

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

July 14, 2014

DETERMINE QUORUM; CALL TO ORDER.

The Board of Directors of Montrose Management District held a regular meeting, open to the public, on Monday, July 14, 2014, at 12:00 p.m. at 401 Branard Street, 2nd Floor, Room 106, Houston, Texas 77006, inside the boundaries of the District, and the roll was called of the duly appointed members of the Board, to-wit:

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| 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>Asst Secretary</i> |
| Position 5 - Lane Llewellyn | Position 13 - <i>vacant</i> |
| Position 6 - <i>vacant</i> | Position 14 - <i>vacant</i> |
| Position 7 - <i>vacant</i> | Position 15 - Randall Ellis |
| Position 8 - Robert Jara | |

and all were present with the exception of Directors Stinson, Llewellyn, Heugel and Ellis, thus constituting a quorum. Also present were Bill Calderon, Susan Hill, Phillip Wagner, Linda Clayton, Gretchen Larson and Marie Cortes, all with Hawes Hill Calderon, LLP; Clark Lord, Bracewell & Giuliani; Barry Abrams, Blank-Rome; Pat Hall, Equi-Tax, Inc.; Caryn Adams, Municipal Accounts; and Ray Lawrence, Lawrence & Associates. Others attending the meeting were Dennis Beedon; Montrose Business Ambassador; Tawny Tidwell; Victor Beserra, HPD; Daphne Scarbrough, Richmond Avenue Coalition; Eugene Nosad, Avondale Association; Tarek Salti, Pepperonis; Lutfi Rukab; and Chris Valdez, PrimerGrey. Chairman Wynn called the meeting to order at 12:08 p.m.

APPROVE MINUTES OF MEETING HELD JUNE 9, 2014.

Upon a motion duly made by Director Mitchmore, and being seconded by Director Grover, the Board voted unanimously to approve the Minutes of the June 9, 2014, Board meeting as presented.

RECEIVE PUBLIC COMMENTS.

There were no public comments.

CONSIDER RESOLUTION WAIVING AUTOMATIC RESIGNATIONS OF DIRECTORS.

Mr. Calderon went over the Resolution Waiving Automatic Resignations of Directors, included in the Board agenda materials, and answered questions. Upon a motion duly made by Director Mitchmore, and being seconded by Director Hubbard, the Board voted unanimously to approve the Resolution Waiving Automatic Resignations of Directors Bobby Heugel and Randall Ellis.

RECEIVE AND CONSIDER DISTRICT'S MONTHLY FINANCIAL REPORT, INCLUDING PAY INVOICES.

Ms. Adams presented the District's Monthly Financial Report and went over the invoices, included in the Board agenda materials. Upon a motion duly made by Director Hubbard, and being seconded by Director Mitchmore, the Board voted unanimously to accept the Monthly Financial Report and approved payment of invoices, as presented.

RECEIVE EXECUTIVE DIRECTOR'S MONTHLY REPORT ON DISTRICT INITIATIVES.

Mr. Calderon reported work continues on the Special Parking Application and District branding signs. He reported the contract for the branding signs was expected to be slightly higher than anticipated. He reported the website was continuing to be revamped, and after redesign and hiring the professional writers website traffic had increased. Mr. Calderon reported a new pizzeria had contacted the District regarding an esplanade in front of their store and they were wanting to provide landscaping for the same. Mr. Calderon reported the pizzeria would be providing a recommendation to the District for consideration.

a. Consider Resolution of Endorsement of the METRO System Reimaging Plan.

Mr. Calderon reported the Mobility and Visual Improvements Committee discussed the METRO System Reimaging Plan. He reported the engineers reviewed the plan and provided a report of the benefits the District would receive from the new plan. After consideration, the Committee was recommending approval of the Resolution supporting the METRO System Reimaging Plan. Upon a motion duly made by Director Nagar, and being seconded by Director Mitchmore, the Board voted unanimously to approve the Resolution Providing Endorsement of the METRO System Reimaging Plan, as presented.

b. Consider contract with BIO for maintenance of District esplanades.

Mr. Calderon went over the contract with BIO for maintenance of the esplanades, included in the Board agenda materials. Upon a motion duly made by Director Mitchmore, and being seconded by Director Nagar, the Board voted unanimously to approve the Contract with BIO for maintenance of the District esplanades, as presented.

c. Consider recommendation to sell 2011 Ford Escape to CarMax; and authorize the Executive Director to complete all necessary documentation.

Mr. Calderon reported CarMax had previously offered \$8,000 for the 2011 Ford Escape; however, Texas Direct Auto had submitted an offer with an estimate of \$10,000. Upon a motion duly made by Director Nagar, and being seconded by Director Mitchmore, the Board voted unanimously to authorize the Executive Director to sell the 2011 Ford Escape to Texas Direct Auto and complete all necessary documents to effectuate the same.

d. Consider the Finance Committee's recommendations on waivers of assessments.

Mr. Calderon reported the Finance Committee had reviewed several waiver of assessment requests received. He reported after discussion with legal counsel, it was recommended the District adhere to its policy previously adopted regarding waiver of penalty and/or interest. No action from the Board was required.

Officer Beserra presented the Patrol Report for June and answered questions. Director Mitchmore requested Officer Beserra provide a year-to-date analysis on his report. No action from the Board was required.

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 Monthly Assessment Collection Report, included in the Board agenda materials. She reported 96% collected for the East zone with no uncertified properties and 96% collected for the West zone with no uncertified properties. She reported all delinquent accounts had been turned over to Perdue for collection. She reported a lawsuit had been filed by the county against the appraisal district for undervaluing properties by approximately 15%. She reported as a result it will more than likely delay the appraisal district certifying the values. No action from the Board was required.

CONSIDER DISADVANTAGED BUSINESS ENTERPRISE POLICY.

Mr. Calderon reported a draft of the policy prepared by legal counsel was included in the Board agenda materials. After general discussion, a motion was made by Director Jara, and being seconded by Director Hubbard, the Board voted unanimously to delay consideration of the Disadvantaged Business Enterprise Policy in order for the Finance Committee to review the policy and make any changes necessary.

CONVENE IN EXECUTIVE SESSION PURSUANT TO SECTION 551.017, TEXAS GOVERNMENT CODE, TO CONDUCT A PRIVATE CONSULTATION WITH ATTORNEY TO DISCUSS LITIGATION, AND MATTERS RELATED TO THE SAME.

The Board convened in executive session at 12:52 p.m.

RECONVENE IN OPEN SESSION AND AUTHORIZE APPROPRIATE ACTION BY LEGAL COUNSEL RELATED TO ITEM 9 ON THE AGENDA.

The Board reconvened from executive session at 1:21 p.m. No action was taken.

ANNOUNCEMENTS.

There were no announcements.

ADJOURN.

There being no further business to come before the Board, Chairman Wynn adjourned the meeting at 1:21 p.m.



Cassie B. Johnson
Secretary