

“Completion” shall mean the following shall have occurred with respect to the Project: (i) completion of the Plans and Specifications, (ii) all permits and approvals for the commencement of construction have been obtained, (iii) the construction and equipping of the Enhanced Project shall have been completed in accordance with the Plans and Specifications, including completion of landscaping and all punchlist items, as evidenced by a certificate to such effect from the Architect, (iv) the District shall have received final lien waivers from all contractors, vendors and suppliers furnishing labor, supplies or materials to the Project together with a final lien waiver summary spreadsheet, (v) the District shall have received a statement from the engineer for the Project performing construction materials and testing indicating all work (soil, concrete, steel inspections, welding, asphalt, etc.) was performed according to the Plans and Specifications, (vi) all required utilities are available, (vii) all permits have been issued, (viii) a certificate of occupancy has been issued by the appropriate governmental authority, (ix) the District shall have received delivery of reproducible mylar “as-built” drawings upon which are shown all changes in the location of concealed utilities, mechanical or electrical system and components, shop drawings, changes in specifications, (x) the District shall have received delivery of an assignment and/or transfer of all guarantees and warranties from contractors, vendors, suppliers and manufacturers and (xi) the District shall have received delivery of all manuals relating to the maintenance and/or operation of any equipment or machinery included in the Enhanced Project.

“Completion Date” shall mean the date on which Completion of the Enhanced Project is to be achieved pursuant to the Schedule.

“Construction Contracts” shall mean the construction contracts entered into by the District providing for the development and construction of the Enhanced Project.

“Construction Costs” shall mean all costs incurred by the District for construction services in connection with the construction of the Enhanced Project pursuant to the Construction Contracts.

“Draw Request” shall have the meaning set forth in Section 10 of this Exhibit.

“Key Persons” shall have the meaning set forth in Section 5 of this Exhibit.

“Monthly Draw Package” shall have the meaning set forth in Section 10 of this Exhibit.

“Person” shall mean an individual, partnership, corporation, limited liability company, trust, real estate investment trust, unincorporated association, joint stock company or other entity or association.

“Plans and Specifications” shall mean the Construction Drawings approved by each of the District and Scenic Houston pursuant to the terms of this Agreement.

“Project Control Report” shall have the meaning set forth in Section 10 of this Exhibit.

“Schedule” shall mean, with respect to the Enhanced Project, the timetable projected with respect to the planning, design, construction and Completion of the Enhanced Project which has been approved by Scenic Houston and the District from time to time.

“Scope Changes” shall mean, with respect to the Enhanced Project, material changes in the scope of the work to be performed pursuant to the Construction Contracts and reflected in change orders or construction change directives.

SCHEDULE 1

KEY PERSONNEL

1. David Hawes, District Representative
2. Tony Allender, Project Manager
3. Jerry Lowry, Project Support
4. Eoles Whitaker, Project Support
5. Alice Lee, Project Support

SCHEDULE 2

MONTHLY DRAW PACKAGE

1. Contractor's monthly application for payment prepared on AIA Documents G702 and G703 or similar format.
2. Approved Budget and construction draw allocation to Budget Categories.
3. Allowable Budget reallocations with explanations.
4. Invoice register listing current draw invoice backup of requested amounts. Invoices should be grouped by Budget line item or cost code with copies of contractor, subcontractor and consultant pay applications and vendor and material invoices to substantiate amounts requested on the current month's draw. Invoices should tie to schedule of values.
 - a. Invoicing and/or other approved documentation to support requests for "General Conditions" for the current month.
 - b. Backup invoicing for amounts requested over and above the contractor's request.
 - c. Unconditional lien releases for the full amount of the prior month's payments for all contractors and subcontractors.
 - d. Conditional lien releases for the full amount of the current month's payments for contractors and subcontractors.
5. If a computerized cost tracking system is used, a monthly Job Cost History Report sorted by cost code or vendor to match current draw amount.
6. Monthly Development Status Report
7. Change Order Summary

SCHEDULE 3

INSURANCE REQUIREMENTS

A. Insurance Requirements.

- i) Workers compensation insurance at no less than statutory requirements, and Employer's liability insurance with a limit of not less than \$1 Million per occurrence, each coverage and policy limit. Such insurance shall contain a waiver of subrogation in favor of Scenic Houston.
- ii) Commercial general liability insurance coverage on an occurrence basis with limits of not less than \$2 Million each occurrence and a general aggregate limit of not less than \$2 Million. Such insurance shall include products and completed operations which coverage shall be maintained for a period of not less than two (2) years following completion of the Enhanced Project.

B. Approval of Insurance Companies and Policy Requirements.

- i) All insurance required to be carried hereunder shall be written with companies licensed or authorized to do business in the state in which the property is located and having a Best's Rating in the most current issue of Insurance Reports, of A VIII or better or as otherwise approved by Scenic Houston.
- ii) As between Scenic Houston and the District, the liability insurance policies of the District and its consultants shall be primary and non-contributory to any insurance maintained by Scenic Houston in the case of the District's or its consultant's acts beyond the scope of its authority in this Agreement, the District's or its consultant's breach of this Agreement or the District's or its consultant's willful misconduct or negligence.
- iii) All insurance policies shall provide that Scenic Houston be given not less than 30 days' advance written notice of any proposed cancellation or material change. All liability policies (except employers liability and professional liability) shall name Scenic Houston as an additional insured. Such liability policies also shall contain endorsements which contain cross-liability, waiver of subrogation and such other provisions as Scenic Houston may reasonably require.

Broadway Landscape Enhancement Project - Quantity Adjustments

5/6/2016

ITEM	QTY	UNIT	ITEM	UNIT COSTS	EXT
Base Bid Qty. Changes					
3.	1	LS	Payment & Performance Bond	\$ -8,900.00	\$ -8,900.00
5.	-5,588	LF	SWPPP - Filter Fabric Fence In Place & Maintained	\$ 1.55	\$ -8,661.40
11.	-268	EA	Tree Planting In Place and Maintained	\$ 115.00	\$ -30,820.00
13.	-42	EA	Tree Removal	\$ 400.00	\$ 16,800.00
16.	1	LS	Electrical Conduit, Boxes and Wiring	\$ -11,000.00	\$ -11,000.00
19.	-86	EA	Street Light Foundation Including Anchor Bolts	\$ 1,600.00	\$ -137,600.00
20.	-537	SF	4" Dia. PVC SCH.80 Pipe with Boring	\$ 39.00	\$ -20,943.00
21.	-401	SF	6" Dia. PVC SCH.80 Pipe with Boring	\$ 50.00	\$ -20,050.00
22.	-9	EA	1" Dia. Water Taps and Copper Service Line with New Meter Box, Short Side	\$ 2,900.00	\$ -26,100.00
24.	-4	EA	1" Dia. Water Taps and Copper Service Line with New Meter Box, Extra Long Side	\$ 4,400.00	\$ -17,600.00
34.	-8	EA	Natchez Crepe Myrtle - 65 gal.	\$ 355.00	\$ -2,840.00
35.	142	EA	Clara Indian Hawthorne - 5 gal.	\$ 26.00	\$ 3,692.00
37.	-42	EA	Lily of the Nile - 3 gal.	\$ 17.00	\$ -714.00
38.	-6,190	EA	Bicolor Iris - 3 gal.	\$ 20.00	\$ -123,800.00
39.	-1,344	EA	Gulf Muhly - 3 gal.	\$ 25.00	\$ -33,600.00
40.	-262	EA	Maiden Grass - 3 gal.	\$ 25.50	\$ -6,681.00
41.	-10,997	EA	'Bigblue' Liriope - 1 gal.	\$ 9.90	\$ -108,870.30
43.	-9,802	EA	Monkey Grass - 4" Pot	\$ 2.05	\$ -20,094.10
44.	-27,545	EA	Asian Jasmine - 4" Pot	\$ 6.40	\$ -176,288.00
45.	-931	EA	Seasonal Color - 4" Pot	\$ 3.05	\$ -2,839.55
47.	1	LS	Irrigation Systems Complete & Operational	\$ -345,000.00	\$ -345,000.00
48.	1	LS	One-Year Landscape Maintenance - 90 day Landscape Maintenance	\$ -165,000.00	\$ 165,000.00
49.	1	LS	Hand Watering for 151 Live Oaks in Setback Through Maintenance Period	\$ 39,500.00	\$ 39,500.00
				TOTAL	\$ -1,241,009.35
Alternate 1 Qty Changes					
3.	1	LS	Deduct Boring & Sleeving (Associated with Landscape Light Fixtures)	\$ 3,500.00	\$ 3,500.00
				TOTAL	\$ 3,500.00
				TOTAL CHANGE ORDER 01	\$ -1,237,509.35

The Consultant Team for the Livable Centers study is proposing to conduct community engagement workshops on Wednesday, May 25; Tuesday, June 28; and Wednesday, August 31. On each day they are proposing to conduct a series of stakeholder meetings followed by a larger community forum.

The DoubleTree Hotel offers all of the facilities needed for the meetings at a prominent location in the Hobby Area. Each meeting will include coffee, but no refreshments. Cost for use of the facility will be as follows:

Community Meeting 1, Wednesday, May 25, 2016:

1. Moody 2: \$893.40
To be used from 8am to 4pm and will include an Advisory Committee meeting as well as meetings with four focus groups.
2. Moody 1: \$1,203.76
To be used from 6pm to 8pm for a large-scale public workshop

Community Meeting 2, Tuesday, June 28, 2016:

1. Moody 2: \$893.40
To be used from 8am to 4pm and will include an Advisory Committee meeting as well as meetings with four focus groups.
2. Moody 1: \$1,203.76
To be used from 6pm to 8pm for a large-scale public workshop

Community Meeting 3, Wednesday, August 31, 2016:

1. Moody 2: \$952.83
To be used from 8am to 4pm and will include an Advisory Committee meeting as well as meetings with four focus groups.
2. Moody 1: \$1,388.65
To be used from 6pm to 8pm for a large-scale public workshop

Total Cost of Meetings: \$6,535.80

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Date
4/17/2016

To
HobbyFest Committee

HNTB

From
LeAnne Napolillo, P.E.

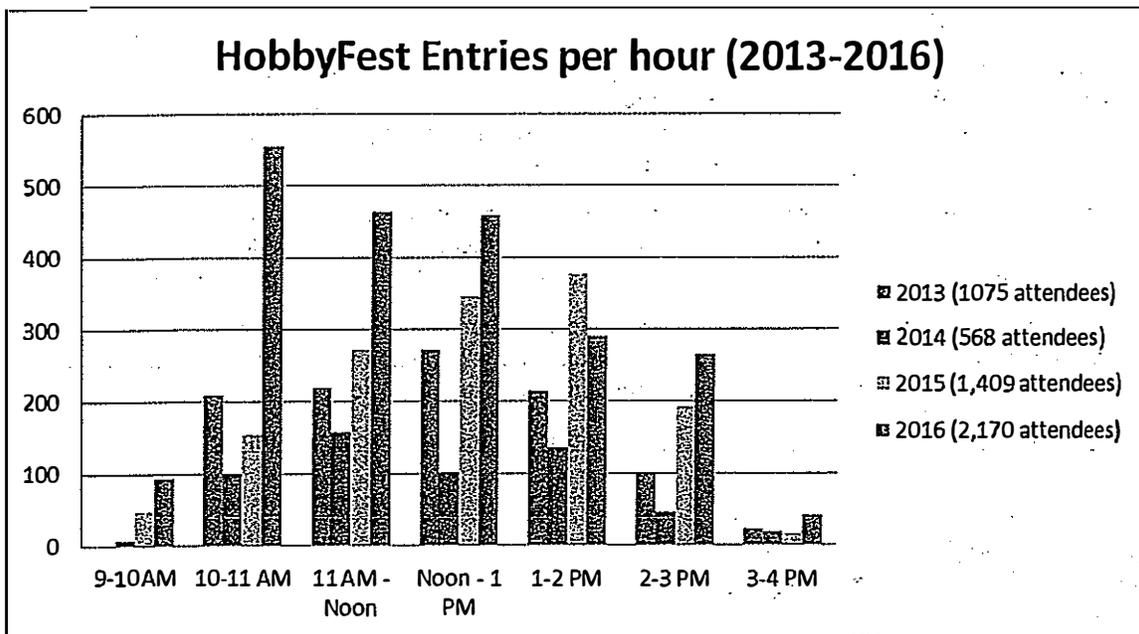
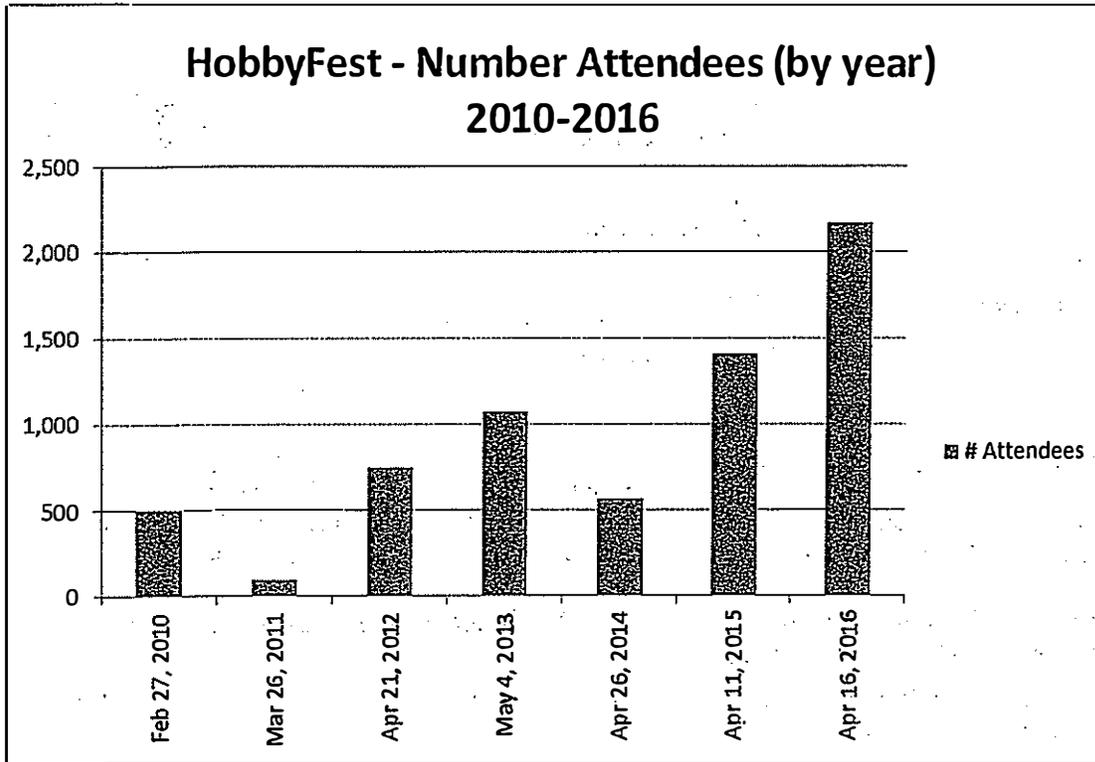
**PROJECT
CORRESPONDENCE**

Subject
PRELIMINARY HobbyFest 2016 –
Financial Summary

Hobby Fest 2016 was held on April 16, 2016. Weather was forecast early in the week to be severe thunderstorms; by Saturday, the forecast had changed to cloudy with a slight chance of rain. The day was overcast, with temperatures in the 70's. Rain was very minimal (there was only a couple scattered showers early in the day, only lasted a few minutes). Details regarding the event as follows:

- Twenty (20) teams participated in the BBQ Cook-Off. BBQ entrance fees were collected by others; BBQ income not reflected in this report.
- Fourteen (14) checks were written to BBQ winners, for a total of \$4,500.00. (Five \$200 checks; five \$300 checks; four \$500 checks).
- Raffle proceeds = \$1,976.00. Raffle tickets for prizes valued at less than \$100 were sold for \$1 each (or six tickets for \$5); raffle tickets for prizes valued at greater than \$100 were sold for \$3 each (or ten tickets for \$20).
- Counted attendance for the day was 2,170 people (not including volunteers, exhibitors, etc). Since the ramp was used for parking, there were people that bypassed the front entrance gate, so actual attendance count was higher. See attached attendance report for comparison of attendance numbers 2010-2016 and summary of entries per hour (2013-2016).
- Five \$2,500 scholarships were given out to Texas Southern University and University of Houston students, for the Allen T. Johnson Memorial Scholarship Fund. Total of \$12,500.00 in scholarships awarded this year. See attached Scholarship Summary for list of scholarship recipients to date.
- Donations of non-perishable food items were collected from attendees. Most attendees brought food donations – estimating one item per person, approximately 2,000 non-perishable food items were collected. See below photo of luggage cart containing donated food items.
- 2016 Sponsorships were collected by others; sponsor income not reflected in this report.





Scholarships Awarded to Date			
Name	Amount	School	Date Awarded
1 | Rusheal Dominique Porter	\$ 1,000.00	Texas Southern University	11/2/2011
2 | Lee Darnell Reeves, Jr	\$ 1,000.00	Texas Southern University	12/7/2011
1 | Micah Harper	\$ 1,000.00	Texas Southern University	4/16/2012
2 | Jonathan Barrientos	\$ 1,000.00	Lone Star College	4/16/2012
3 | Edgar Moreno-Rodriguez	\$ 1,000.00	Texas Southern University	4/16/2012
4 | Reginald Richardson	\$ 1,000.00	Texas Southern University	4/16/2012
5 | Alejandro Muller-Karger	\$ 1,000.00	San Jacinto College	4/16/2012
1 | Micah Harper	\$ 1,000.00	Texas Southern University	5/4/2013
2 | Nkululeko Niko OjiAjamu	\$ 1,000.00	Texas Southern University	5/4/2013
3 | Nhakta Jitendra	\$ 1,000.00	Texas Southern University	5/4/2013
4 | Jarrell Cato |	\$ 1,000.00	Texas Southern University	5/4/2013
5 | Abril Delacruz	\$ 1,000.00	Texas Southern University	5/4/2013
1 | Jarrell Cato |	\$ 1,000.00	Texas Southern University	4/26/2014
2 | Ancy Thomas	\$ 1,000.00	Texas Southern University	4/26/2014
3 | Kachi Onyekachi	\$ 1,000.00	Texas Southern University	4/26/2014
4 | Micah Harper	\$ 1,000.00	Texas Southern University	4/26/2014
1 | Delecia Holmes	\$ 1,000.00	Texas Southern University	4/11/2015
2 | Lydia Ndagire	\$ 1,000.00	Texas Southern University	4/11/2015
3 | Jesse Soto |	\$ 1,000.00	Texas Southern University	4/11/2015
4 | Onyekachi Nunaokolo	\$ 1,000.00	Texas Southern University	4/11/2015
5 | Micah Harper	\$ 1,000.00	Texas Southern University	4/11/2015
1 | Anson Gill |	\$ 2,500.00	Texas Southern University	4/16/2016
2 | Onyekachi Nunaokolo	\$ 2,500.00	Texas Southern University	4/16/2016
3 | Gabriel Gater	\$ 2,500.00	University of Houston	4/16/2016
4 | Jessie Soto|	\$ 2,500.00	Texas Southern University	4/16/2016
5 | Lydia K. Ndagire	\$ 2,500.00	Texas Southern University	4/16/2016
	\$ 33,500.00	Total Scholarships Awarded to Date	