

# MINUTES

## HOUSTON FIRST CORPORATION

**Theater District and Convention District Operations Committee  
August 16, 2018 – 1:00 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 Thursday, August 16, 2018, commencing at 1:00p.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), Elizabeth Brock, Tony Keane, Paul Puente, Council Member David Robinson, and Jay Tatum.*

The Committee Chair called the meeting to order at 1:05 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 January 8, 2018; March 14, 2018; and July 11, 2018 were approved as presented. Elizabeth Brock was not present at the time of the vote.
3. **Presentations and Reports.**
  - A. **Flood Recovery Status.** Jim Brownrigg of Turner Construction Company gave the Project Manager Report. His presentation included photos of the active worksite such as the completed ticket office. Mr. Brownrigg stated that the project schedule remains the same, with the following key dates: Open House-August 26, 2018; Brown Load In-September 22, 2018; First Performance-September 26, 2018; and Cullen Load In-September 29, 2018.

Mr. Brownrigg briefed the Committee on a recent head failure during the sprinkler pressurization in the 7th floor electrical room at Wortham Theater. He said the entire project team worked together to address remediation and return power and airflow to Wortham, and that they will finalize a solution and replace the damaged switch gear in order to meet the September 1 deadline.

Dean Gladden asked which company would be manufacturing the switchgear. Mr. Brownrigg responded that a manufacturer has yet to be selected, however, representatives of the four major companies in the field have toured the site and asked to pricing.

Paul Puente inquired as to who was responsible for paying for the damage due to the head failure. Peter McStravick stated that a claim had been filed and that insurance representatives of the parties involved, including the City of Houston, were actively reviewing the matter to determine the appropriate policy under which the claim will be pursued and paid.

Mr. Brownrigg stated that the project is still within budget with a guaranteed maximum payment to Manhattan Construction of \$64,828,815 and an owner's contingency of \$5,171,185. He added that Harrison Kornberg Architects, LLC and Arup Texas, Inc., a joint venture was requesting a task order for \$1,890,000, and that Turner Construction would need \$1,700,000 to provide services through 2019.

Mr. Puente asked how much of the funding requested was related to mitigation. Mr. Brownrigg stated he did not have that figure, but could provide a definite amount at a later date.

Tony Keane asked how HFC was so far off from its original estimate based on the request for additional funding. Both Peter McStravick and Jim Brownrigg further explained the additional services, including FEMA consulting, are being provided through 2019, and noted that the original budget amount contemplated construction through September 1, 2018 and was determined prior to selection of some of the construction contractors.

Dean Gladden asked for clarification of what construction would be complete by September 1. Mr. Brownrigg explained that front-of-house operations would be ready, though backstage areas, including dressing rooms would not be complete by such date.

Dean Gladden also asked for an update on mitigation. Roksan Okan-Vick, Sr. VP of Regional Product Development, was invited by Peter McStravick to address the Committee on the matter. Ms. Okan-Vick explained HFC's plan to strengthen exterior doors and flood gates in the Theater District Garages. She also discussed the White Oak Bayou Project, which is a larger regional project that could provide additional mitigation to the downtown area.

- B. Financial Report. Frank Wilson, Chief Financial Officer, gave a brief financial report. He noted that, at this time, \$79, 246, 896 has been spent on the Wortham Theater and Theater District Parking Garage reconstruction project with approximately another \$70,000,000 remaining. He added that HFC has received several invoices, but the invoices are not on pace with the work completed.

Paul Puente asked if there was a way to determine how much of the funds paid had gone to sub-contractors. Frank Wilson clarified that although invoices were submitted by prime contractors, Roger Harris would have additional information on subcontractors.

Desrye Morgan asked that the financial report be uploaded to Diligent for the benefit of the Committee.

- C. National Houston Highway Improvement Project Report (NHHIP). Steve Clark and Kevin Koch of Jacobs Engineering Group gave an update on the NHHIP. They stated that Jacobs has completed some of the preliminary work starting with a kick-off meeting and workshops coming up August 21 and September 6 with the design team and key stakeholders. Their presentation included a rendering of the existing back-of-house conditions at George R. Brown Convention Center ("GRB") and the impact of the NHHIP project.

Luther Villagomez, Chief Operating Officer of the GRB and Theater District, discussed some of the challenges HFC will face with the NHHIP project, such as foundation issues and use of utilities. He noted that while actual construction will likely begin in 2021, the Committee will be updated on the status of the project on a quarterly basis. Desrye Morgan encouraged all Committee members to attend project meetings and lend their expertise to add value to the process.

Jay Tatum talked about some concerns he had with the project and when TxDot would provide its best projection, specifically for the purpose of notifying visitors. Luther Villagomez explained that once the specific design build was released, HFC could provide more information. Mike Waterman added that HFC does not want to alarm future visitors without a plan, but once more information is available, the sales team will be instructed accordingly.

Jay Tatum further explained the importance that HFC have a seat at the table with TxDot and play an active role in the planning process. Council member David Robinson further echoed the sentiments of the Committee that there was a lot at stake with the project and encouraged Committee members to attend meetings.

#### 4. Committee Business.

- A. Consideration of, and possible recommendation of an Amendment to the Development Management Agreement with Griffin Partners, Inc. for Avenida Houston. Luther Villagomez discussed some of the work Griffin Partners has provided under the Development Management Agreement, such as building KHOU Houston and working with Partnership Tower building tenants. He noted that the amendment will extend the term through December 31, 2018.

A motion was made for an Amendment to the Development Management Agreement with Griffin Partners, Inc. The motion passed unanimously.

- B. Consideration of, and possible recommendation of additional funding for Harrison Kornberg Architects, LLC and ARUP Texas, Inc., a joint venture, to provide continued design services related to Hurricane Harvey through final construction. Peter McStravick echoed the information provided by Jim Brownrigg. Jay Tatum asked if HFC foresaw any request for additional funding for the design or construction teams. Peter McStravick responded that he did not foresee any additional requests at this time, though the appropriate scope of mitigation projects is unknown at this time.

A motion was made for additional funding for Harrison Kornberg Architects, LLC and ARUP Texas, Inc., a joint venture, for continued design services related to Hurricane Harvey through final construction. The motion passed unanimously.

- C. Consideration of, and possible recommendation of a contract Amendment with Turner Construction Company to provide continued project management services related to Hurricane Harvey. A motion was made for a contract Amendment with Turner Construction Company to provide continued project management services related to Hurricane Harvey. The motion passed unanimously.

5. **Adjournment.** The meeting was adjourned at 1:49 P.M.