

## HOUSTON FIRST CORPORATION

### MINUTES OF HOUSTON FIRST CORPORATION BOARD OF DIRECTORS

JULY 20, 2017

The Board of Directors of Houston First Corporation (the "Corporation"), a Texas non-profit corporation created and organized by the City of Houston as a local government corporation pursuant to TEX.TRANSF.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, 2<sup>nd</sup> Floor Boardroom, Houston, Texas, on Thursday, July 20, 2017, commencing at 3:30 p.m. Written notice of the meeting, including the date, hour, place and agenda, was posted in accordance with the Texas Open Meetings Act. The following members participated in the meeting: David Minberg, Phyllis Bailey, Katy Caldwell, Fernando Cuellar, Irma Diaz-Gonzalez, Harry Greenblatt, Desrye Morgan, Paul Puente, David Solomon, Gerald Womack and Council Member Robinson. Council Member Martin arrived at 4:30 p.m. Alex Brennan Martin and Bobby Singh were absent.

A quorum was established and the meeting was called to order at 3:33 p.m.

#### 1. Public Comments.

- Cindy Van Rensburg, President of Levy – Convention Centers, thanked the Board for the recommendation to partner with Houston First. She was joined by Alan Bergeron, Alan Bush and Nikea Harrison of Levy.
- Carlos Duarte, of Mi Familia Vota, spoke to the Board regarding denouncement SB 4. Chairman Minberg explained that Houston First was precluded from taking a formal position.
- Kay Towner, SVP of Sales and Marketing for Centerplate, expressed dissatisfaction on behalf of Centerplate of various aspects of the process used to arrive at a recommendation for the food and beverage contract for Houston First managed facilities.
- Jack Wixted, a representative of Aramark, requested that Houston First reevaluate the bid process used for the food and beverage contract.
- Danny David, a lawyer from Baker Botts representing Aramark, spoke to the Board regarding various issues related to the bid process and subsequent results.
- Mark Thierry, President and CEO of Legacy Global, a janitorial services subcontract with Midwest, expressed thanks to the Board, executive staff and procurement team for the successful results achieved as a result of the outreach efforts.
- Barbara Anderson, an employee of a subcontractor of Aramark, expressed her opinions about the issues she encountered working with Aramark.

2. Minutes. A motion was made and duly seconded to approve the minutes of May 26, 2017.

3. Presentations. Lonnie Hoogeboom, Director of Planning & Design with Central Houston, provided information related to the Plan Downtown initiative. He provided the names of the partnering organizations, the Plan Downtown team members, and proposed timeline. Further, he provided an update on the various public engagement events related to the project and the concepts of the Plan and vision statement.

4. **Consideration and possible approval of an agreement with the Houston Downtown Management District related to the Downtown Development Framework.** Following discussion on this item, a motion was made and duly seconded to approve this item.
5. **Consideration and possible approval of the Houston First Corporation 2016 Annual Audit.** Elaine Reyes, Partner with Deloitte, provided an overview of the 2016 Annual Audit which was reviewed and discussed in greater detail at the Governance, Audit & Finance Committee meeting on June 12, 2017. Ms. Reyes stated that a clean opinion was issued for the 2016 financial statements. Following discussion on the item, a motion was made and duly seconded to accept the opinion of the auditors on the Houston First Corporation 2016 Annual Audit as presented.
6. **Consideration and possible approval of a Sponsorship and License Agreement with Houston Downtown Management District for the Greenlink Project.** Peter McStravick provided the parameters of the proposed agreement, including the term of the agreement and fees related to same. He also provided details of the considerations that Houston First will receive from the Houston Downtown Management District. Following discussion on this item, a motion was made and duly seconded to approve the Sponsorship and License Agreement with Houston Downtown Management District for the Greenlink Project.
7. **Consideration and possible approval of a lease for a KHOU Downtown Avenida Digital Studio located at the George R. Brown Convention Center.** Holly Clapham Rosenow provided information related to the activation of the KHOU Downtown Avenida Digital Studio. She also explained that similar information was provided at the Joint Marketing and the Governance, Audit & Finance Committees. She explained that there was a reallocation of existing budgeted funds to cover costs related to the activation and no new assets would be needed. Following discussion on this item, a motion was made and duly seconded to approve the lease for a KHOU Downtown Avenida Digital Studio at the GRB Convention Center.
8. **Consideration and possible approval of a Parking License Agreement for parking spaces in the Theater District Parking Garage.** Mario Ariza briefed the Board on the details of the proposed Parking License Agreement for vacant spaces in the Theater District Parking Garage, which included term, payment, and fees. He mentioned that this item was fully vetted in the Theater and Convention District Operations Committee meeting on July 20, 2017. Following discussion on this item, a motion was made and duly seconded to approve the Parking License Agreement for parking spaces in the Theater District Parking Garage.
9. **Consideration and possible approval of a Food and Beverage Management Services Agreement with Levy Premium Foodservice L.L.C.** Robert Jackson began the discussion on this item and provided information related to the RFP process including goals and objectives, solicitation advertisement, solicitation process, selection committee, selection criteria, selection process additions, and final score. Further, he stated that this item was discussed at the May 25, 2017 Theater and Convention District Operations Committee and the recommendations of the Procurement Committee were used for the voting criteria. Desrye Morgan made a motion that was duly seconded to table this item for further consideration by the Theater and Convention District Operations Committee. The vote to table the motion failed by a 7-3 majority.

The scoring sheet was then distributed to all Board members for review. Paul Puente and Gerald Womack requested to see the individual scorecards.

Gene Locke, with Andrews Kurth Kenyon, explained that he was involved in the presentations and discussions with presenters as well as during the grading process. He stated that there was opportunity for full and robust discussions with all vendors. Dawn Ullrich added that there were three sharp competitors who were used to competing with each other. She stated that the process was fair and transparent and that Houston First stands behind the recommendation. Council Members Robinson and Martin stated that they were impressed with the matrix and clarity of the process. Gerald Womack called the question and a vote of the Board was taken with nine in favor and one opposed. The item passed.

9. **Updates.**

- CEO Report – Dawn Ullrich requested a moment of silence in memory of Pete Radowick. She also announced the retirement of Mario Ariza on August 31, 2017. Luther Villagomez advised the Board that the date for the GRB 30<sup>th</sup> Anniversary would be September 23<sup>rd</sup>. Details will be provided at a later date.
- Sales Report – Mike Waterman presented the Sales report, which included numbers on tourism, Visit Houston websites, definites, lead production, site visits and the Customer Advisory Innovation Board.
- CFO Report – Brenda Bazan presented the budget to actual numbers as of June 30<sup>th</sup>. She stated that a vast majority of the differences are related to timing issues.

The meeting adjourned at approximately 5:36 p.m.

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Pamela Walko, Secretary