

AGENDA

HOUSTON FIRST CORPORATION

OPERATIONS COMMITTEE MEETING
December 10, 2020 –2:00 P.M.
Live Video and Audio Conference Meeting
Join the Meeting [Here](#)
Meeting Room Password: 708178

COMMITTEE MEMBERS:

Desrye Morgan (Chair), Reginald Martin (Co-Chair), Alex Brennan-Martin, Elizabeth Brock, Dean Gladden, Kathryn McNeil, Council Member David Robinson, Tom Segesta, Bobby Singh

In accordance with the modified Texas Open Meetings Act provisions announced by Texas Governor Greg Abbott on March 16, 2020, this Agenda is posted for public information, at all times, for at least 72 hours preceding the scheduled time of the meeting online at <https://www.houstonfirst.com>.

Any questions regarding the Agenda, should be directed to Lisa K. Hargrove, General Counsel at either 713-853-8965 or Lisa.Hargrove@houstonfirst.com

- I. Call to Order**
- II. Public Comments**
- III. Minutes – November 12, 2020**
- IV. Presentations, Reports, and Updates**
 - A. Programming Update
- V. Committee Business**
 - A. Consideration and possible recommendation of a Landscaping Services Agreement with Western Horticultural Services, LP.
- VI. Adjournment**

III. Minutes – November 12, 2020

MINUTES

HOUSTON FIRST CORPORATION

**Operations Committee Meeting
November 12, 2020 – 2:00 P.M.
Live Video and Audio Conference Meeting**

The Operations Committee (“Committee”) of Houston First Corporation (the “Corporation” or “HFC”), a Texas local corporation created and organized by the City of Houston as a local government corporation pursuant to TEX. TRANSP. CODE ANN. §431.101 et seq. and TEX LOC. GOV’T. CODE ANN. §394.001 et seq., posted a meeting via live video and audio conference on Thursday, November 12, 2020, commencing at 2:00 p.m.

In accordance with the modified Texas Open Meetings Act provisions announced by Texas Governor Greg Abbott on March 16, 2020, this Agenda is posted for public information, at all times, for at least 72 hours preceding the scheduled time of the meeting online at <https://www.houstonfirst.com>.

The following Committee members were present for the meeting: Desrye Morgan (Chair), Reginald Martin (Co-Chair), Alex Brennan-Martin, Elizabeth Brock, Dean Gladden, Bobby Singh, Tom Segesta, and Council Member David Robinson.

The Chairman called the meeting to order at 2:04 p.m. and a quorum of Committee Members was present virtually.

1. **Public Comments.** None.
2. **Review and approval of minutes from prior meeting.** Following a motion duly seconded, the minutes of October 20, 2020 were approved as presented. Elizabeth Brock and Tom Segesta were not present for the vote.
3. **Committee Business.**
 - A. *Consideration and possible recommendation of the 2021 Convention and Cultural Facilities and Services Budget.*

Michael Heckman, Acting President & CEO, began the presentation with an overview of the corporate strategy for 2021 and explained that it was designed to allow for flexibility in light of the uncertainty going into next year. As an overview, Mr. Heckman discussed the severe impact of COVID-19 on Houston First Corporation (“HFC”) operations and the overall hotel and hospitality industry. He stated that HFC has adopted a three-phase approach to address the pandemic that includes reaction, recovery, and resilience. Mr. Heckman explained HFC is

now in the recovery phase, which includes areas such as fiscal management, re-booking business, and the modification of HFC facilities to ensure the health and safety of visitors, and that HFC will then move into the third phase, resilience. This phase, he said, will include long-term strategic planning, replenishing cash reserves, and creating public-private partnerships.

Mr. Heckman stated that the strategic theme for 2021 is Value Creation, with a focus on five value drivers: Organizational Innovation, Brand/Image Enhancement, Operational Efficiency, Revenue Generation, and Exceptional Visitor/Customer Experience. Mr. Heckman explained that the 2021 budget forecast will be completed on a rolling basis due to the uncertainty of business next year. He stated that business will be soft in the first two quarters of 2021, but staff anticipate an increase in business during the latter half of the year. He said other priorities for the organization in 2021 include HFC's effort create a unified brand for Houston, at the request of Mayor Turner, and that HFC will also continue to promote the Houston Clean initiative in order to build consumer confidence. Mr. Heckman said there will be a heavy focus on digital marketing in order to maximize output, and HFC will also focus on international efforts in Mexico. Mr. Heckman then asked Frank Wilson, Chief Financial Officer, to provide an overview of the corporate budget. Due to technical issues, Luther Villagomez, Chief Operating Officer, was asked to discuss the key priorities for his department in 2021.

The Committee Chair asked what operational efficiencies Mr. Heckman and his team discovered as a result of the challenges faced in 2020, and which changes HFC will continue to adopt. Mr. Heckman responded and explained one such example is finding a way to do business with less personnel. He also discussed HFC's spend on areas such as travel and marketing.

Luther Villagomez informed the Committee that in-house service contractors have been operating with reduced staff since spring, and personnel have been deployed in a way that will allow them to work at various facilities. He added that staff have been busy with hurricane preparations and overseeing the maintenance of the facility and its systems. Virtual facilities, according to Mr. Villagomez, will remain an amenity for clients in 2021 and beyond at the George R. Brown Convention Center ("GRB") and the Cullen Theater. Mr. Villagomez stated that staff will continue to embrace technology and interdepartmental cross-training.

Reginald Martin asked if there were any opportunities to further monetize Avenida Houston during the holiday season. Mr. Villagomez explained that the Director of Live Events & Experiences, Todd Holloman, will provide more information and discuss an upcoming event on November 20, 2020.

John Gonzalez, Senior VP and General Manager of Convention & Cultural Services, discussed interdepartmental cross-training. Mr. Gonzalez stated that staff began the process of cross-training when the departments first merged a few years ago and, especially over the last eight months, have become a much nimbler team. Contractor services on the operations and maintenance side, he said, can now serve all HFC facilities. He then returned control to Mr. Villagomez.

Mr. Villagomez explained that the representatives over parking, Christophe Malsang and Reginald Randolph, have been working with Winpark to increase the number of daily parkers. Due to COVID-19 and employees working remotely, Mr. Villagomez explained, HFC has lost contract parkers and is working aggressively to restore parking operations with a new marketing campaign. He then asked Todd Holloman to discuss programming on Avenida Houston.

Mr. Holloman stated that public programming and live events are at the core of the 2021 strategic theme and value drivers discussed by Mr. Heckman. He noted that there has been a lot of discussion about different ideas for the holiday season, including a drive-thru immersive experience. With such an aggressive timeline, he said, staff felt it would be best to delay any large-scale event until next year. Mr. Holloman went on to say that, on November 20, 2020, HFC will host the “Deck the Trees” event with the Alley Theater and create a magnificent window display at GRB. This event, he noted, will coincide with the City Lights at Avenida Houston and the ice-skating rink at Discovery Green.

Mr. Martin asked what are the commercialization opportunities for the upcoming event with restaurateurs. Mr. Villagomez stated that the Grotto, Saltgrass, and the Rustic have continued to operate, and he believes that Pappadeaux’s and Pappasito’s will re-open in December.

Council Member Robinson stated that he and Mr. Villagomez have previously discussed a number of events and art installations to activate Avenida Houston. He also asked if Roksan Okan-Vick, Urban Development Officer, had an update on an item previously discussed. He referenced the art exhibit located in Partnership Tower as an example of artwork, rather than the performing arts, as a means of attracting visitors to Avenida Houston. Mr. Villagomez stated that Christine West, Cultural Programs Manager, will continue to cultivate art installations and he would be happy to discuss the details at a later time.

Frank Wilson informed the Committee that HFC has allocated \$700,000 for programming in the 2021 budget.

The Committee Chair asked if staff could provide specific examples of the programming HFC has planned next year. Mr. Holloman stated initially there will be smaller curated events, such as immersive art installations and live music events. He added that there is potential for a culinary event, and HFC will continue to host heritage month celebrations. Mr. Holloman stated that he is also looking into hosting traveling exhibits that utilize technology and require less touch features; however, by the end of the year, HFC may revisit the idea of hosting an immersive experience such as a drive-thru event or pedestrian friendly event depending on the health crisis. The Committee Chair suggested that Mr. Holloman contact the Smithsonian. She also asked if staff has engaged the restaurant tenants on Avenida Houston to provide curbside pick-up options or other creative ways to create an outdoor experience during the holiday season.

Reginald Martin stated he would like to meet with Mr. Villagomez to discuss ways to further engage restaurateurs so that HFC does not miss out on next year. He suggested a dine and stay option at the Hilton Americas-Houston Hotel or Marriot Marquis that would allow guests to dine al fresco on Avenida Houston and enjoy live music. He discussed the success of Zoo Lights at the Houston Zoo as an example of a very successful outdoor experience. Mr. Villagomez stated he will circle back with his team to see what can be done.

The Committee Chair added that people are looking for things to celebrate such as anniversaries. She also mentioned the new promotion at AMC Theaters that will allow you to rent out the movie theater for \$99. Mr. Villagomez stated he will follow up with the Committee. He then asked John Gonzalez to discuss the final department priorities for 2021.

Mr. Gonzalez stated that the in-house foodservice contractor has undergone rigorous training in light of new safety protocols and is creating catering menus to make meals less labor intensive and cut down on expenses. He noted that they have eliminated the buffet-style food options and will offer staggered meal times and break times. Mr. Gonzalez informed the Committee that GRB hosted an in-person event with 2,500 people with many of the new safety measures discussed in place and the event went very well. He then asked the Director of Information Technology (IT), Tim Smith, to discuss some of the new IT developments in the Theater District.

Mr. Smith stated that the IT Department is now expanding its offerings for telephone, internet, and data networking services for smaller shows in the Theater District that are unable to provide their own services. He also said that the IT Department has created an on-line ordering site through the program Ungerboeck.

Mr. Villagomez concluded his report by informing the Committee that Paul Casso, Vice President of Event Services, will continue to support the Marketing team in the Houston Clean initiative by engaging additional stakeholders. He then introduced Frank Wilson to discuss the 2021 budget.

Mr. Wilson provided a quick overview of the 2020 end of year projection followed by the 2021 budget. At this time, according to Mr. Wilson, HFC is projecting \$135 million in revenues, including \$40 million in insurance proceeds and FEMA reimbursements. However, Mr. Wilson stated it is unlikely HFC will receive the same amount of reimbursements in 2021. He further noted that total expenses were approximately \$140 million, which will allow HFC to finish the year at a \$5 million deficit compared to the \$25 million deficit originally forecast.

The Committee Chair stated that the decrease in the budget deficit was good news and asked for further clarification.

Mr. Wilson stated that the proposed 2021 budget forecast is \$97.4 million in revenues and \$152.9 million in expenses. Mr. Wilson informed the Committee that

the budget will include a deficit of \$55.5 million, which is largely driven by HFC's non-operating expenses and debt service payments.

The Committee Chair asked if HFC is considering restructuring its debt in light of the budget deficit. Mr. Wilson stated he has already spoken with HFC's financial advisors and is open to discussions with the Mayor's Office. The Committee Chair stated that if the Mayor was aware of the amount of debt service and potential savings to HFC, the offer may be more attractive. She also mentioned the successful restructure of the Houston Sports Authority.

Alex Brennan-Martin thanked the Committee Chair for her remarks and invited her to participate in the next Benefits, Compensation, and Finance Committee meeting.

Mr. Wilson informed the Committee that there is an additional challenge in restructuring HFC's debt because it is required to undergo a bonds test and look-back of HFC's pledged revenues for 12 of the last 18 months that include difficult second and third quarters in 2020. The Committee Chair added that the market is adjusting for those changes because they understand that convention center facilities have look-backs and institutions are now focusing on projections going forward.

Mr. Wilson stated there has been a lot of work on the personnel side and the amount budgeted for will likely be even smaller in the near future. He also discussed in further detail the breakdown of non-operating expenses. In order to address the budget deficit, he added, HFC will utilize FEMA reimbursements from the City, a loan from the City, cash reserves, and access the subordinate note program. In conclusion, Mr. Wilson discussed the 2021 Convention and Cultural Facilities budget.

Following a motion duly seconded, a recommendation of the 2021 Convention and Cultural Facilities and Services Budget was approved unanimously.

A. *Consideration and possible recommendation of the 2021 Urban Development Budget.*

Roksan Okan-Vick stated that the mission of HFC is to enhance the quality of life, advance economic prosperity, and promote the Houston region, and that the Urban Development Department continues to focus on this mission while enhancing the image of Houston. Ms. Okan-Vick shared the key strategies for the Urban Development Department in 2021. She said the team will oversee all capital projects, including the completion of the Hurricane Harvey Recovery Project and construction of Lynn Wyatt Square for the Performing Arts. She noted that the groundbreaking will take place in March of 2021, with a grand opening by the summer of 2022. She also explained that she and her team will build on HFC's existing sustainability efforts at the GRB and the Hilton Americas-Houston Hotel. She noted that the Mayor announced his climate action plan in 2020 and has pledged that Houston will be a carbon neutral city by the year 2050, so it is

important that HFC do its part. She is currently working with Rice University to determine GRB's carbon foot-print and expects to present the findings to the HFC Board.

Ms. Okan-Vick explained that the Urban Development Department will continue its efforts in the preservation and awareness of Freedman's Town and the 51-mile historic emancipation trail. Ms. Okan-Vick said she has served on the Mayor's Freedman's Town Preservation Committee for the last three years and is keenly aware of the importance of this Houston asset. She will also continue to assist with the creation of a Lone Star Coastal Recreation area that is in the process of acquiring a national park designation. Additionally, she will promote the creation of a Hispanic Heritage Center.

Ms. Okan-Vick also discussed the need to create a consolidated capital projects team at HFC to enable significant savings and maintain institutional memory of projects with in-house talent. Lastly, Ms. Okan-Vick and her team will create a philanthropic fundraising team to continue to raise funds for Lynn Wyatt Square and other future projects.

Frank Wilson briefly discussed the Urban Development Budget for 2021.

Dean Gladden stated that Ms. Okan-Vick and her team have a good plan and he is glad that they have decided to include philanthropic endeavors. The Committee Chair echoed the sentiments of Mr. Gladden.

Following a motion duly seconded, the recommendation of the 2021 Urban Development Budget was approved unanimously.

Council Member Robinson stated that he is grateful for all of the work being done. He also emphasized that HFC's budgets are very important to the City and HFC in supporting visible efforts that will contribute to regenerating activity.

4. **Adjournment**. The meeting was adjourned at 3:20 p.m.

V. (A) Consideration and possible recommendation of a Landscaping Services Agreement with Western Horticultural Services, LP.

Consideration and possible recommendation of a Landscaping Services Agreement with Western Horticultural Services LP.

DESCRIPTION: On September 15, 2020, Houston First Corporation (the “Corporation”) issued a Landscaping Services Best Value Invitation to Bid (“ITB”) from experienced contractors to provide landscape and maintenance services to all landscaped areas at its facilities.

The Corporation received a total of eight bids and all bidders were invited to participate in interviews with the selection committee. The selection committee reviewed and scored all bids received, and the contractor that received the highest score was Western Horticultural Services LP.

The Corporation will enter into a Landscaping Services Agreement (“Agreement”) with Western Horticultural Services LP for a term of five years; per-task fees for services, based on projected frequencies prepared by the Corporation, are estimated to total approximately \$210,938.00 per year. Western Horticultural Services LP has also agreed to meet a 20% diversity goal under the Agreement.

RESOLVED, that the Board of Directors of Houston First Corporation approves the following resolutions with respect to Landscaping Services Agreement:

RESOLVED, that the Board of Directors of Houston First Corporation hereby approves the negotiation and finalization of a Landscaping Services Agreement (the “Agreement”) between Houston First Corporation and Western Horticultural Services LP based upon the above parameters together with such conditions or modifications that are approved by the Chairperson or Acting President, as they may determine to be in the best interest of the Corporation and to execute such Agreement; each acting alone hereby is, severally and without the necessity for joinder of any other person, authorized, empowered and directed for and on behalf of the Corporation to execute and deliver the Agreement in a form as approved by either the Chairperson or the Acting President, or any Authorized Person (defined below), such approval to be conclusively established by the execution and delivery of the Agreement by any Authorized Person; and

FURTHER RESOLVED, that each of the Chairperson, Acting President and Chief Executive Officer, Chief Operating Officer, General Counsel, and Chief Financial Officer of this Corporation are each hereby designated by this Corporation as an “Authorized Person” for purposes of this resolution and with respect to the Agreement to be executed hereunder; and

FURTHER RESOLVED, that the Agreement executed by any Authorized Person, for and on behalf of and in the name of this Corporation before or following the adoption of the foregoing resolution, in connection with the described transaction, be and is hereby ratified, confirmed and approved in all respects for all purposes.

HOUSTON FIRST CORPORATION
**OPERATIONS COMMITTEE
MEETING**

**LIVE VIDEO & AUDIO
CONFERENCE MEETING**
Thursday, December 10, 2020
2:00 p.m.



PUBLIC COMMENTS

Anyone who wishes to address the committee during the Public Comment session may do so by clicking the **“Raise Hand”** icon to be acknowledged. You may also click the **Q&A** icon to type in your comments.

HFC OPERATIONS COMMITTEE MEETING

December 10, 2020

MINUTES

November 12, 2020

HFC OPERATIONS COMMITTEE MEETING

December 10, 2020

Houstonfirst



HOUSTON FIRST PRESENTATIONS, REPORTS, AND UPDATES

PROGRAMMING UPDATE

LUTHER VILLAGOMEZ

Chief Operating Officer

TODD HOLLOMAN

Director of Live Events and Experiences

HFC OPERATIONS COMMITTEE MEETING

December 10, 2020

PROGRAMMING UPDATE

WINTER SEASON JANUARY & FEBRUARY

- **City Lights At Avenida Houston (NOW - 1/3)**
 - **Alley Theatre's Deck the Trees** at Houston's Grand Holiday Window
 - **Texas Winter Lights** at the Marriott Marquis Houston
 - **The Ice** at Discovery Green
- **Celebrating Black History Month**
 - **Cultural Conversations**
Digital docuseries featuring thought-provoking discussions highlighting the diverse cultures of our City and in partnership with KHOU & Smithsonian Institution
 - **Digital Celebration Wall**
Multiple interactive LED walls in Concourse displaying digital rotating content featuring local African-American artists
 - **Art Exhibition at Partnership Tower**
Curated exhibitions of art works by contemporary, local African-American artists
 - **BLCK Market**
Outdoor market with local vendors including artists, designers, and business entrepreneurs representing the diverse communities of Houston



PROGRAMMING UPDATE

SPRING SEASON MARCH, APRIL & MAY

- **Coffee & Cars**
Stroll among rare vintage and collector cars
- **Scenes from the Bayou Art Exhibition**
Exhibition featuring Geoff Winningham's color photography
- **Discovery Green Flea by Night**
- **March Madness Party on the Plaza**
- **“Avenida”**
An immersive day and night of musical and visual artists featuring local and regional digital and interactive works. Ticketed event.
- **Asian Fusion in Celebration of Asian Pacific American Heritage Month**
Runway fashion show featuring local designers under the lights of The Wharf
- **Comicpalooza After Party**



PROGRAMMING UPDATE

SUMMER SEASON JUNE, JULY & AUGUST

- **Roseaux – Interactive Art Installation**
Bend the wind with Roseaux, six interactive towers inspired by the motion of cattails that bow, wave and return
- **Interactive Art Installation on The Wharf**
- **Avenida Pride Chalk Draw at Rainbow on the Green**
Every color of the rainbow and 500 linear feet of street becomes your personal canvas to show your Houston Pride
- **Rockets Watch Party on the Plaza**
- **Live After Five**



THANK YOU



HOUSTON FIRST
**LANDSCAPING
SERVICES ITB**

MITCH MISZKOWSKI

Purchasing Agent

HFC OPERATIONS COMMITTEE

December 10, 2020

GOALS & OBJECTIVES

Solicitation for experienced contractors to provide comprehensive landscape maintenance on an as-needed basis to produce and maintain healthy and aesthetically-pleasing lawn, groundcover, annual and perennial plants, shrubbery, and trees in landscaped areas of its facilities.

PROCESS OF SOLICITATION

SEPTEMBER

- **9/15**
RFP Issue
Date
-

OCTOBER

- **10/01**
Pre-Bid Meeting
-
- **10/15**
Submission
Deadline

NOVEMBER

- **11/13**
Proposal
Evaluation
-

DECEMBER

- **12/10**
Operations
Committee
-
- **12/17**
HFC Board
Recommendation

SOLICITATION ADVERTISEMENT

Notice of Solicitation:

- B2G Notifications
- City Council Members
- HFC Board Members
- Community Stakeholders



PUBLICATIONS
ADVERTISED

SELECTION CRITERIA

EVALUATION SCORING

POINTS



Transmittal Letter

15



Company Profile

35



Pricing

40



Diversity

10

SELECTION COMMITTEE

JOHN S. GONZALEZ, CMP

Senior Vice President & General Manager
Houston First Corporation

SHAWN HAUPTMANN

General Manager- MOT
Houston First Corporation

MELANIE TEP

Financial Analyst
Houston First Corporation

AARON REEVES

Maintenance Supervisor- GRB Operations
Houston First Corporation

KENNETH MANN

Building Superintendent- GRB Operations
Houston First Corporation

CLARK CURRY

Operations Director
Discovery Green

ROGER HARRIS

Development Specialist Manager
Houston First Corporation

PROPOSERS



MALDONADO
NURSERY & LANDSCAPING, INC.



Western Horticultural
Services, LP

SMARTSCAPING
LANDSCAPING & DESIGN



Houston Grotech Services
Landscaping Company

RECOMMENDATION: Western Horticulture

- Houston-Based Company Founded in 1991
- Experienced and Stable Staff; Operations Manager has been with company 19 years, Account Manager 22 years, Supervisor for 9 years
- Received Highest Score in all Categories, including the maximum for Diversity participation
- Clients include Discovery Green, Hewlett Packard Campus: NW Houston, Insperity Campus: Kingwood
- Provided Landscaping Services to HFC 2010-2015

Western Horticultural
Services, LP

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