

# AGENDA

## HOUSTON FIRST CORPORATION

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### **BOARD OF DIRECTORS MEETING**

**April 27, 2023 – 3:00 P.M.**

**Partnership Tower, 701 Avenida de las Americas, Suite 200**

**Houston, Texas 77010**

**HOUSTON FIRST BOARD ROOM**

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#### **BOARD MEMBERS:**

*David Minberg (Chair), Desrye Morgan (Vice-Chair), Sofia Adrogué, Elizabeth Brock, Nicki Keenan, Reginald Martin, Ryan Martin, Alex Brennan-Martin, Paul Puente, Bobby Singh, Tom Segesta, Gerald Womack, Jay Zeidman, Mayor Pro-Tem Dave Martin, Ex-officio, Council Member Robert Gallegos, Ex-officio*

*In accordance with the Texas Open Meetings Act, this Agenda is posted for public information, at all times, for at least 72 hours preceding the scheduled time of the meeting on the bulletin board located on the exterior wall of the Houston City Hall building, located at 901 Bagby. The Agenda is also available online at <https://www.houstonfirst.com>.*

*To reserve time to appear, come to the meeting at least ten minutes prior to the scheduled public session shown on the Agenda.*

*Any questions regarding this Agenda, or requests for special needs assistance, should be directed to Lisa K. Hargrove, General Counsel at either 713.853.8965 or [Lisa.Hargrove@houstonfirst.com](mailto:Lisa.Hargrove@houstonfirst.com)*

*Code of Business Conduct and Ethics – As a reminder, under Houston First Corporation's Code of Business Conduct and Ethics Policy, if you have a potential conflict of interest that you have not previously disclosed relating to a transaction or arrangement being discussed or voted on, you should notify the Chair and refrain from voting on the transaction or arrangement and recuse yourself from the discussion on the matter at hand. You should have received a copy of the Policy, but if not, let us know and we will provide one for you.*

- I. Call to Order**
- II. Public Comments**
- III. Minutes – April 6, 2023**
- IV. Presentations, Reports, and Updates**
  - A. Houston First Chairman's Report
  - B. Houston First President & CEO's Report

**V. Board Business**

- A. Consideration and possible approval of an agreement with South Texas Boiler Industries, LLC for the replacement of the boilers at Jones Hall for the Performing Arts.
- B. Consideration and possible approval of a Service Work Order with Cotton Commercial USA, Inc. for a roofing overlay project, inclusive of work on existing service and smoke hatches as well as smoke vents, at Jones Hall for the Performing Arts.

**VI. Adjourn**

**III. Minutes – April 6, 2023**

# MINUTES

## HOUSTON FIRST CORPORATION

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**BOARD OF DIRECTORS MEETING**

**April 6, 2023 – 3:00 P.M.**

**Partnership Tower, 701 Avenida de las Americas, Suite 200**

**Houston, Texas 77010**

**HOUSTON FIRST BOARD ROOM**

*The Board of Directors (“Board”) 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., held a meeting at Partnership Tower, 701 Avenida de las Americas, Suite 200, Houston, Harris County, Texas 77010 on Thursday, April 6, 2023, commencing at 3:00 p.m.*

*Written notice of the meeting including the date, hour, place, and agenda for the meeting was posted in accordance with the Texas Open Meetings Act.*

*The following Board Members participated in the meeting: David Mincberg (Chair), Desrye Morgan (Vice-Chair), Sofia Adrogué, Alex Brennan-Martin, Elizabeth Brock, Nicki Keenan, Reginald Martin, Ryan Martin, Paul Puente, Tom Segesta, Bobby Singh, Gerald Womack, and Council Member Robert Gallegos.*

- I. **Call to Order.** The Chairman of the Board called the meeting to order at 3:01 p.m., and a quorum was established.
  
- II. **Public Comments.**  
Adan Reyes, Service Employees International Union (“SEIU”) member, addressed the Board with the assistance of Carmen Mayorga, an SEIU representative serving as translator. Mr. Reyes stated that he and his coworkers, also in attendance, thanked the Board and HFC. According to Mr. Reyes, he and his co-workers wished that Caring Commercial Cleaning, Inc. (“Caring”) valued the tenure of its employees who worked at the George R. Brown Convention Center (“GRB”), respected employee union membership, and honored union contracts and employee benefits. He also asked that he, Blanca Garcia, Veronica Dueñes, and Olga Villegas, who Caring terminated, be allowed to return to their jobs. Mr. Reyes then reiterated his thanks.

Paul Puente, Board Member, thanked the janitorial employees for having the courage to attend the meeting and communicate their situations. Similarly, Sofia Adrogué, Board Member, then thanked the attendees for their courage and highlighted her admiration for them. Correspondingly, Council Member Robert Gallegos, Board Member, thanked Mr. Reyes for fighting for his and his co-workers' benefits.

III. **Review and approval of minutes from prior meeting.** Following a duly seconded motion, Board Members approved the meeting minutes for March 23<sup>rd</sup>, 2023, as presented. Elizabeth Brock was absent from the vote.

IV. **Board Business**

A. **Consideration and possible approval of a Janitorial Cleaning Services Agreement between Houston First Corporation and United Maintenance Company, Inc.**

Michael Heckman, President and CEO, informed the Board that HFC terminated its contract with Caring and was prepared to recommend a new provider. Mr. Heckman reminded the Board that HFC selected Caring through a solicitation process during Fall 2022. He added that management recommended hiring the second-highest-ranked company from the initial solicitation process, saving four to six months of processing time. Mr. Heckman then explained that the janitorial service matter was discussed earlier at the Operations Committee and that the Committee unanimously approved this item. He added that he and Luther Villagomez, Chief Operating Officer, met with the CEO of United Maintenance Company, Inc. ("United"), HFC's recommended new service provider, to discuss a possible transition. Mr. Heckman highlighted that United understood the janitorial industry and had janitorial experience with large venues and convention centers across the country and in some of the largest cities in the nation. Mr. Heckman stated that United contacted SEIU to commence a meaningful dialogue, provided they were approved as the new janitorial provider, to enter into a negotiated agreement.

John Gonzalez, Senior Vice President and General Manager, reminded the Board that United ranked second during the initial solicitation process and emphasized its extensive industry experience. Mr. Gonzalez added that United was a global company based in Chicago, Illinois, with clients like Kay Bailey Hutchinson Convention Center in Dallas, Texas, Los Angeles Convention Center, O'Hare International Airport, Mandalay, and MGM Resorts. Mr. Gonzalez highlighted that the solicitation set forth a diversity goal of 33% and United proposed a goal of 38%. Mr. Gonzalez illuminated that United was a provider for the GRB when it opened in 1987 and that he and Mr. Villagomez were comfortable proceeding with United. Mr. Gonzalez added that United committed to paying employees weekly.

Ryan Martin, Board Member, announced that HFC followed procurement guidelines and conveyed his support for United. Bobby Singh, Board Member, affirmed the importance of listening to public concerns and that the Operations Committee, Board Members, and the administration listened to concerns resulting in an expeditious resolution. Mr. Singh then signaled his support for the transition. Gerald Womack, Board Member, sought assurances from HFC that United was thoroughly vetted, open to rehiring employees, and willing to honor minimum wage and previous benefits of employees. Lisa Hargrove, General Counsel, disclosed that United's potential contract mandated that it pay employees \$15.00 an hour and clarified that legally HFC could not require a vendor to hire specific employees because it would cause HFC to become liable as a joint employer. She added that HFC could not ask or require United to provide any benefits or tenure;

however, she highlighted that United assured HFC that it communicated with SEIU and past employees should be able to apply for a job. Mr. Womack also requested confirmation that United met with SEIU and agreed to rehire employees.

Reginald Martin, Board Member, sought a point of order since the Board concluded the public session. Chairman Minberg responded by allowing the answering of Mr. Womack's inquiry. Elsa Caballero, SEIU President, confirmed that SEIU communicated with United. Mr. Womack voiced his concerns about United's past issues in Chicago. Mr. Heckman stated that HFC selected United through the letter of the procurement process, which this Board approved. Council Member Gallegos thanked Mr. Heckman for investigating this matter and promptly reporting to the Board. Council Member Gallegos also stated that, in his opinion, United would not resolve the issue if it failed to rehire terminated employees.

Ryan Martin mentioned that the saving grace was there are termination rights in the instance of bad faith or any action outside of the bounds of expectation.

Mr. Puente thanked HFC for its efforts to acquire a tenured and experienced replacement janitorial company. He added that he believed HFC's actions would show future vendors' HFC's business expectations.

Following a duly seconded motion, Board Members unanimously approved a Janitorial Cleaning Services Agreement between Houston First Corporation and United Maintenance Company, Inc.

Chairman Minberg thanked Mr. Heckman, Ms. Hargrove, Mr. Villagomez, and Mr. Gonzalez for their prompt response to this complex matter. He also announced that HFC would timely provide a new date for the grand opening of Lynn Wyatt Square.

V. **Adjourn.** The meeting adjourned at 3:24 p.m.

**V. (A) Consideration and possible approval of an agreement with South Texas Boiler Industries, LLC for the replacement of the boilers at Jones Hall for the Performing Arts.**

**Consideration and possible approval of an agreement with South Texas Boiler Industries, LLC for the replacement of the boilers at Jones Hall for the Performing Arts.**

**DESCRIPTION:** The boilers serving Jones Hall for the Performing Arts are original to the building and have exceeded their useful life and must be replaced. Time is of the essence due to the lead time to order the boilers and due to the need to schedule this work during the summer months when the Theater is dark.

Management recommends utilizing South Texas Boiler Industries, LLC ("South Texas") to perform this work. South Texas may be contracted through BuyBoard Purchasing Cooperative which is a Local Government Purchasing Cooperative. The work performed shall not exceed \$650,000, plus a 15% contingency.

South Texas is certified as a Historically Underutilized Business.

**RESOLVED**, that the Board of Directors of Houston First Corporation approves the following resolutions based upon the above parameters:

**RESOLVED**, that the Board of Directors of Houston First Corporation hereby approves and authorizes the finalization and execution of an agreement (the "Agreement") between Houston First Corporation and South Texas Boiler Industries, LLC, together with such conditions or modifications that are approved by the President and Chief Executive Officer, as he may determine to be in the best interest of Houston First Corporation, and to execute such Agreement; the President and Chief Executive Officer hereby is, without the necessity for joinder of any other person, authorized, empowered and directed for and on behalf of Houston First Corporation to execute and deliver the Agreement in a form as approved by the 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 President and Chief Executive Officer and General Counsel of Houston First Corporation are each hereby designated by Houston First 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 Houston First 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.



**V. (B) Consideration and possible approval of a Service Work Order with Cotton Commercial USA, Inc. for a roofing overlay project, inclusive of work on existing service and smoke hatches as well as smoke vents, at Jones Hall for the Performing Arts.**

**Consideration and possible approval of a Service Work Order with Cotton Commercial USA, Inc. for a roofing overlay project, inclusive of work on existing service and smoke hatches as well as smoke vents, at Jones Hall for the Performing Arts.**

**DESCRIPTION:** The Jones Hall for the Performing Arts existing roof has exceeded its useful life and must be replaced with a new roof overlay. In addition, in order to provide access for removal and replacement of the existing boilers and to provide access for the replacement of the glass elevator in Jones Hall, the existing roof service hatch must be removed and replaced. Finally, the existing smoke vents must be removed and replaced. Time is of the essence to perform all of this work due to the need to schedule this work during the summer months when the Theater is dark.

Management recommends utilizing Cotton Commercial USA, Inc. ("Cotton") to perform the work outlined above under an existing Master Service Agreement between Houston First and Cotton, subject to the parameters set forth below:

- The entirety of the work performed shall not exceed \$1,155,000, plus a ten percent contingency; and
- The Diversity Participation Goal is 30%.

**RESOLVED**, that the Board of Directors of Houston First Corporation approves the following resolutions based upon the above parameters:

**RESOLVED**, that the Board of Directors of Houston First Corporation hereby approves and authorizes the finalization and execution of a Service Work Order between Houston First Corporation and Cotton Commercial USA, Inc., under an existing Master Service Agreement; together with such conditions or modifications that are approved by the President and Chief Executive Officer, as he may determine to be in the best interest of Houston First Corporation, and to execute such Service Work Order; the President and Chief Executive Officer hereby is, without the necessity for joinder of any other person, authorized, empowered and directed for and on behalf of Houston First Corporation to execute and deliver the Service Work Order in a form as approved by the President, or any Authorized Person (defined below), such approval to be conclusively established by the execution and delivery of the Service Work Order by any Authorized Person; and

**FURTHER RESOLVED**, that each of the President and Chief Executive Officer and General Counsel of Houston First Corporation are each hereby designated by Houston First Corporation as an "Authorized Person" for purposes of this resolution and with respect to the Service Work Order to be executed hereunder; and

**FURTHER RESOLVED**, that the Service Work Order executed by any Authorized Person, for and on behalf of and in the name of Houston First 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

# BOARD OF DIRECTORS MEETING

Memorial Park  
WASHINGTON CORRIDOR

**HFC BOARD ROOM**  
**Partnership Tower**  
**Thursday, April 27, 2023**  
**3:00 p.m.**

Asia Society Texas Center  
MUSEUM DISTRICT



# PUBLIC COMMENTS

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Anyone who wishes to address the Board during the Public Comment session may do so by signing up on the Public Comment sign-in sheet at the front of the room.

**HFC BOARD OF DIRECTORS MEETING**

April 27, 2023

Houstonfirst

Gerald D. Hines Waterwall Park  
UPTOWN DISTRICT



3 HFC BOARD MEETING

# MINUTES

April 6, 2023

**HFC BOARD OF DIRECTORS MEETING**

April 27, 2023

Houstonfirst



Jones Hall  
THEATER DISTRICT

4 HFC BOARD MEETING

# HOUSTON FIRST CHAIRMAN'S REPORT

DAVID M. MINCBERG

**HFC BOARD OF DIRECTORS MEETING**  
April 27, 2023

Houstonfirst



Teen How Taoist Temple  
EAST DOWNTOWN

5 HFC BOARD MEETING

HOUSTON FIRST  
**PRESIDENT & CEO  
REPORT**

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**MICHAEL HECKMAN**

**HFC BOARD OF DIRECTORS MEETING**  
April 27, 2023

**Houstonfirst**

Discovery Green  
DOWNTOWN



6 HFC BOARD MEETING

# BOARD BUSINESS

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- A. Consideration and possible approval of an agreement with South Texas Boiler Industries, LLC for the replacement of the boilers at Jones Hall for the Performing Arts.

**JOHN GONZALEZ**

*Sr. Vice President & General Manager*

**HFC BOARD OF DIRECTORS MEETING**

April 27, 2023

**Houstonfirst**



# BOILER REPLACEMENT PROJECT

## SCOPE OF WORK

- **Replacement of Boilers**

The boilers currently serving **Jones Hall** are original to the building and have exceeded their lifespan. As such, they must be replaced.

- Due to the lead time required to order the boilers and the need to schedule this work during the summer months (when the theater is dark), **this work will be done while renovations are being conducted.**

**Scheduled Completion by September 5, 2023**

## MANAGEMENT RECOMMENDATION



- Utilizing **South Texas Boiler Industries, LLC.** to perform this work.
- The work performed **shall not** exceed **\$650,000** plus a **15%** contingency.
- South Texas is a certified **"HUB"** - Historically Underutilized Business.



Lyric Market  
THEATER DISTRICT



B. HFC BOARD MEETING

# BOARD BUSINESS

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- B. Consideration and possible approval of a Service Work Order with Cotton Commercial USA, Inc. for a roofing overlay project, inclusive of work on existing service and smoke hatches as well as smoke vents, at Jones Hall for the Performing Arts.

**JOHN GONZALEZ**

*Sr. Vice President & General Manager*

**HFC BOARD OF DIRECTORS MEETING**

April 27, 2023

**Houston**first

# ROOF OVERLAY REPLACEMENT PROJECT

## SCOPE OF WORK

- **Roof Overlay Replacement**

The existing roof at Jones Hall has exceeded its lifespan and as a result must be replaced.

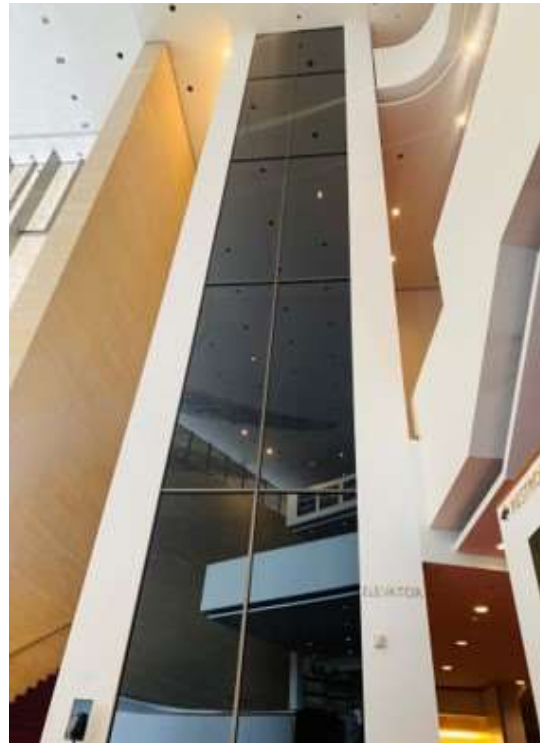
- **Roof Service Hatch Replacement**

In addition, the existing roof service hatch must be removed and replaced in order to allow access for:

- Replacement of the **Existing Boilers**
- Replacement of the **Glass Elevator**

- **Smoke Vent Replacement**

Finally, all smoke vents must be replaced.



# ROOF OVERLAY REPLACEMENT PROJECT

## MANAGEMENT RECOMMENDATION



- Utilizing **Cotton Commercial USA, Inc.** to perform the scope of work outlined.
- Entirety of work performed **shall not** exceed **\$1,155,000** plus a **10%** contingency.
- Diversity Participation Goal is **30%**.
- This contract facilitates the glass elevator replacement. Elevator installed while roof is repaired.



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