



MEETING NOTICE

TO: North East Texas Regional Mobility Authority Board Members
FROM: Linda Thomas, Chair
DATE: Tuesday, February 9, 2021
SUBJECT: **February Board Meeting**

The next meeting of the NET RMA is scheduled as follows:

DATE: Tuesday, February 9, 2021
TIME: 1:30 PM
PLACE: Videoconference accessible at www.netrma.org

Enclosed please find the agenda and other pertinent information for your review prior to the meeting. Should you have any questions, please call Bianca Felux at 903.630.7894.

NORTH EAST TEXAS REGIONAL MOBILITY AUTHORITY (NET RMA)
BOARD OF DIRECTORS REGULAR MEETING
Tuesday, February 9, 2021, 1:30 P.M.

NOTICE TO MEMBERS OF THE PUBLIC: Pursuant to the suspension of certain open meetings laws by Governor Greg Abbott, this meeting will be held by video and teleconference in order to advance the public health goal of limiting face-to-face meetings to slow the spread of COVID-19. Some staff and Board Members may be present in the NET RMA offices while others may attend the meeting via telephonic and/or videoconference. In order to maintain safe social distancing, members of the public will not be permitted to attend in person. Instead, we ask that you access the Board Meeting online via our website at www.netrma.org. Members of the public that wish to join the telephonic and/or videoconference to provide comments during the Board Meeting must register by 1:00 P.M. on Tuesday, February 9, 2021 by submitting a witness registration form at www.netrma.org or by contacting the NET RMA at (903) 630-7894.

1. CALL TO ORDER AND DECLARATION OF QUORUM

Notice of this meeting was posted with the Secretary of State's Office and on the NET RMA website and office on Friday, February 5, 2021.

Meeting began 1:37 PM

2. INVOCATION

Jason Ray provided the invocation.

3. WELCOME & INTRODUCTION OF BOARD MEMBERS

Linda Thomas thanked all for attending. She thanked all for their innovation in these trying times and for working so hard to make things work.

In attendance: Andrea Williams-McCoy, Bill Bala, Gary Halbrooks, Dr. Harris, Chet Clayton, Dan Droege, Dave Spurrier, Derrick Choice, Jason Ray, John Cloutier, Keith Honey, Larry Morse, Nathan Priefert, Robbie Shoults, Robert Messer, Cory Floyd

4. OPEN PUBLIC FORUM/COMMENT PERIOD

No comment.

5. DISCUSSION, CONSIDERATION AND APPROVAL OF THE MINUTES FOR THE DECEMBER 8, 2020 REGULAR BOARD MEETING.

Action Item

Motion to approve: Gary Halbrooks, 2nd: Larry Morse. Unanimously approved.

6. CHAIR'S REPORT

Linda Thomas

Linda Thomas welcomed all again to the board meeting. She recognized Belinda Andrus who resigned from the NET RMA board. They wish her the best in her future endeavors. COVID-19 has certainly created innovations in the tolling agency. The NET RMA is innovating and embracing electronic processes. She wished everyone good health and happiness.

7. REVIEW AND ACCEPTANCE OF NET RMA FINANCIAL STATEMENTS.

Dianne stated that for the first quarter of the fiscal year, the electronic tag revenue is underbudget by about 2%. She had to estimate part of the tag revenue for November and all revenue for December and that's due to TxTag changing their back office which was holding back transactions. They are slowly releasing and getting transactions processed and will hopefully be up to date by the end of February. Her estimate was conservative and based on the potential revenue that's included in the daily transactions. She is confident the actual revenue will exceed budget for the tag revenue. Net video revenue is over budget by 5%. Operating expenses: total operating expenses (actual) are under budget by 12%. There are no unusual variances. There is the 10k that was needed to pay for required insurance review that is done every 3 years that wasn't budgeted. She has made a note to get that budgeted the next go around. Toll 49 operating expenses (actual) is overbudget by 3%. The main variance is in roadway maintenance and that's due to the fact that there was

150k mobilization fee from DBI. That will level out as the year progresses. Net other expense is under budget by 4%. That brings the total net income. The actual deficit is lower than what was budgeted which is a positive variance of 15%.

Motion to approve: James Harris. 2nd: Robert Messer. Unanimously approved.

8. REPORT ON TOLL 49 TOLLING TRANSACTIONS AND REVENUE.

Glenn Green stated that the transactions are showing an upward trend. All indications are showing that they are not where they want to be, but they will be fine going forward.

9. DISCUSSION, CONSIDERATION AND POSSIBLE ACTION TO ACCEPT THE 2020 NET RMA AUDIT REPORT. (RESOLUTION 21-01)

Action Item

Glenn Green stated that Dianne and he both went through it with their auditor, Walter Willhelmi. He will provide the presentation. Walter Willhelmi stated that he will just highlight a few items. The items they received are in draft form. In the governing draft letter, there were a few things he wanted to touch on. He met with Dianne and Glenn to look over the financial statements. Even with the issue of COVID, they were able to provide the auditing services on sight utilizing social distancing and less staff. The governing board letter will tell you how the audit went. They focused on things that related on the allowance for uncollected video tolls and fees. They evaluated the key factors and calculations. A lot was based on collection experience. He stated that Dianne did a great job estimating and they tested that. The other items talk about difficulties encountered which there were none. Corrected and uncorrected statements related to audit adjustments for errors and again, there were none which is a reflection of Dianne's good work which is pretty uncommon. It allowed them to perform the audit at a high level. As far as disagreements with management—there were none. They issued an unmodified statement for the financial statement which means they were presented fairly. That is what their bond agents will want to see. The authority weathered the COVID storm. He stated that revenues were up slightly but well below budget. Expenses were right in line with budgeted amount which tells you that the management and staff were good stewards of those resources during COVID. There is no question the authority was impacted by COVID but was able to maintain a healthy financial status which allowed them to meet bond obligations. They spent a lot of time talking about restricted cash and the board's operating reserve policy. That section is on page 17 reflects how the operating reserve is embedded in some of those restricted cash items. They did have a good discussion with the audit committee, and they were incredibly engaged with the process. He felt they were able to satisfy any questions or concerns. The very last 2 pages of the audit report are on internal controls. They tested the internal controls during the course of the audit and those internal controls are operating as designed. They also look at compliance with bond covenants and are please to report that the NET RMA was in compliance.

Motion to approve: Bill Bala, 2nd: Andrea Williams-McCoy. Unanimously approved.

Meeting broke out into Executive Session at 2:07 PM and returned at 2:45 PM. No action was taken.

10. DISCUSSION, CONSIDERATION AND POSSIBLE ACTION TO APPROVE THE 2020 NET RMA ANNUAL REPORT. (RESOLUTION 21-02)

Action Item

Glenn Green commended Colleen Colby for her hard work on the annual report. He stated this report has a lot of good information about the agency and is a great tool. It is not printed yet but will be shortly and they will receive a copy when available. It is generally in the same format as last year but with updated information. Linda Thomas stated she had reviewed it and they did a wonderful job.

Motion to approve: Bill Bala 2nd: Andrea Williams-McCoy; Unanimously approved.

11. DISCUSSION, CONSIDERATION AND POSSIBLE ACTION TO APPROVE AN EXTENSION TO THE AGREEMENT WITH KAPSCH TRAFFICOM TRANSPORTATION, NORTH AMERICA. (RESOLUTION 21-03)

Action Item

Glenn Green stated that this is related to needing a provider during the transition to the new toll integrator, SICE. They need an overlap to ensure data is protected. Ron Fagan stated that KAPSCH is the current roadside integrator. This

extension would cover the past extension which will expire on March 2nd. There is considerable amount of work needed in implementing the new provider and during that time, it is their recommendation to extend KAPSCH's maintenance contract to July 31, 2022 to allow SICE enough time to install and test the new equipment.

Motion to approve: Dave Spurrier, 2nd: Bill Bala; Unanimously approved.

**12. DISCUSSION, CONSIDERATION AND POSSIBLE ACTION TO APPROVE WORK AUTHORIZATION NO. 3 WITH CDM SMITH FOR A TRAFFIC AND TOLL REVENUE STUDY.
(RESOLUTION 21-04)**

Action Item

Glenn Green stated this is an action item authorizing the NET RMA to move forward with CDM Smith to have data that would help the NET RMA make future decisions on the road. They anticipate having that study done later this spring and will present the data to the board then.

Motion to approve: Larry Morse, 2nd: Keith Honey. Unanimously approved.

13. EXECUTIVE DIRECTOR REPORT

A. Update on Additional Administrative Items

Glenn Green stated that this is just basic information to keep up good communication. He stated they have implemented DocuSign to allow for electronic signatures. It's been implemented within staff. They also implemented a bill pay system. Dianne still oversees all but it allows for a greater control over bills. It was recommended by Gollob Morgan Peddy and provides a great deal of efficiency and makes it so signatures can be attained electronically. Dianne prepares the bills once a week, she then sends them to Glenn for approval with an electronic signature, and then it goes to Gary Halbrooks and Robert Messer for electronic signatures. For future board meetings, they are still working to improve online video meetings. They hope they will be able to meet back in person soon but believe having the option to meet electronically will always be needed. Hopefully, the next board meeting will have an improved video meeting and streaming capability.

Report on Future Pavement Maintenance Strategy

He also stated that with future inclement weather coming, they have maintenance crews up to speed and alert. They have an agreement with TxDOT for preventative treatment. Mark McClanahan is on top of that and will keep the agency informed. For this coming event, they will be arranging treatment for the bridges and roadway. Glenn stated that he will be meeting with NTTA and their leadership in order to further their relationship with the NET RMA. Dave Spurrier stated that he was looking at the annual report and wanted to know how they were doing with safety now and where they were on adding more delineators to the road. Glenn Green stated they are continuing to maintain those that are in place. They are continuing to evaluate the safe operation of the roadway. He looks at each accident from the DPS reports to give additional information. Glenn stated that the delineators will be placed where necessary but at this time, they do not have plans for anymore. Glenn Green stated that they do not expect to have another meeting until April.

14. ADJOURNMENT.

Linda Thomas extended her thanks to the staff for their outstanding job in adapting during these trying times.

Adjourned 3:05 PM

EXECUTIVE SESSION - PURSUANT TO CHAPTER 551, SUBCHAPTER D, TEXAS GOVERNMENT CODE, IF ANY

- **At any time during the meeting of the NET RMA Board of Directors, the Board may meet in executive session for consultation concerning matters under Chapter 551 of the Texas Government Code, including:**

- A. Section 551.071. Consultation with Attorney—Consultation with and advice from legal counsel concerning pending/contemplated litigation, settlement offers and negotiations, ongoing disputes and potential disputes, and other legal issues.**

- B. Section 551.072. Deliberation Regarding Real Property—Discussion of real property purchase, exchange, lease, license, gift, donation, and/or negotiated settlement, including property to be acquired for right-of-way.**
- C. Section 551.074. Personnel Matters—Deliberation concerning the appointment, employment, reassignment, evaluation, duties, discipline, and/or dismissal of personnel.**

OPEN COMMENT PERIOD

The Board will allow an open comment period, **not to exceed one hour**, to receive public comment on any other matter that is under the jurisdiction of the Board, including an item listed on the agenda. Public comment that does not relate to a specific agenda item must be made during the open comment period. You must be recognized by the Chair.

Each speaker will be allowed a **maximum of three (3) minutes**. For subjects that are not otherwise part of the agenda for the meeting, Board members may neither comment nor question speakers during the open comment period, but may request the Chair, or a recognized committee, to investigate the subject further. No action will be taken on matters that are not part of the agenda for the meeting.

NOTE

Enumerated agenda items are assigned for ease of reference only, and will not necessarily be considered by the Board in that particular order. The Chair may rearrange the order in which agenda items are considered.

Presenters with audiovisual needs are requested to contact NET RMA at 903.630.7894 at least two working days prior to the meeting.

ACCESSIBILITY STATEMENT FOR DISABLED PERSONS

If any special assistance or accommodations are needed in order to access this RMA meeting, please contact NET RMA at 903.630.7894 at least two working days prior to the meeting so that appropriate arrangements can be made.