

**MINUTES OF THE MEETING OF THE  
EAST ALDINE MANAGEMENT DISTRICT  
BOARD OF DIRECTORS**

**January 20, 2015**

**DETERMINE QUORUM; CALL TO ORDER.**

The Board of Directors of the East Aldine Management District held a regular meeting, open to the public, on Tuesday, January 20, 2015, at 5:00 p.m. in the community room of the East Aldine District offices, 5333 Aldine Mail Route, Houston, Texas 77039, and the roll was called of the duly appointed members of the Board, to-wit:

Position 1	Joyce Wiley	Position 6	Bob Beasley
Position 2	Virginia Bazan	Position 7	Gerald Overturff, <i>Chairman</i>
Position 3	Reyes Garcia, <i>Asst. Secretary</i>	Position 8	Gilbert E.B. Hoffman
Position 4	Patti Acosta	Position 9	John Meinke, <i>Treasurer</i>
Position 5	Deborah Foster, <i>Secretary</i>		

and all the above were present, with the exception of Beasley and Hoffman, thus constituting a quorum. Also present were David Hawes, Scott Bean, Brian Burks, Susan Hill, Richard Cantu, Gretchen Larson, Tony Allender and Lucia Ayala, all with Hawes Hill Calderon, LLP; Tim Austin, Allen Boone Humphries Robinson, LLP; Jack Roland, Roland Fry & Warren; and Ray Lawrence, Lawrence & Associates. Others attending the meeting were Fred Ponder and George Adams, both with Boy Scouts; Connie Esparza, and Alex Rios, both of Castlewood Civic Club; Chris Adoler, resident; Matthew Garcia, resident; and Matt Starr, Neighborhood Centers, Inc. Chairman Overturff called the meeting to order at 5:15 p.m.

**RECEIVE REPORT REGARDING DISTRICT INITIATIVES AND CONDUCT FY2015 BUDGET WORKSHOP; TAKE APPROPRIATE ACTION.**

Handouts were distributed to the Board; Exhibit A - Estimation of Costs Associated with East Aldine Town Center; Exhibit B – Capital Projects Fund, FY 2015 Proposed Annual Budget; Exhibit C – FY 2015 Proposed Budget, Statement of Revenue and Expenditures - Budget vs. Actual; and Exhibit D - Debt Service Schedule. Mr. Hawes presented the proposed budget, went over uses of funds in detail and responded to questions.

**6:11 p.m. - Director Hoffman arrived at Board meeting.**

The Board discussed the proposed budget at length. Upon a motion duly made by Director Garcia, and being seconded by Director Wiley, a poll was taken to approve the budget as presented and adjusted according to discussions. The motion passes unanimously.

**RECEIVE PUBLIC COMMENTS.**

Messrs. Fred Ponder and George Adams presented a plaque of appreciation to Chairman Overturff on behalf of Boy Scouts of America.

**APPROVE MINUTES OF THE NOVEMBER 18, 2014, REGULAR MEETING.**

Upon a motion duly made by Director Garcia, and being seconded by Director Foster, the Board voted unanimously to approve the Minutes of the November 18, 2014, Board meeting, as presented.

**RECEIVE AND APPROVE DISTRICT FINANCIAL REPORT AND PAY INVOICES.**

Mr. Roland presented the Financial Report and went over invoices, included in the Board agenda materials, and answered questions. Upon a motion duly made by Director Garcia, and being seconded by Director Meinke, the Board voted unanimously to accept the Financial Report and approved payment of invoices, as presented.

**APPROVE PROPOSAL FROM ROLAND FRY & WARREN LLC TO PREPARE YEAR-END FINANCIAL REPORTS.**

Upon a motion duly made by Director Garcia, and being seconded by Director Foster, the Board voted unanimously to approve the proposal from Roland Fry & Warren, LLC to prepare the year-end financial reports, as presented.

**APPROVAL PROPOSAL FROM McCALL GIBSON SWEDLUND BARFOOT PLLC TO CONDUCT 2014 AUDIT.**

Upon a motion duly made by Director Garcia, and being seconded by Director Meinke, the Board voted unanimously to approve the proposal from McCall Gibson Swedlund Barfoot PLLC to conduct the 2014 annual audit, as presented.

**CONSIDER AMENDED LETTER OF ENGAGEMENT WITH ROLAND FRY & WARREN LLC FOR ACCOUNTING SERVICES.**

Upon a motion duly made by Director Meinke, and being seconded by Director Wiley, the Board voted unanimously to approve the amended letter of engagement with Roland Fry & Warren for accounting services, as presented.

**PROPOSAL FOR PREPARATION OF BOND APPLICATION TO THE TEXAS COMMISSION ON ENVIRONMENTAL QUALITY.**

Mr. Austin reviewed the proposal from Jones-Heroy & Associates, Inc. to prepare a bond application to the Texas Commission on Environmental Quality, included in the Board agenda materials, and answered questions. Upon a motion duly made by Director Garcia, and being seconded by Director Wiley, the Board voted unanimously to approve the proposal from Jones-Heroy & Associates, Inc. to prepare the bond application, as presented.

**RECEIVE AND CONSIDER WATER & SEWER COMMITTEE REPORT AND RECOMMENDATIONS REGARDING INFRASTRUCTURE INITIATIVES WITHIN THE DISTRICT.**

- a. Approve agreement with Jones & Carter, Inc. for the design of the Hanley/Mohawk East Water and Sewer project in the amount of \$143,625.00 per approved 2015 budget.
- b. Approve agreement with McDonough Engineering, Inc. for the design of the Hopper Road Water/Sewer project in the amount of \$121,000 per approved 2015 budget.
- c. Approve agreement with McDonough Engineering, Inc. for the completion of record drawings for the Inwood Phase I Sewer Project in the amount of \$5,000.00 per approved 2015 budget.
- d. Approve outlay request no. 7 and associated pay estimate and invoices for TWDB Project No. 10384

Upon a motion duly made by Director Garcia, and being seconded by Director Acosta, the Board voted unanimously to approve: (a) Agreement with Jones & Carter, Inc. for the design of the Hanley/Mohawk East Water and Sewer project in the amount of \$143,625.00; (b) Agreement with McDonough Engineering, Inc. for the design of the Hopper Road Water/Sewer project in the amount of \$121,000; (c) Agreement with McDonough Engineering, Inc. for the completion of record drawings for the Inwood Phase I Sewer Project in the amount of \$5,000.00; and (d) outlay request no. 7 and associated pay estimate and invoices for TWDB Project No. 10384.

**RECEIVE AND CONSIDER FACILITIES DEVELOPMENT COMMITTEE REPORT AND RECOMMENDATIONS REGARDING ALDINE TOWN CENTER AND RELATED DEVELOPMENTS.**

- a. Authorize Board Chairman and Executive Director to process payment to Prosperity Bank for release of lien associated with Town Center land conveyance to NCI & Harris County.**

Upon a motion duly made by Director Garcia, and being seconded by Director Foster, the Board voted unanimously to authorize David Hawes and Chairman Overturff to process payment to Prosperity Bank for the release of the lien associated with the Town Center land conveyance to NCI and Harris County in an amount not to exceed \$1.7 million.

- b. Approve design standards for the East Aldine Town Center.**

This item was tabled.

- c. Approve Interlocal Agreement with Harris County for construction management services for all Town Center related facilities, utilities and related development.**

This item was tabled.

- d. Approve Interlocal Agreement(s) with Lone Star College, Neighborhood Centers, Inc. (NCI) and Harris County for facilities development at Town Center site.**

This item was tabled.

- e. Consider agreement with Ramos Trucking for Town Center site dirt removal.**

Mr. Hawes explained the estimated costs associated with removal of the dirt from the Town Center site, and answered questions. Upon a motion duly made by Director Foster, and being seconded by Director Bazan, the Board voted unanimously to authorize the District attorney, Tim Austin, to prepare the contract and authorized Chairman Overturff to execute the contract.

**RECEIVE AND CONSIDER PUBLIC SAFETY COMMITTEE REPORT AND RECOMMENDATIONS REGARDING SAFETY INITIATIVES.**

- a. Approve request from HCSO Explorer's for Central TX Competition.**
- b. Approve request from HCSO K-9 Division for Police Service Dog (PSD).**

Mr. Cantu went over each request and answered questions. He reported the request from HCSO Explorer's for Central Texas competition was in the amount of \$3,549.90 and HCSO K-9 Division was requesting \$10,000. He reported the Public Safety Committee was recommending approval of both requests. Upon a motion duly made by Director Bazan, and being seconded by Director Acosta, the Board voted unanimously to approve the request from HCSO Explorer's for Central Texas competition in the amount of \$3,549.90 and the request from HCSO K-9 Division for funding police service dogs in the amount of \$10,000 as presented.

**RECEIVE AND CONSIDER BUSINESS & ECONOMIC DEVELOPMENT COMMITTEE REPORT AND RECOMMENDATIONS REGARDING BUSINESS DEVELOPMENT INITIATIVES IN THE DISTRICT.**

- a. Approve request from Board Member Bazan for sponsorship of co-branded t-shirts for the Future Farmers of America Program.**

Upon a motion duly made by Director Garcia, and being seconded by Director Foster, the Board voted unanimously to approve sponsoring co-branded t-shirts for the Future Farmers of America program in the amount of \$500.

- b. **Approve request for sponsorship of Neighborhood Centers Inc. (NCI) for screening of the motion picture "Selma" for 45 Hambrick MS students.**

After review of the request, Mr. Austin advised the Board the request did not further one of the goals of the District; i.e., health and safety, economic development, transportation, water, sewer, drainage and recreation. Mr. Austin reported he would personally sponsor this request. No action from the Board was required.

**RECEIVE EXECUTIVE DIRECTOR'S MONTHLY REPORT ON DISTRICT INITIATIVES REGARDING SERVICE AND IMPROVEMENT PLAN.**

Mr. Hawes reported everything had been covered in the Agenda.

**ADJOURN.**

There being no further business to come before the Board, Chairman Overturff adjourned the meeting at 7:50 p.m.

  
Secretary

(Seal)



List of Exhibits:

- A. Estimated Costs Associated with East Aldine Town Center
- B. Capital Projects Fund FY 2015 proposed annual budget
- C. Statement of Revenue & Expenditures FY 2015 proposal budget
- D. Debt Service Schedule

Ech A

Ex A

### Estimation of Costs Associated with East Aldine Town Center

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total
<b>Dirt Removal</b>	\$ 500,000					\$ 500,000
<b>Remaining Land Conveyance Costs</b>						
Appraisal	\$ 15,000					\$ 15,000
Title Research	\$ 10,000					\$ 10,000
Transfer of Deed	\$ 5,000					\$ 5,000
Bond Application Report	\$ 12,000					\$ 12,000
Payment of Debt/Release of Lien	\$ 1,700,000		\$ 1,000,000			\$ 2,700,000
<b>Remaining Design and Preparation Costs</b>						
Traffic Assessment*	\$ 13,500					\$ 13,500
Infrastructure Design*	\$ 655,715					\$ 655,715
Park Design*	\$ 473,500					\$ 473,500
Gateway Sign Design		\$ 30,000				\$ 30,000
<b>Construction Costs</b>						
General Construction	\$ 506,250					\$ 506,250
Paving	\$ 5,131,348					\$ 5,131,348
Utilities	\$ 1,597,641					\$ 1,597,641
Landscaping (Street and Detention Areas)		\$ 2,069,060				\$ 2,069,060
Park Improvements		\$ 1,853,966				\$ 1,853,966
Sunbelt District Improvements	\$ 849,535					\$ 849,535
Contingencies		\$ 2,401,560				\$ 2,401,560
Optional: Boundless Play Area			\$ 500,000			\$ 500,000
Optional: Aldine Entry Sign			\$ 250,000			\$ 250,000
<b>EAMD Facility</b>						
Payment for Facility			TBD	TBD	TBD	\$ -
Furnishings			TBD			\$ -
<b>Economic Development Marketing</b>						
ICSC Travel*	\$ 6,000	\$ 6,000	\$ 6,000	\$ 6,000	\$ 6,000	\$ 30,000
Marketing Materials*	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 25,000
Data Acquisition*	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 25,000
<b>Maintenance and Operations</b>	\$ -	\$ 300,000	\$ 600,000	\$ 600,000	\$ 600,000	\$ 2,100,000

Programming	\$	-	\$ 80,000	\$ 150,000	\$ 150,000	\$ 150,000	\$ 150,000	\$ 530,000
Total Related to Capital Cost	\$	11,469,489	6,354,586	1,750,000	\$	-	\$	19,574,075
Totals	\$	11,485,489	6,750,586	2,516,000	\$	766,000	\$	22,284,075

**Notes:**

*All numbers highlighted in red are estimates that are to be refined and clarified*

*\* indicates line items that are proposed to be funded in the general budget*

Capital Projects Fund	2014	2014 Actual	2015 Proposed
	Annual Budget	Jan - Dec 14	Annual Budget
Ordinary Income/Expense			
Income			
Bond Funds on Hand	756,170	0	536,976
TWDB Bond Funds on Hand	-	-	-
TWDB Grant Funds on Hand	-	-	-
Contribution from Harris County	0	731,183	0
Transfer from General Fund	1,697,897	570,088	2,480,901
Net Income On Hand from 2014		391	156,072
Interest Income			
Total Income	2,454,067	1,301,662	3,173,949
Expense			
General Engineering	20,000	2,905	10,000
Capital Improvements			
Facility Development - Town Center	150,000	99,917	1,150,000
Transportation & Mobility			
Signage	65,000	33,195	30,000
Landscape & Entry Monumentation	335,000	146,187	100,000
Aldine Mail Route Project	175,000	1,621	
Mt. Houston Median Improvements		11,609	80,000
General Engineering	5,000	360	0
Total Transportation & Mobility	580,000	192,971	1,370,000
Water & Sewer Projects			
Service Zone II			
Trunk Line Utilities	0	5,223	0
Total Service Zone II	0	5,223	0
Sherwood Benton Place Engr.			
Water/sewer Construction		0	
Construction Phase Engineering	67,000	60,725	6,275
Construction Management (HC)	320,166	351,401	0
Total Sherwood Benton Place Engr.	387,166	412,126	6,275
Inwood Place Sewer			
Engineering Design	19,085	27,881	5,000

Total Inwood Place Sewer	19,085	27,881	5,000
Rosemary Street Water & Sewer			
Engineering	130,000	179,688	0
Leverage Payment	0	0	88,200
Bidding and Construction			25,000
Total Rosemary Street Water & Sewer	130,000	179,688	113,200
CDBG/Project Grant-2013 Mohawk			
Design Engineering	3,090	136	0
Construction Management (HC)	51,485	51,485	0
Additional Leverage	44,007	0	0
Total CDBG/Project Grant-2013 Mohawk	98,582	51,621	0
CDBG/Project Grant-2014 Hanley			
Design Engineering	155,000	117,207	37,793
Construction Management (HC)	35,815	0	35,815
Easement Acquisition	0	0	50,000
Additional Leverage	110,250	421	110,250
Total CDBG/Project Grant-2014 Hanley	301,065	117,628	233,858
CDBG/Project Grant-2014 Inwood			
Design Engineering	122,000	34,549	87,451
Additional Leverage	190,000	21,000	0
Total CDBG/Project Grant-2014 Inwood	312,000	55,549	87,451
CDBG/Project Grant-2016 Mohawk/Hanley East			
Design Engineering - 2015	0	0	131,500
Additional Leverage - 2016	0	0	0
Total CDBG/Project Grant-2016 Mohawk/Hanley	0	0	131,500
CDBG/Project Grant-2016 Hopper			
Design Engineering - 2015	0	0	121,000
Additional Leverage - 2016	0	0	0
Total CDBG/Project Grant-2016 Hopper	0	0	121,000
Total CDBG and TWDB Water & Sewer Projects	1,247,898	849,717	698,284
Town Center Off-site Water/Sewer Improvements			
Lauder Road/AMR 12" Water Loop (Design)			365,000
Off-Site Sanitary Sewer Line			475,000



Seven Mile Water Plant Modifications

255,660

Total Capital Improvements

3,163,949

Other Expenses

1,142,606

79

Total Expense

3,173,949

Net Ordinary Income

-0

Net Income

-0

1,977,898

1,997,898

456,169

456,169

1,145,590

156,072

156,072

East Aldine Management District  
 Statement of Revenue & Expenditures - Budget vs. Actual  
 Preliminary Report December 2013

	FY 2014 APPROVED BUDGET	FY 2014 ACTUAL	FY 2015 PROPOSED BUDGET
Sales Tax Income	4,800,000	5,435,191	5,706,950
Special Sales Tax Income	1,250,000	1,329,053	1,395,506
CDBG/Project Refund	431,000	0	
CDBG/Project Grant-2013 Mohawk	0	0	
Infrastructure Refund	750,000		
Landstar Contract-Dirt Revenue	100,000	22,443	
County Trash Contract	50,000	50,000	50,000
Interest Income	15,000	7,848	7,500
<b>Total Sources of Funds</b>	<b>7,396,000</b>	<b>6,844,535</b>	<b>7,159,956</b>
<b>Water &amp; Sewer</b>			
Utility Rate Legal Svcs	75,000	55,824	50,000
Utility Rate Legislative Suppt	0	0	5,000
Project Management	131,075	131,075	136,318
<b>Total Water &amp; Sewer</b>	<b>206,075</b>	<b>186,898</b>	<b>191,318</b>
<b>Transportation/Mobility</b>			
METRO Route 59	30,000	0	0
Project Management	99,866	99,866	103,861
<b>Total Transportation/Mobility</b>	<b>129,866</b>	<b>99,866</b>	<b>103,861</b>

East Aldine Management District  
**Statement of Revenue & Expenditures - Budget vs. Actual**  
Preliminary Report December 2013

	FY 2014 APPROVED BUDGET	FY 2014 ACTUAL	FY 2015 PROPOSED BUDGET
Environ & Urban Design			
Project Management	56,572	56,572	58,835
Street Light Operations	75,000	49,465	75,000
Street Light Outage Survey	1,890	1,890	1,890
Graffiti Abatement	35,000	33,920	35,000
Greens Bayou Corridor	60,000	60,000	60,000
Median Water/Electric Usage	15,000	10,272	15,000
Maintenance and Repair -Signage	25,000	14,789	20,000
Esplanade Maintenance	75,000	43,711	60,000
Litter Abatement	85,000	85,270	86,000
Right of Way Maintenance	400,000	378,204	400,000
Total Environ & Urban Design	<u>828,462</u>	<u>734,093</u>	<u>811,725</u>
Public Safety & Security			
Project Management	149,800	149,799	155,791
Public Safety Center Expenses	35,000	29,433	35,000
County Contract Public Safety	647,816	647,812	680,210
Contract Bicycle/Specialized Patrol	100,000	102,378	105,000
County Attorney Contract	61,000	60,833	61,000
County Investigative Support	40,000	50,000	50,000
Public Safety Youth Program	15,000	16,407	15,000
Surveillance Cameras	30,000	18,235	20,000
Training	15,000	600	2,500
Supplies	20,000	924	5,000
Total Public Safety & Security	<u>1,113,616</u>	<u>1,076,422</u>	<u>1,129,501</u>
Economic Dev. Public Relations			
Project Management	179,833	179,833	187,026
Economic Development Specialist	45,000	16,042	46,800

East Aldine Management District  
**Statement of Revenue & Expenditures - Budget vs. Actual**  
Preliminary Report December 2013

	FY 2014 APPROVED BUDGET	FY 2014 ACTUAL	FY 2015 PROPOSED BUDGET
Business Ambassador	55,000	55,000	0
Business Dev./PR & Marketing	175,000	189,363	189,000
Business & Eco Development Svcs	12,000	12,000	12,000
GIS Mapping	0	9,713	10,000
District Legislative Services	0	0	35,000
Website Maintenance & Hosting	12,000	6,000	12,000
Website Online Communications	7,200	7,000	7,200
<b>Total Economic Dev. Public Relations</b>	<b>486,033</b>	<b>474,951</b>	<b>499,026</b>
Facility Development - Town Center			
Project Management	45,000	16,042	46,800
<b>Total Facility Development</b>	<b>45,000</b>	<b>16,042.00</b>	<b>46,800</b>
Community Development			
Project Management	12,483	12,483.00	12,983
Community Development Fund	300,000	255,876.00	210,000
<b>Total Community Development</b>	<b>312,483</b>	<b>268,359.00</b>	<b>222,983</b>

East Aldine Management District  
**Statement of Revenue & Expenditures - Budget vs. Actual**  
Preliminary Report December 2013

	FY 2014 APPROVED BUDGET	FY 2014 ACTUAL	FY 2015 PROPOSED BUDGET
Public Health & Neigh Svcs			
Project Management	12,483	12,483	12,983
Community Health Programs	65,000	3,159	5,000
Community Garden	5,000	4,364	5,000
Community Clean Ups/Dumpsters	5,000	883	2,500
Mosquito Control	35,000	35,608	35,000
SNAP/Pet Education	10,000	450	6,000
HOPE	5,000	1,178	2,500
Neighborhood Refuse Program	210,000	16,838	150,000
Nuisance Abatement Outreach	2,500	0	1,500
Art/Mural Project	5,000	0	1,000
<b>Total Public Health &amp; Neigh Svcs</b>	<b>354,983</b>	<b>74,963</b>	<b>221,483</b>
Administration - General Fund			
Executive & Board Admin	43,692	43,692	45,440
Legal Services	45,000	38,410	40,000
Audit Services	15,000	16,050	15,000
Bookkeeping Services	15,000	15,000	15,000
IT Maintenance	8,000	8,295	8,000
District Office Lease	46,000	45,857	46,000
District Office Operations	30,000	44,567	45,000
District Office Furn & Equip	5,000	5,840	6,000
Insurance Expense	20,000	16,648	20,000
Land Debt Service (P/I)	0	5,000	0
Bond Issue Expense	2,000	2,000	0
Continuing Disclosure Fee	3,500	3,500	3,500
Copies & Postage	12,000	13,594	14,000
Mileage	15,000	11,422	12,000
Phone	5,000	5,243	6,000

East Aldine Management District  
**Statement of Revenue & Expenditures - Budget vs. Actual**  
Preliminary Report December 2013

	FY 2014 APPROVED BUDGET	FY 2014 ACTUAL	FY 2015 PROPOSED BUDGET
Misc Board Meeting Support	10,000	2,733	3,000
Total Administration - General Fund	275,192	277,851	278,940
	3,751,710	3,209,446	3,505,636
	3,644,290	3,635,089	3,654,319

East Aldine Management District  
**Statement of Revenue & Expenditures - Budget vs. Actual**  
Preliminary Report December 2013

	FY 2014 APPROVED BUDGET	FY 2014 ACTUAL	FY 2015 PROPOSED BUDGET
<b>Other Funds' Uses</b>			
Transfer to DSF	1,644,674	2,127,458	2,444,674
Transfer to/from Cap Proj Fund	1,697,897	550,038	2,480,901
Total Other Funds' Uses	<u>3,342,571</u>	<u>2,677,496</u>	<u>4,925,575</u>
	<u>301,719</u>	<u>957,593</u>	<u>(1,271,256)</u>
Beginning Cash on Hand	2,111,890	2,111,890	4,211,372
Ending Cash on Hand		4,211,372	2,940,116

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**Debt Service Schedule**

	02/15/13	08/15/13	02/15/14	08/15/14
Series 2005				
Interest	53,250.00	49,750.00	49,750.00	46,125.00
Principal	140,000.00		145,000.00	
Series 2009				
Interest	240,968.75	233,243.75	233,243.75	225,293.75
Principal	515,000.00		530,000.00	
Series 2012				
Interest	4,379.50	7,551.55	7,551.55	7,471.25
Principal	21,000.00		22,000.00	
<b>Total Excluding Paying Agent Fees</b>	<u>974,598.25</u>	<u>290,545.30</u>	<u>987,545.30</u>	<u>278,890.00</u>
<b>Total Debt Service by Fiscal Year</b>				
December 31, 2013	1,265,143.55			
December 31, 2014	1,266,435.30			
Land Note: (P/I)	378,239.16			
Total FY 2014		1,644,674.46		
Monthly Total		137,056.21		