

**MINUTES OF THE MEETING
OF
MONTROSE MANAGEMENT DISTRICT
BOARD OF DIRECTORS**

July 8, 2013

Determine quorum; call to order.

The Board of Directors of the Montrose Management District held a meeting on Monday, July 8, 2013, at 12:00 p.m. Noon at 401 Branard Street, 2nd Floor, Room 106, Houston, TX 77006, inside the boundaries of the District, and open to the public. Chairman Wynn called the meeting to order at 12:03 p.m., and the roll was called of the duly appointed members of the Board, to wit:

Position 1: Claude Wynn, <i>Chairman</i>	Position 9: Kathy Hubbard, <i>Treasurer</i>
Position 2: Dana Thorpe	Position 10: Michael Grover
Position 3: Randy Mitchmore, <i>Vice Chairman</i>	Position 11: Bobby Heugel
Position 4: Cassie Stinson, <i>Secretary</i>	Position 12: Brad Nagar, <i>Ass't Sec'y</i>
Position 5: Lane Llewellyn	Position 13: Vacant
Position 6: Vacant	Position 14: David Robinson
Position 7: Vacant	Position 15: Randall Ellis
Position 8: Robert Jara	

and all of the above were present with the exception of Directors Ellis, Heugel, Mitchmore and Robinson, thus constituting a quorum. Also present at the meeting were Bill Calderon, Susan Hill, Josh Hawes, Gretchen Larson and Ray Lawrence, all of Hawes Hill Calderon, L.L.P.; Patricia Hall, Equi-Tax, Inc.; and Darrell Hawthorne, Municipal Accounts and Consulting, L.P. Others present were Dennis Beedon and Marie Cortes, both District business ambassadors; Daphne Scarbrough, Richmond Avenue Coalition; Eugene Nosal, Avondale Association; Officer Victor Beserra, Houston Police Department; and Therese Alvarez, ASE Security.

Approve minutes of meeting held June 10, 2013.

Upon a motion duly made by Director Nagar and being seconded by Director Hubbard, the Board voted unanimously to approve the minutes of its meeting held on June 10, 2013.

Receive public comments.

Ms. Scarbrough questioned a line item in the District's financial audit regarding salaries. No action was taken.

Approval of Official Payments Agreement as the credit card processor.

The agenda item was tabled until later in the meeting.

Receive District's Monthly Assessment Collection Reports and Billing and Assessment Summaries, Lawsuit and Arbitration Status Details, and Delinquent Assessment Reports.

The agenda item was tabled until later in the meeting.

Consider policy concerning waiver of penalty and interest.

The agenda item was tabled until later in the meeting.

Consider waiver of penalty and interest for:

**2400 Taft
120 Westheimer**

The agenda item was tabled until later in the meeting.

Receive Executive Director's Report on District initiatives.

Mr. Calderon said that the full Executive Director's Monthly Report is included in the Board agenda materials. He reported on Committee activity, noting that the Marketing and Business Relations Committee will have action items for the Board to consider today.

He said that the District's two business ambassadors have made more than 1,000 visits to businesses and that a report based on their findings will be forthcoming.

He reported that he and Chairman Wynn met with Neon Electric to troubleshoot issues regarding fabrication of the District's monument signage. He said that the engineering design is being redone to address lighting and wiring issues. He reported that Weingarten Realty has offered a location on West Gray for installation of the initial monument sign.

Office Beserra reported on crime statistics for the month. He said that there were a total of 73 arrests during the month of June, including 8 felony arrests. He said that the number of burglaries of motor vehicles has decreased slightly. He reported that collaborative activities with the Harris County District Attorney's office are going well, with the Assistant D.A. accompanying officers on patrols. He said that safety and security issues at T C's Bar have improved. No action was taken

Receive report and recommendations from the Marketing and Business Relations committee:

a) Consider approval of a Holiday Decorating Program with a budget not to exceed \$3,500.00.

Mr. Calderon said that the proposed 2013 Holiday Decorating Program is designed to invite participation and involvement by businesses in the community and that the new program would include plans for a decorating contest, judges, and awards. This would be an alternative to last year's decorating program featuring manufactured decorations. He said that the budget would not exceed \$3,500.00.

b) Expansion of 3-1-1 Campaign with a budget not to exceed \$1,500.00.

Mr. Calderon explained that the project would involve enhanced promotion of the City's 3-1-1 hotline. He noted that the City's Public Works Department is attentive to the 3-1-1 requests it receives. He said that the budget is not to exceed \$1,500.00. He added that the District continues to be in discussions with the City regarding possible capital improvement projects such as on lower Westheimer.

c) Creation of an editorial calendar and engaging the services of professional writers for the District; budget of \$250.00 per month.

Mr. Calderon said that this would be a four-month pilot program in which a professional writer would develop focused articles about the District which would be promoted on the District's website and social media at a cost of \$250.00 per month.

- d) Consider incorporating the Houston Arts Alliance arts event calendar feed into the district events calendar; budget of \$250.00 per month.**

Mr. Calderon explained that the Houston Arts Alliance arts event calendar feed would be made available to the District for its use through a licensing agreement at a cost of \$250.00 per month.

- e) Consider an agreement to engage the services of Ms. Marie Cortes to assist with the planning for the Texas Committee for the Arts Cultural District Designation Program and costs associated with required public meetings, steering committee creation, mapping services, and other related matters with an estimated budget not to exceed \$7,500.00.**

Mr. Calderon said that being designated as a Cultural Arts District would be an excellent status for the District to achieve. Chairman Wynn added that the designation would be beneficial in terms of creating new grant opportunities and bringing additional funds into the District.

Discussion followed, during which Director Nagar inquired about the change in direction of the holiday lighting program from the previous year. Mr. Calderon responded that the Committee had concerns about the cost of the previous program, the complexities of its implementation such as City permits and wiring requirements, and its cost/benefit ratio. Director Nagar said it would be beneficial to have a method of measuring the effectiveness and success of the marketing and public relations programs.

Following discussion, and upon a motion duly made by Director Llewellyn and being seconded by Director Hubbard, the Board voted on the Marketing and Business Relations agenda items as follows:

- a) The Board voted unanimously to approve a Holiday Decorating Program with a budget not to exceed \$3,500.00.
- b) The Board voted unanimously to approve expansion of the 3-1-1 Campaign with a budget not to exceed \$1,500.00.
- c) The Board voted to approve the creation of an editorial calendar and to engage the services of professional writers for the District at a budget of \$250.00 per month. Director Nagar opposed the motion.
- d) The Board voted to approve incorporating the Houston Arts Alliance arts event calendar feed into the district events calendar at a budget of \$250.00 per month. Director Nagar opposed the motion.
- e) The Board voted unanimously to approve an agreement to engage the services of Ms. Marie Cortes to assist with the planning for the Texas Committee for the Arts Cultural District Designation Program and costs associated with required public meetings, steering committee creation, mapping services, and other related matters with an estimated budget not to exceed \$7,500.00.

Approval of Official Payments Agreement as the credit card processor.

Ms. Hall explained that Equi-Tax recommends changing to Official Payments as the District's credit card processor, noting that the City and the County both use this service. She said that processing fees are charged to assessment payers who make credit card payments. She said that the new fee will be 2.5 percent, which is one-half of one percent lower than the three percent charged by the previous processing firm. She added that the customer service at Official Payments is also superior. Upon a motion duly made by Director Llewellyn and being seconded by Director Thorpe, the Board voted unanimously to approve an agreement with Official Payments as the District's credit card processor.

Receive District's Monthly Assessment Collection Reports and Billing and Assessment Summaries, Lawsuit and Arbitration Status Details, and Delinquent Assessment Reports.

Ms. Hall presented the Report. She reported that the 2012 assessments are 95% collected to date on both sides of the District. She said that there are no properties in the District with uncertified property values. She said that lists of the Top Ten Assessment Payers and Ten Largest Delinquent Accounts are listed in the Board agenda materials, as well as a delinquent collections report. No action was taken.

Consider policy concerning waiver of penalty and interest.

Mr. Calderon explained the rationale for developing a policy concerning the waiver of penalty and interest for delinquent assessment payers. He said that such a policy must be in compliance with State law. Director Hubbard said that the District's policy would allow for a one-time waiver of late penalties for delinquent assessment payers, with the base tax and interest both still being due. Mr. Calderon said that the policy will be presented to the Board for review and action next month. No action was taken.

Consider waiver of penalty and interest for:

2400 Taft; 120 Westheimer

Following discussion, and upon a motion duly made by Director Hubbard and being seconded by Director Llewellyn, the Board voted to approve a one-time waiver of late payment penalties, consistent with the waiver policy being developed, for the properties located at 2400 Taft and 120 Westheimer. Director Thorpe opposed the motion.

Receive and consider Montrose Management District's monthly financial report and pay invoices.

Mr. Hawthorne reviewed the financial statements included in the Board agenda materials. Upon a motion duly made by Director Llewellyn and being seconded by Director Grover, the Board voted unanimously to approve the Montrose Management District's monthly financial report and pay invoices.

Convene in Executive Session pursuant to Section 551.071, Texas Government Code, to conduct a private consultation with attorney to discuss litigation, and matters related to the same.

The Board did not convene in Executive Session.

Reconvene in Open Session and authorize appropriate action by legal counsel related to Item #12 on the agenda.

No action was taken.

Announcements.

Mr. Calderon said that copies of the lawsuit appellate filing are available, and several Board members requested copies. No action was taken.

Adjourn.

There being no further business to come before the Board, Chairman Wynn adjourned the meeting at 1:15 p.m.



Cassie B Stinson
Secretary, Board of Directors
Montrose Management District