



MEETING NOTICE

TO: North East Texas Regional Mobility Authority Board Members

FROM: Linda Thomas, Chair

DATE: Tuesday, October 10, 2017

SUBJECT: **October Board Meeting**

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

DATE: Tuesday, October 10, 2017
TIME: 1:30 PM
PLACE: Texarkana College
2500 N Robison Rd.
Texarkana, TX 75599
Bowie County

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

NORTH EAST TEXAS REGIONAL MOBILITY AUTHORITY (NET RMA)
BOARD OF DIRECTORS REGULAR MEETING
Tuesday, October 10, 2017, 1:30 PM
Texarkana College
2500 N Robison Rd.
Texarkana, TX 75599
Bowie County

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, October 6, 2017.

At 1:41PM, Chair Thomas declared quorum. 2:19PM, Cory Floyd left the meeting.

2. INVOCATION

Larry Morse provided the invocation.

3. WELCOME & INTRODUCTION OF BOARD MEMBERS

Chair Thomas expressed her excitement at being in Bowie County. Thanked Judge Carlow for being in attendance and for swearing in the two new Board Members: Cory Floyd and Andrea McCoy. Board Members in attendance were: Jason Ray, Dr. Jim Harris, Cory Floyd, Bob Moore, Robert Messer, Chris Miller, Linda Thomas, Dan Droege, Larry Morse, Barham Fulmer, John Cloutier, Andrea Williams McCoy and Hudson Old. Dave Spurrier and Mike Thomas were available remotely.

4. SWEARING IN OF BOWIE COUNTY BOARD MEMBERS

Judge James Carlow swore in new Bowie County Board Members: Cory Floyd and Andrea McCoy.

5. PRESENTATION ON THE TEXAMERICAS CENTER

Bowie County Judge James Carlow

Judge Carlow welcomed all to Bowie County. Stated that the TexAmericas Center is focused on development within Bowie County. I369 W is a project that he believed would be of interest to the NET RMA. They are hoping to work with TxDOT and the NET RMA to complete this project. Linda Thomas asked how long the length of road would be. Judge Carlow estimated about 12 miles. John Cloutier asked how wide the road is estimated to be. Judge Carlow estimated about 6 miles but they have several acres and are flexible in how wide it needs to be. Linda Thomas asked if it is possible to have any part of it tolled. Judge Carlow said it was possible. Larry Morse asked who the grant would come from. Judge Carlow said it was the Federal Government. Chris Miller mentioned that he and Chair Thomas met with Judge Carlow to discuss the project extensively and hope to work closely with Bowie County. Judge Carlow asked for a letter of support from the NET RMA regarding this project. John Cloutier asked if Bowie County would submit this project as a priority project with the NET RMA. Judge Carlow said yes. Hudson Old asked if they had received a letter of support from TxDOT. Judge Carlow responded that he has not requested it yet. Chris Miller asked Judge Carlow to get him the details so that he could draft the letter for Chair Thomas' signature and authorization. Hudson Old asked Chris Miller if RMAs can work with federal grant money. Chris Miller said that he believed so. Brian Cassidy confirmed.

6. OPEN PUBLIC FORUM/COMMENT PERIOD

No comments were made.

7. DISCUSSION, CONSIDERATION AND APPROVAL OF THE MINUTES FOR THE SEPTEMBER 13, 2017 BOARD MEETING

Action Item

Motion: Larry Morse, 2nd: Dan Droege. Unanimously approved.

8. CHAIR'S REPORT

Linda Thomas

Chair Thomas thanked everyone for making it to the meeting and welcomed the new board members. She also praised

the success of the Transportation Forum. She congratulated the new Board Members and then thanked the current Board Members for their service to the NET RMA.

9. REVIEW AND ACCEPTANCE OF NET RMA FINANCIAL STATEMENTS

Michelle Colburn

Michelle Colburn provided the financial statement presentation. Current assets and liabilities decreased slightly in comparison to last year. Revenue has increased compared to last year. Operating expenses have increased compared to last year due to several factors that have been outlined in previous presentations. Income statement of net position significantly increased in comparison to last year. Michelle also mentions that problems with the HUB conversion may affect the revenue reported. She expects to have a full account in the future. Larry Morse asked if she expects the revenue to increase once the HUB issues have been sorted out. Michelle Colburn said yes. She also said that the NET RMA is on track in spending for Operating Expenses. They are currently below budget. Jason Ray asked if anything was being done for the areas the NET RMA is over budget. Chris Miller replied that those areas are being reviewed and carefully monitored so that next year, the over budget areas will be carefully controlled. John Cloutier said that the HUB issue had a large impact and that it is unknown when that issue will be completely solved. Michelle stated that they were hoping it would be resolved in a few months. Chris Miller reminded all that there will be a lag for some time going forward in correcting the HUB issue. Everett Owen explained that because of the HUB conversion, it delayed the ability to invoice Pay-by-mail recipients so there is a lag on collecting payment. He estimated it is around \$300,000-\$400,000. Barham Fulmer asked who handles the billing and Everett Owen responded that it was MSB. Andrea McCoy asked for an overview of what went into the HUB conversion. Chris Miller said that in the near future, he would be revisiting Bowie County in order to give the new board members an overview of the NET RMA and tolling. Everett Owen explained that the HUB is where the electronic payments go to be reconciled. He also explained that the HUB conversion happened in order to have tolls be operable between Oklahoma, Texas and Kansas. He then reviewed the issue that was surrounding the HUB.

Motion: Robert Messer. 2nd: Jason Ray. Unanimously approved.

10. EXECUTIVE DIRECTOR'S REPORT

Chris Miller

A. Forum Follow-Up/Plans for the Future

Chris Miller said that the feedback he received from the Board Members was good. A concern to consider for next year is possibly lengthening the forum. He also expressed his appreciation for the judges and other high-level officials involved. Chris emphasized the need for the NET RMA to position itself as facilitator. He suggested hosting regional "lunch and learns" in various counties that facilitate discussion of relevant topics for that region to keep the dialogue going. He suggested having the forum annually and is open to any feedback. Hudson Old asked for an update on Camp County and the efforts to bring them into the NET RMA. Chris Miller stated that the plan has remained the same as last month which was discussed with the Long Range Planning Committee. Hudson Old asked if that meant he was waiting on the Long-Range Planning Committee. Chris said that was how he was directed.

B. 2nd Annual Northeast Texas Transportation Summit – October 31, 2017, Hopkins County

Chris Miller let all know that Tammy Sims had invited the Board to the Summit and if they had any questions, to direct them to her. He stated he was excited to attend.

C. Van Zandt County Meeting – October 3, 2017

Chris Miller stated that he and Bob Moore had a productive meeting with Judge Kirkpatrick and the Van Zandt County Commissioners. It was an informative meeting and a good opportunity to give them information on the NET RMA.

D. Proposed 3B Improvements Direct Mail Piece

Chris Miller proposed sending out a mail piece that gives information on improvements happening on 3B. The mail piece will be sent to households averaging \$100,000 or more yearly income. The goal is to keep the public up to date on the current improvements. John Cloutier asked if the NET RMA has budgeted \$40,000 for marketing.

Chris Miller answered yes. Bob Moore said that he wants the NET RMA to reach out to the 35 and younger demographic through social media as it is a less expensive avenue that could potentially bring about more hits. John Cloutier asked if the NET RMA already utilizes social media and suggested getting an advertisement out on Facebook. Robert Messer said that he likes social media but believes the NET RMA needs to spend money getting something out to the people. Jason Ray said that historically, mailouts tend to be unsuccessful. Andrea McCoy agreed and asked what the metrics are for the mailout. Jason Ray answered the counties and the target income level mentioned earlier. Colleen Colby said that the NET RMA does not have access to client data, but they can target household income. Jason Ray stated that social media generally gets more hits and reaches more people while mailers generally only reach about 2%. Andrea McCoy agreed and said that the budget available could make a significant impact in social media and asked what the goal for this mailout is. Robert Messer explained that it started because revenue and transactions were falling. Hudson Old asked what the NET RMA's message is and it seemed to him that everyone agreed that social media needs to play a large part. John Cloutier added that it is important to keep putting the "stop texting" message out there since most fatalities on the road were due to distracted driving. Chris Miller also added that he wants to keep the public informed and recognize that improvements are being made that are focused on fulfilling several needs. Larry Morse suggested using social media as a tool to get that message out and to also create an ad within social media that could help raise toll revenue in the future. Dr. Jim Harris asked if the NET RMA website is being maximized to its full potential and if there is a tie in to social media through the website. Andrea McCoy asked if it was possible to use some of the marketing budget to strengthen the website. John Cloutier said that ads are cheap on Facebook and will reach a wider audience. He also stated that he likes the idea of a mailout but would also like a stronger social media presence. Robert Messer does not think the NET RMA needs a Facebook ad and believed that it is more important to keep NET RMA clients up-to-date and in the conversation. Hudson Old said that it is important to generate buzzwords that will stick in people's minds to get the message across. Barham Fulmer stated that people seem to get most excited about additional passing lanes and signage. He believed that both of those messages should make it onto the mailout. Larry Morse asked how the NET RMA will know if social media usage and the mailer have been effective and wanted to know if the purpose is increased usage of the tollway. Chris Miller responded that there is no real guarantee that it will be effective and that there is not an effective way to measure it. Barham Fulmer stated that the purpose of the mail out is to keep people aware of the construction so that they know there's a purpose for the frustration with traffic and construction. Andrea McCoy suggested getting a summary of the analytics behind the NET RMA website to gather some empirical data. Hudson Old asked if there was any way to gather better demographics. Colleen Colby said that in 2016 texting updates were introduced but they only have 679 subscribers so far because it takes a long time to reach customers. Everett Owen explained that toll tag customers make up 65% of transactions and the NET RMA can identify only the 35% that do not use toll tags. Andrea McCoy asked if the NET RMA can put a slip into the bills of those 35% to give PSAs. Everett replied yes, and it has not happened yet. Robert Moore stated that the NET RMA should form a marketing committee to help bring the agency into the 21st century.

E. Toll 49 Board Member Tours

Chris Miller and Mark McClanahan offered tours to all Board Members of Toll 49 and Segment 4 to see the construction that is currently going on.

F. Implementation of Customer Service Performance Measures

Chris Miller explained the NET RMA is tracking customer service trends in coordination with Ron Fagan. He also mentioned the "White Paper" article which discussed the declining gas tax revenue and what transportation authorities can do to make up for it.

11. DEPARTMENT REPORTS

Chris Miller stated that the department reports were available as handouts and if they had any questions or concerns, they could bring them up to him.

- A. Maintenance Department**
- B. Finance Department**
- C. Marketing/Public Relations/Human Resources Department**
- D. Toll Operations/Customer Service Department**

Mark McClanahan
Michelle Colburn
Colleen Colby
Ron Fagan/K'Lin Noble

12. PRESENTATION ON TRUCK VS. NON-TRUCK TOLL TRANSACTIONS AND REVENUES

Michelle Colburn

Michelle Colburn stated that the presentation discussed total transactions for all gantries. In 2017, 7% of the transactions were truck transactions. Revenue wise, 20% of revenue has come from truck transactions. She also stated that drops in usage are due to weather and not raised rates. Robert Messer asked how much the nominal dollars increased in 2017. Michelle Colburn answered 3%. John Cloutier said that it seems a demographic the NET RMA should target in marketing are truck drivers. Dave Spurrier stated that it was important to monitor the long-term trends, recognize the patterns and then take appropriate action. Andrea McCoy mentioned that it was interesting that even though overall usage is down, truck traffic is up and what that could mean for marketing. Dave Spurrier asked if it was better to have less trucks and more cars on the road. Everett Owen answered that trucks do cause more damage to the road than cars and that 1 truck is roughly equivalent to 10k cars but, the actual increase in road maintenance due to trucks is minimal. The cost of repairing the road is less than the amount of revenue generated by trucks. John Cloutier responded that it was beneficial to have more trucks on the road as it benefits the community by helping solve the congestion problem. Linda Thomas replied that the road was not built with as much truck traffic in mind. Dave Spurrier asked for clarification on John Cloutier's comment and asked Everett if, overall, it would be better to have 100% trucks or 100% cars. Everett Owen answered no. He believed the revenue trucks generate is far greater than the damage they cause; however, the problem with trucks on the road is that it discourages car traffic and can negatively affect the number of cars on the road. He does not want a drastic increase of trucks on the road. John Cloutier responded that from a business perspective, the NET RMA needs to be a tool for business. He also stated that taking 18-wheelers off the highway would contribute to community safety. Linda Thomas prompted the Board Members to move onto the next agenda items. Chris Miller suggested tracking the trends every quarterly meeting.

13. COMMITTEE REPORTS

A. Executive Committee/Audit Committee

Linda Thomas

No report was given.

B. Personnel Committee

Jason Ray

No report was given.

C. Project Development & Implementation Committee

Barham Fulmer

Barham Fulmer stated that they primarily spent time discussing the content their committee will be receiving going forward regarding change orders and how they will present that information to the board. They plan on vetting the information further at the committee level in order to present the Board with the most relevant information. He also mentioned that they are now down to five tracks of ROW owned by 3 individuals. The hearings are set for November, December, and January. Mediation was to be held about 10 days from October 10th.

D. Long-Range Planning Committee

John Cloutier

John Cloutier mentioned that they were working on a template for the committee to meet and discuss board member indoctrination and expectations. The goal is to give more education on the NET RMA. Linda Thomas mentioned that she and Chris Miller will need to contact judges from additional counties to see if there is any interest in joining the NET RMA. John Cloutier reminded all that priority projects will be beginning soon. Linda Thomas also reminded all board members to meet with their judges to discuss priority projects.

E. East Texas Hourglass Committee

Dave Spurrier

No report was given.

F. Investment Committee

Robert Messer

Robert Messer stated that they have been working hard and have earned \$449,000 so far and they will continue to work hard.

G. Facilities Committee

Gary Halbrooks

No report was given.

14. PARTNERSHIP UPDATES

A. East Texas Corridor Council

Bob Moore

Bob Moore reported that the I20 corridor has garnered more interest. No official report yet but looking forward to more developments in the future.

B. I-69 Alliance Committee

Linda Thomas

Andrea McCoy stated that the feasibility study officially started on September 1st.

C. East Texas Council of Governments

Linda Thomas

Linda Thomas stated that the Rural Council plans to meet on October 12th.

15. REPORT ON THE TOLL 49 IMPROVEMENT PROJECT.

Kate Wilder

Kate Wilder presented. She stated that 14% of contingency has been used on miscellaneous items. She confirmed for the Board that this is not a lump sum type project and that most of the costs are associated with widening the road. Road widening has been completed as of September. They anticipate OCSST to be completed by November and Segment 3B overlay will be finished in December. Substantial completions are slated for January 2018 with final acceptance planned in March 2018. Recent activities include: the completion of the placement of asphalt on Segment 3B, completion of seeding of the side-slopes from SH 31-SH64, completion of OCSST for segments 1,2, 3A and 5, and new metal beam guard rails have been installed.

16. REPORT ON THE EROSION CONTROL PROJECT ON SEGMENT 3B OF TOLL 49.

Kate Wilder

Kate Wilder presented. She stated that this project was nearly complete. The only activity left was cleaning the nearby pond. Barham Fulmer asked if the pond was the same one that has been cleaned several times before. Kate Wilder answered no. She also stated that the activities remaining are: lengthening the concrete spillway, backfilling, sodding and seeding. The project was estimated to be complete in mid-October.

17. REPORT ON CONSTRUCTION OF SEGMENT 4 OF TOLL 49.

Kate Wilder

Kate Wilder presented. She stated that an ongoing challenge of this project revolves around the archeological investigation. They discovered 2 archeological burial sites and must exhume those burials. Permission to exhume burials was given on September 12, 2017 by Smith County. A representative of Caddo people will need to be present during the event and they are working towards finalizing this meeting. It is anticipated that the archeology completion will be slated for October 2017. Due to archeological delays, the substantial completion has been updated to February 2019 with June 2019 being the new contractual final acceptance date. Cost is mostly being focused on activities nearing completion. Overall project cost \$126.2 million with \$16.7 million in ROW contingency and \$0.1 million in project contingency. Recent construction activities included: flexible base and prime coat placement at FM16 and IH20, completion of bridge superstructure at CR 431, CR 4118 and Stevenson Branch. Earthwork is still ongoing. Robert Messer stated asked if we needed to be worried about the \$100,000 in contingency. Kate Wilder replied no, she does not believe it should be cause for concern. Barham Fulmer stated that if they didn't have ROW contingency left over, they would have cause for concern. Robert Messer asked if they would be spending all of the ROW budget. Everett Owen responded no, but he believed that they may have to dip into it a little. Barham Fulmer asked if any remaining funds could be used for another project. Everett Owen answer yes, but clarified that it has to stay within Segment 4.

18. DISCUSSION, CONSIDERATION AND POSSIBLE ACTION TO APPROVE AN INTERLOCAL AGREEMENT WITH THE CITY OF TYLER FOR USE OF NET RMA RIGHT-OF-WAY FOR THE DEVELOPMENT OF THE LEGACY TRAILS PROJECT.

(RESOLUTION 17-57)

Action Item

Chris Miller explained that this was an agreement with the City of Tyler. It is a trail that will cross parts of Toll 49 and an interlocal agreement is necessary to move forward. Tammy Sims explained that it was an agreement that TxDOT would typically do. Most of trail will be on TxDOT ROW. It will go under toll 49 and 2093. She noted that they had looked at plans to make sure proper signage would be provided. The agreement would make sure that they will maintain the trail and surrounding area. John Cloutier asked if we have the ability to cease and desist if necessary. Tammy Sims answered, yes. Barham Fulmer asked if it was only on Old Jacksonville. Tammy Sims answered, yes. Andrea McCoy asked if the city of Tyler assumes liability. Tammy Sims answered that the insurance agreement's purpose is to safeguard the NET RMA. Brian Cassidy confirmed.

Motion: Dr. Jim Harris. 2nd: Larry Morse. Unanimously approved.

19. DISCUSSION, CONSIDERATION AND POSSIBLE ACTION TO APPROVE CHANGE ORDER NO. 1 WITH IOC COMPANY FOR AGGREGATE AND EMULSION REVISION FOR THE TOLL 49 IMPROVEMENT PROJECT.

(RESOLUTION 17-58)

Action Item

Chris Miller stated that this was a Change Order reviewed by the Project Development Committee and they approved it. John Cloutier asked if Mark McClanahan had approved it as well. Chris Miller answered, yes. Kate Wilder stated that on South of 31 after discussion with experts, it was decided that a different aggregate and binder type would be best. Specifically, an asphalt binder would perform better and be more useful. John Cloutier asked what the difference would be on the road. Jason Ray asked if they did this on 69 in Mineola. Tammy Sims replied, yes, but they used a grade 3 rock which is a bigger rock. Mark McClanahan replied that it provides a better, quality ride and lasts longer.

Motion: Barham Fulmer. 2nd: Larry Morse. Unanimously approved.

20. DISCUSSION, CONSIDERATION AND POSSIBLE ACTION TO APPROVE AN AGREED ORDER BETWEEN NET RMA/WEBBER, LLC AND THE TEXAS COMMISSION ON ENVIRONMENTAL QUALITY.

(RESOLUTION 17-59)

Action Item

Kate Wilder provided background a summary on what the letter was about. In January, TCQ did a site inspection and found that there was sediment from the job site that escaped the erosion control measures in place. As a result, TCQ issued an enforcement letter that set provisions. TCQ also included a fine of \$67,500 to reinforce the seriousness of the issue. The enforcement letter also went to Webber (contractor). Dan Droege asked if the cost would be split. Kate Wilder answered that yes, it would be split. John Cloutier asked why the NET RMA is paying for any of the cost since the NET RMA paid for someone to implement erosion control measures. Kate Wilder answered that it all goes back to the archeological issues. John Cloutier said that what he heard is that it took them too long and that is why it failed. Larry Morse answered that erosion control measures aren't meant to last forever and that these issues also go back to last winter which had a lot of rain. John Cloutier responded that the fact that it rains more, it should still fall upon the contractor because they gave the estimate. Kate Wilder answered that it was a perfect storm of events. It was unpredictable. Chris Miller said that something needs to be done and recommended that the Board authorize him to execute this because TCQ would not give extra time. Barham Fulmer stated that it was a site visit that happened in January and they received the info in September. Jason Ray asked if it is it normally expected that the NET RMA bare the cost. Everett Owen responded that normally no, it is not. The difference is occurring because of the archeological issue. The contractor was not able to make the work he had planned. What makes the NET RMA responsible are the archeological delays. The delays caused more erosion. John Cloutier asked then why the NET RMA is not baring all the cost. Everett Owen replied that it was because the contractor did not do as good of a job as he could have. Dan Droege asked if the NET RMA is planning on negotiating the cost or if it has already been decided. Everett Owen replied that it has already been decided that half the cost would be deducted from the contractor's pay.

Motion: Dr. Jim Harris. 2nd: Dan Droege. Unanimously approved.

21. ADJOURNMENT

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 attorney-client matters (real estate, litigation, contracts, personnel, and security) under Chapter 551 of the Texas Government Code:
 - 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, including an update related to legal issues associated with the Agreement for Toll 49 Pavement Repairs and Improvements.
 - 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.

Tentatively Scheduled NET RMA Board Meetings:

November 14, 2017 – Gilmer, TX
December 12, 2017 – Marshall, TX
January 9, 2018 – Tyler, TX
February 13, 2018 – Titus County

Non-Scheduled Meetings / Functions - Where a Quorum could be Present, but No RMA Business would be conducted:

October 26, 2017 – Texas Transportation Commission

COURTESY RULES

Thank you for your presence. The NET RMA appreciates your interest. If you wish to address the RMA on any agenda item, Public Participation Forms will be available before the meeting. These forms must be filled out and turned in to the RMA Chair or Secretary *prior* to the time the agenda item in question is addressed by the RMA.

You must be recognized by the Chair. (NOTE: Items will not necessarily be presented in the order they are posted.)

OPEN COMMENT PERIOD

At the conclusion of all other agenda items, 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. Public comment that does not relate to a specific agenda item must be made during the open comment period.

Each speaker will be allowed a **maximum of three (3) minutes**. Speakers must be signed up prior to the beginning of the open comment period. 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

This meeting site is accessible to disabled persons as follows: wheelchair ramp at the main entrance. If any special assistance or accommodations are needed in order to attend 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.

Persons with disabilities who plan to attend this meeting and who may need auxiliary aids or services, such as interpreters for person who are deaf or hearing impaired, and readers of large print or Braille, are requested to contact NET RMA at 903.630.7894 at least two working days prior to the meeting so that appropriate arrangements can be made.