

# MINUTES

## HOUSTON FIRST CORPORATION

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**Theater District and Convention District Operations Committee  
November 5, 2018 – 3:00 P.M.  
Partnership Tower, 701 Avenida de las Americas, Ste. 200  
Houston, Texas 77010  
HFC BOARD ROOM**

*The Theater District and Convention District 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 at Partnership Tower, 701 Avenida de las Americas, Harris County, Texas, 77010, on Monday, November 5, 2018, 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 Committee members were present for the meeting: Desrye Morgan (Chair), Dean Gladden (Vice Chair), Council Member David Robinson, Paul Puente, and Jay Tatum.*

The meeting was called to order at 3:08 p.m. and a quorum was established.

1. **Public Comments.** None.
2. **Review and approval of minutes from prior meeting.** Following a motion duly seconded, the minutes of September 18, 2018 were approved as presented.
3. **Presentations and Reports.**

- A. **Flood Recovery Status.** Marcy Beck of Turner Construction Company gave the Project Manager Report.

Ms. Beck explained that good progress had been made in the priority areas for the Nutcracker performance. Additionally, the project schedule and overall project budget remain unchanged.

Paul Puente asked if the project team had been monitoring prevailing wage.

Frank Wilson, Chief Financial Officer, explained that an audit was performed by HFC staff and certified payroll reports were provided on a weekly basis.

Jay Tatum asked for an update on the pending insurance claim for the sprinkler incident at the Wortham Theater.

Peter McStravick, Chief Development Officer, explained that an insurance claim had been made with two separate insurance carriers, but it was unclear how the claim would be subrogated. HFC hopes to come to a resolution of the claim within 4-6 weeks.

- B. Financial Report. Frank Wilson gave a report on the uses of cash for Hurricane Harvey recovery.
- C. Smithsonian Collaboration. Desrye Morgan explained that the City of Houston was approached by the Smithsonian regarding a collaborative effort called the Community Initiative.

The Community Initiative will focus on promoting the ethnic heritage of all people through films, exhibitions, food, fashion etc. and will begin in February 2019 to commemorate Black History Month.

Todd Holloman, Director of Convention Services, stated the Smithsonian has a goal to reach one million people in the community.

#### 4. Committee Business.

- A. Consideration and possible recommendation of an Elevator-Escalator Maintenance and Repair Services Agreement with Elevator Repair Service, Inc.

Mitch Miszkowski, Purchasing Agent, discussed the Elevator-Escalator Maintenance and Repair Services Request for Proposals (RFP).

Three proposals were received and all three firms were interviewed by the selection committee. The incumbent firm, Elevator Repair Service, Inc., received the highest score and was selected to enter into a contract with HFC.

A motion was made to recommend the Elevator-Escalator Maintenance and Repair Services Agreement with Elevator Repair Service, Inc. and approved unanimously.

- B. Consideration and possible recommendation of a 2019 Convention and Cultural Facilities Strategic Plan and Budget.

Brenda Bazan, HFC President & CEO, discussed the strategic planning process.

Frank Wilson discussed the 2019 budget process and provided an overview of the 2019 HFC Budget.

Peter McStravick briefly discussed the Hilton Refresh Project and stated that HFC anticipates a 6% reduction in revenues due to displacement during the renovation.

Desrye Morgan encouraged the staff to work with HFC's financial advisor to obtain a favorable rate for the project.

Jay Tatum asked that HFC provide a timeline of unfunded projects discussed in the strategic plan.

Luther Villagomez, Chief Operating Officer of Convention and Cultural Facilities and Services, discussed the 2019 Strategic Plan.

Luther explained that several meetings had taken place with HFC staff and TxDot regarding the I-69 Project and the response from TxDot had been positive thus far.

He also discussed his plan to continue to cross-train George R. Brown Convention Center and Theater District staff in order to maximize efficiency.

Luther then introduced Todd Holloman, Director of Convention Services, to discuss programming on Avenida Houston.

Committee Chair, Desrye Morgan, asked for an update on the strategic plan for retail operations. Peter McStravick explained that HFC would continue retail operations in all three stores through 2019. Launch will be relocated to another location in the GRB once the W Hotel Development begins construction. Retail stores have generated \$80,000 in revenue as of October 2018. Sydney Dao, Director of Retail, is working on creating a website with all past and present designers.

In conclusion, Frank Wilson reviewed the 2019 Convention and Cultural Facilities and Services Budget.

A motion was made to recommend the 2019 Convention and Cultural Facilities and Services Budget and Strategic Plan to the Board for approval. The motion was approved unanimously.

5. **Executive Session.** Executive (closed) session pursuant to Texas Government Code Section 551.072 for the purpose of deliberations regarding real estate.

The Committee went into Executive Session at 4:11 p.m. and returned at 4:27 p.m. No action was taken during the Executive Session.

6. **Adjournment.** The meeting was adjourned at 4:28 p.m.