

# MINUTES

## HOUSTON FIRST CORPORATION

### **BOARD OF DIRECTORS MEETING**

**January 17, 2019 – 3:00 P.M.**

**Partnership Tower, 701 Avenida de las Americas, Ste. 200**

**Houston, Texas 77010**

**HFC 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, Houston, Harris County, Texas, 77010, on Thursday, December 20, 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 Board members participated in the meeting: David Mincberg (Chair), Desrye Morgan (Vice Chair), Sofia Adrogué, Bobby Singh, Paul Puente, Nicki Keenan, Alex Brennan-Martin, Jay Tatum, Gerald Womack, Jay Zeidman, Council Member David Robinson, Ex-officio and Council Member Dave Martin, Ex-officio.*

The Chairman of the Board called the meeting to order at 3:05 p.m. and a quorum was established.

1. **Public Comments.** Charles Studor, founder of Briggo, Inc., announced the grand opening of a coffee robot in the George R. Brown Convention Center ("GRB"). Mr. Studor thanked the Board for the opportunity to partner with HFC and bring Briggo to Houston.

Roger Harris addressed the Board and brought to their attention an array of awards on display for HFC's work in the community. He also introduced Martha Savaos, owner of MC Business Products, to discuss her experience working with HFC as a minority and women-owned business.

Martha Ceballos stated MC Business Products has provided office supplies to HFC since 2015. She added that her company continues to flourish and has become more competitive in the bidding process due to HFC's three-bid requirement.

2. **Review and approval of minutes from prior meeting.** Following a motion duly seconded, the meeting minutes of December 20, 2018 were approved as presented.

### 3. Presentations and Reports.

- A. Flood Recovery Status. Jim Brownrigg, General Manager of Turner Construction Company, gave the flood recovery update. Turner Construction continues to work on back-of-house operations at Wortham Theater and the tunnel leading into the Theater District Parking Garage. Mr. Brownrigg also presented the current project schedule and budget.
- B. Flood Financial Report. Frank Wilson, Chief Financial Officer, provided a report on uses of cash for flood recovery.
- C. Community Sponsorship Report. Arcy Muñoz, Community Relations Manager, provided the 180 day sponsorship report. Ms. Muñoz also provided an overview of some of the community events that HFC participated in during 2018, including Toys for Tots, the Hotel & Lodging Association Bike Building Event, and the Christmas Eve Super Feast.

Ms. Muñoz also recognized Board member Sofia Adrogué for her work with the Houston BARC Foundation by noting that a proclamation was issued by Mayor Sylvester Turner proclaiming December 18, 2018 "Sofia Adrogué Day."

- D. 2018 Purchase Orders between \$50,000 - \$250,000 and 2019-2020 Procurement Plan. Frank Wilson, Chief Financial Officer, presented the 2019-2020 Procurement Plan. Mr. Wilson encouraged Board members to notify any qualified firms that may be interested in entering into business with HFC in connection with the New 2019-2020 Procurement Plan. Finally, Mr. Wilson noted that no new purchase orders had been added to the Purchase Order Report since the last update.
- E. CFO Financial Report. Frank Wilson gave the financial report. In 2018, according to Mr. Wilson, food and beverage revenues at the GRB were at an all-time high and the Hilton Americas-Houston Hotel ("Hotel") had its second best year in revenues.

Other highlights include the opening of the KHOU Avenida Studio, the Rustic, the AKA Boulé, and the grand re-opening of Wortham Theater.

- F. Legislative Update. Rob Jackson, Chief Policy Officer, provided the first in a series of legislative updates. Mr. Jackson noted that the legislative session began January 8, 2019 and will conclude May 27, 2019 and that top issues include public school finance reform, property tax relief, teacher pay, and Hurricane Harvey relief.

Mr. Jackson stated that items of interest to HFC include the expanded use of hotel occupancy tax, short term rentals, the Major Events Trust Fund, film incentives, school start date, and funding for the Governor's Office of Tourism.

Council Member David Robinson discussed the rainy day fund for Hurricane Harvey Relief.

Gerald Womack expressed a need for lobbyist advocating on behalf of the Houston Film Commission and increased film incentives.

#### 4. Committee Business.

- A. Consideration and possible approval of a Procurement Manual for Houston First Corporation. Gerald Womack announced that the HFC Procurement Manual was complete and ready to be published on the website. Mr. Womack thanked the Procurement Committee and HFC staff for all their work to complete the manual.

A motion was made to approve a Procurement Manual for Houston First Corporation. The motion passed unanimously.

- B. Consideration and possible approval of a Project Management Services Agreement with Jones Lang LaSalle Americas, Inc. for the Hilton Americas-Houston Hotel Guestroom Renovation Project. Frank Wilson discussed the solicitation process. The top two firms selected to participate in interviews with the selection committee were, Jones Lange LaSalle Americas, Inc. ("JLL") and Turner Townsend. JLL received the highest score and was approved by the Hotel Committee.

A motion was made to approve a Project Management Services Agreement with JLL for the Hotel Guestroom Renovation Project. The motion passed unanimously.

- C. Consideration and possible approval of a Work Authorization with M. Arthur Gensler Jr. & Associates, Inc. d/b/a/ Gensler for the Hilton Americas-Houston Hotel Guestroom Renovation Project.

Frank Wilson explained that in May 2017 an RFP was issued for architects to do small scale projects at HFC facilities. M. Arthur Gensler Jr. & Associates, Inc. d/b/a Gensler was selected to complete a pilot project at the Hotel and will now complete the Guestroom Renovation Project.

A motion was made for a Work Authorization with Gensler for the Hotel Guestroom Renovation Project. The motion passed unanimously.

- D. Consideration and possible approval of a Promissory Note with the City of Houston. Brenda Bazan stated that HFC had entered into a First Amendment to the Interlocal Agreement with the City of Houston. The City of Houston is asking HFC to execute a promissory note in the amount of \$12.5 million before releasing further insurance proceeds related to Hurricane Harvey relief.

An amendment was made to the motion to approve a promissory note with the City of Houston, giving the President & CEO the authority to negotiate and execute a promissory note, subject to final review and approval by the Chairman of the Board. The motion passed unanimously.

5. **Executive Session.**

Executive (closed) session pursuant to Texas Government Code Section 551.074 for the purpose of deliberations regarding the duties and responsibilities of the President & CEO of Houston First Corporation.

The Board entered Executive Session at 4:12 p.m. and concluded Executive Session at 4:40 p.m.

6. **Executive Session.**

Executive (closed) session pursuant to Texas Government Code Section 551.071 for the purpose of consulting with Houston First General Counsel.

The Board entered Executive Session at 4:42 p.m. and concluded Executive Session at 4:54 p.m.

7. **Announcements.**

David Mincberg stated that he did not have any updates for the Board and recognized Brenda Bazan.

Brenda Bazan provided a brief update on the bid for the Democratic National Convention 2020. She also announced that Peter McStravick, HFC Chief Development Officer, was in London with a delegation from the City of Houston regarding property insurance.

8. **Adjournment.** The meeting was adjourned at 4:57 p.m.