

P

**HARRIS COUNTY – HOUSTON SPORTS AUTHORITY
MINUTES OF THE BOARD OF DIRECTORS MEETING**

Thursday, February 6, 2014

STATE OF TEXAS }
HARRIS COUNTY – HOUSTON }
SPORTS AUTHORITY }

A meeting of the Board of Directors (the “Board”) of the Harris County – Houston Sports Authority (the “Authority”), a sports and community venue district, was held in the O’Connell Board Room of the offices of the Greater Houston Convention and Visitors Bureau, 1331 Lamar Street, Suite 700, Houston, Texas, on Thursday, February 6, 2014, commencing at 10:00 a.m. Written notices of the meeting, including the date, hour, place and agenda for the meeting, were posted in Harris, Fort Bend and Montgomery Counties in accordance with the Texas Open Meetings Act. The following Directors participated in the meeting: Chairman J. Kent Friedman, Directors Philamena Baird, Joseph Callier, Gregory Compean, Jess Fields, Stephen Fraga, Manson Johnson, Matthew Rogers, Jr., Chau Nguyen Todd, and Tom Sprague. Ms. Janis Schmees Burke, Chief Executive Officer of the Authority, Mr. Tom Waggoner, Controller of the Authority, and Mr. Gene Locke, Andrews Kurth LLP, counsel for the Authority, were also present. Guests in attendance were: Mr. Mark Arnold, Andrews Kurth LLP; Mr. Trey Cash, First Southwest Company, financial advisors for the Authority; Ms. Elizabeth Neal, Harris County Commissioner R. Jack Cagle’s office; Mr. Bruce Bilger, RCM Financial Services; and Mr. Chris Domingo, Jones Day.

1. **Call to Order.** Recognizing a quorum was present, Chairman Friedman called the meeting to order at approximately 10:05 a.m. At his request, Director Manson Johnson offered the invocation.
2. **Presentation and approval of the minutes from the Board Meeting held on December 5, 2013.** Chairman Friedman presented the draft minutes for the Board meeting held on December 5, 2013, which had been previously circulated for the Board’s review. Director Sprague moved that the minutes be approved, and Director Fields seconded the motion. The motion passed unanimously.

a. **Update on status of Sports Authority bonds (Series 2001C, D and E Bonds).** Chairman Friedman reported that the final redemption payment to JPMorgan Chase on these bonds will be made on May 10, 2014, and this series of 30-year bonds will have been paid off in five years.

He conveyed the Authority's gratitude and appreciation to everyone responsible for guiding the organization through the last five years to a successful conclusion of the term-out period.

b. Announcement of 2014 Board Committees. Chairman Friedman stated that one of the Chairman's responsibilities is to annually appoint Committees of the Authority's Board. He then circulated his proposal for Committee participation. Chairman Friedman noted that Director Callier had expressed his desire to serve on two Committees, which is very much appreciated. He said that if other Directors would like to serve on different, or more than one Committee, to please let him know. He expressed his thanks for all of the Directors' efforts that keep the Authority headed in the right direction.

c. Chairman Friedman stated that as Chairman of the Building Committee, Director Sprague was asked at the last Board meeting to review the Astros' signage move, and asked him for his report. Director Sprague reported that the Community Partner signs will be moved and the Astros are moving them at their own expense. He noted that the Astros are making other great updates to the stadium, but those updates fit well within the standard capital repairs criteria and the Authority's staff will be processing them.

d. Chairman Friedman reported that there had been a Board of Directors' Ethics seminar given by the Authority's General Counsel, Gene Locke, and for those who attended, it was a very informative and successful meeting. He noted that due to schedule conflicts, Directors Sprague, Rogers and Friedman were unable to attend the presentation, but that another session will be scheduled in the near future.

e. Finally, Chairman Friedman reminded the Directors that individual Personal Financial Statements are due to the Texas Ethics Commission (the "Commission") on or before April 30. For the benefit of the newer Board members, he noted that State law required every Board member to file a Personal Financial Statement on the form developed by the Commission or before April 30 of each year, capturing financial information for the prior year ending December 31. He noted that this form is to be filed with the Commission, and a copy is also to be filed in the Authority's office. Chairman Friedman further noted that there is a fine for late filing, and failure to file could become a Class B misdemeanor. He also said that if the April 30 deadline cannot be met for any reason, an additional 60 days to file can be requested through the Commission; however, the request for an extension must be made before the April 30 filing deadline. Chairman Friedman noted that the Authority's counsel, Gene Locke, is available to assist with any questions, as is the staff of the Commission in Austin.

3. Chief Executive Officer's Report. Ms. Burke distributed a booklet to each Director which had been prepared by the Authority's Marketing & PR Manager, Stephanie Weaver. She noted that the booklet had been submitted to the National Association of Sports Commissions as the Authority's nomination for Sports Commission of the Year Award. The Award will be announced in April, and there are nine other cities who have submitted nominations. Ms. Burke said it was an excellent footprint that showcased the Authority's accomplishments for 2013, and also looked forward to 2014 and beyond.

Ms. Burke briefly reviewed the list of 2013 objectives to illustrate how the Authority's efforts tie into each one of the goals set out by the Board. She noted that for every event, whether it is connecting to the community, meeting attendance numbers, making financial goals on the events that are owned, etc., the Authority puts objectives into place to meet the goals set forth by the Board. Ms. Burke stated that those goals are attainable and reportable, and there are quantitative and qualitative results for each event.

Ms. Burke then gave a summary of the Authority's performance in the event arena for 2013 for the following:

- International Women's Rugby 7's
- Houston Ladies Classic
- NBA All-Star Game
- World Weightlifting Championships
- USA Men's National Rugby Team vs. Ireland Rugby
- CONCACAF Gold Cup Soccer
- Grand Prix and Yellow Party
- USOC Gateway to Gold
- SWAC Football and Basketball
- Rotary Lombardi Award

Ms. Burke then gave a summary of bids that were awarded in 2013:

- 2013-2014-2015 SWAC Football Championships
- 2014-2015-2016 SWAC Basketball Championships
- 2014 USA Track & Field Junior Nationals
- 2014 Transplant Games of America

- 2016 NCAA Men's Division I College Cup
- 2016 & 2017 NCAA Women's Division III Golf Championship
- 2016, 2021 & 2026 AAU Junior Olympic Games
- 2017 Super Bowl (the Authority was part of the Bid Committee)
- 2018 NCAA Women's Division II Golf Championship

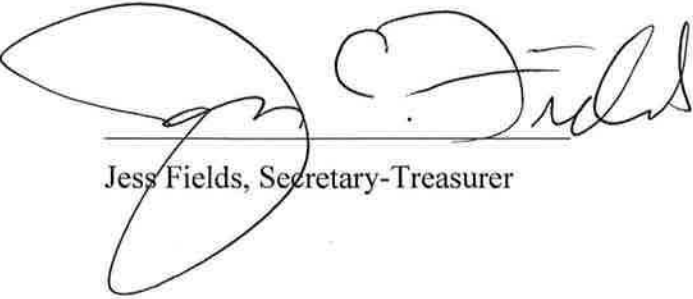
Ms. Burke's final slide itemized all of the events the Authority is working on in 2014, 2015 and beyond, with an eye to the future. Pending bids with due dates in 2014 include FINA World Swimming Championships, NCAA Division I Women's Final Four, Gold Cup Soccer, Muaythai World Cup, NFLPA Collegiate Bowl, USA Olympic Trials – Gymnastics, and at the request of Mr. Reid Ryan at the Houston Astros, a bid to bring Major League Baseball Winter Meetings to Houston.

4. Chairman Friedman announced that, pursuant to provisions of Chapter 551, Texas Government Code, the Board shall deliberate in Executive Session on the following: Consultation with attorneys on pending or potential litigation and legal matters in which attorney's duties are governed by the State of Texas (Code of Conduct), including matters related to *National Public Finance Guarantee Corp and MBIA v. Harris County - Houston Sports Authority, et al* and matters related to MBIA, and *Wilmington Trust v. Harris County – Houston Sports Authority* and the payment of bonds and the flow of funds obligations, and matters related thereto pursuant to Section 551.071; deliberation on real estate matters, pursuant to Section 551.072; and deliberation on personnel matters, pursuant to Section 551.074.

At approximately 10:40 a.m., the Board of Directors recessed into a closed meeting to deliberate on the agenda items. Following Executive Session, the Board reconvened in open session at approximately 11:25 a.m.

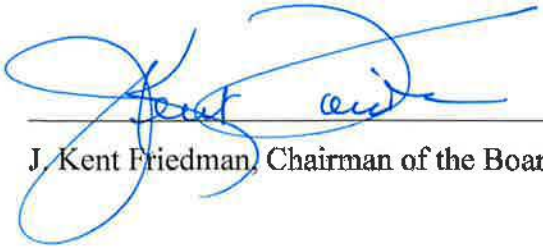
5. Adjournment. There being no further business to come before the Board, and after motion made by Director Compean and seconded by Director Johnson, the meeting was adjourned at approximately 11:28 a.m.

Adopted and approved this 10th day of April, 2014.



Handwritten signature of Jess Fields in black ink, consisting of a large loop followed by a cursive 'Fields'.

Jess Fields, Secretary-Treasurer



Handwritten signature of J. Kent Friedman in blue ink, featuring a large 'J' and 'K' followed by 'Friedman'.

J. Kent Friedman, Chairman of the Board