



MEETING NOTICE

TO: North East Texas Regional Mobility Authority Board Members
FROM: Gary Halbrooks
DATE: Tuesday, January 11, 2022
SUBJECT: **January Board Meeting**

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

DATE: Tuesday, January 11, 2022
TIME: 1:30 PM
PLACE: Willowbrook Country Club
Main Ballroom
3205 W. Erwin
Tyler, TX 75702
Smith County

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

NORTH EAST TEXAS REGIONAL MOBILITY AUTHORITY (NET RMA)
BOARD OF DIRECTORS REGULAR MEETING
Tuesday, January 11, 2022
Willowbrook Country Club
Main Ballroom
3205 W. Erwin
Tyler, TX 75702
Smith 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, January 7, 2022.

Gary- calls meeting to order at 1:31 pm with a quorum

2. WELCOME & INTRODUCTION OF BOARD MEMBERS.

We now have a quorum. In attendance- Robbie Shoults, Cory Floyd, John Cloutier, Marcia Daughtrey, Larry Morse, Everette Owen (PD), Gary Halbrooks, Jason Ray, Dan Droege, Dave Spurrier, Andrea Williams-McCoy, Derrick Choice, Keith Honey, Robert Messer, James Harris

3. CHAIR'S REPORT

Gary Halbrooks

Gary- Welcome and thank you for being here for the first board meeting of 2022. Reception for Linda and we are here to recognize our friend and past chairman Linda Thomas. We have been work-mates and friends. That has been 18 years ago. Linda, please join me at the podium please. More formal presentation of the resolution. Thank you for your service to the board and to Gregg County. She was appointed by Judge Stout who is here today to give support. We are honored today to have several dignitaries, Senator Hughes, Judge Anderson, Kathy Comer with Senator Comer's office, Sarah Hartsfield with Representative Schaefer's office, Kimberly Ashley with UT Tyler, Boreham previous board member. Jamal Moharer, Mike Thomas, and Tab Beall. These are people that have devoted their time to make our part of the world better. Vernon Webb, please come up with TxDOT Tyler Engineer. Worked with Mrs. Thomas on a lot of projects. She has meant so much to NET RMA and TxDOT we want to thank her for her dedication. Acknowledge her of some of her accomplishments. Vice Chair instrumental of the Segment 1, 2 and 3B, driving force behind priority project program, hiring first full-time employees, Segment 4 broke ground in 2016. First full-time executive director. Priority project grants amount of money contributed. First transportation forum, Lindale relief route opened to public. Potential future expansion of segment 6, Last 3 years unprecedented growth, necessary staff hiring, Linda was always a calming to the agency. Offer my sincere appreciation you have done. Distinguished Member of Road Hand Award. Mr. Thomas is also a Road Hand Member. Gary- getting a Road Hand Award is a big deal. Kathy with Senator office. My pleasure to represent Senator Cornyn and read the letter from him. Your wisdom and dedication will be missed. Senator Hughes- Always knows he's in the right place when he sees the Thomas's. Our whole region and our entire state. You work and put in extra hours quietly in the background. Thank you! We prepared a resolution to present to you for this occasion. I will share a few with you. On the board over 18 years. We can go on and on for the things you did. All the community service, professional leadership. She can reflect with pride. Congratulations on your retirement of Board Chair. We appreciate you so much. We wanted to have a little part in honoring your today. Don't go away. Gary- Senator Hughes mentioned a lot of things that did not mention NET RMA, loops and connector roads that connect cities. Its not just things related specifically to NET RMA. I69 Alliance. Cory if you would please. Cory Floyd- I69 Alliance, Linda and I became friends. Profound appreciation and improving the quality of life. Chairman of I69 Alliance, Thank you! Gary- Linda that does conclude the former presentation. Sincerely from the bottom of our heart, thank you for your service, thank you for your leadership, thank you so much for what you have done. Gary- would you like to say something? Linda- thanking her family 3 sons and daughter in attendance along with husband Charles. It has been a pleasure working with you all. These awards are more than I would have ever expected. Thank you all for being here, blessings for continued success. The potential is tremendous. Love all of you all. Gary- well done Linda well done. Thank you so much! Anyone here for Linda you are welcome to leave, or you are welcome to stay.

4. SWEARING IN OF REAPPOINTED BOARD MEMBERS.

Gary- everyone being sworn in please come forward and get Sworn in by Judge Stoudt. Sworn in- John Cloutier, Cory

Floyd, Andrea Williams-McCoy, Dave Spurrier, Dan Droege, Derrick Choice.
Gary- thank you Judge and everyone for the reappointment

5. OPEN PUBLIC FORUM/COMMENT PERIOD.

No Comments

6. DISCUSSION, CONSIDERATION AND APPROVAL OF THE MINUTES FOR THE NOVEMBER 9, 2021 REGULAR BOARD MEETING.

Motion to approve minutes. John Cloutier, 2nd Robbie Shoults. Motion is unanimously Approved.

7. COMMITTEE REPORTS

A. Executive Committee

No report

Gary Halbrooks

B. Community Relations Committee

No report

Andrea Williams McCoy

C. East Texas Hourglass Committee

Next scheduled meeting one week from today.

Dave Spurrier

D. Finance Committee

10-year interest rates surged from 140 to 160 last week so we may have some investable opportunities in the future

Robert Messer

E. Member Outreach Committee

Normally we take applications in April. With incoming chair, we are going to re-evaluate the process. In a month we will begin asking for them. We have reports on a couple of projects that have come to completion.

Video queued for play. First Priority project funding went to Gregg County.

Grant given to support traffic signal for very busy intersection. Safer turning movements, 4 lane highway. Before enhancement there were 34 crashes. \$270,000 allocated to Gregg County

Direct reflections from Priority Projects. Extremely proud of the NET RMA to assist in making something out of nothing. Thank you! Pretty sure we will do another cycle.

RR way in Rusk County one of the only counties in state of Texas that do not have university of interstate. If the train goes away that will prevent delivery of goods. Awarded a Chrissy grant because NET RMA stepped. Rail safe for the next 50-60 years. Bring freight in and out of the county which is a direct reflection of this project.

\$125,000 given to Cherokee County Airport

John Cloutier

F. Personnel Committee

Jason- Colleen was kind to resend the Executive Director review form out via email yesterday. I have received some back. Please take a moment to send those back if you have any questions just reach out to me

Jason Ray

G. Project Development & Implementation Committee

No report

Larry Morse

8. PRESENTATION ON PRIORITY PROJECTS.

Video Presentation

A. Gregg County – Dan Droege

Listen to video for his portion US 259 and State Hwy 300. Spoke about number of crashes previously. Money allocated \$270,000.00.

B. Rusk County – John Cloutier,

Video played. McCann and George Ritchie intersection. NET RMA provided grant. \$200,000.00. Grant approved because of potential in the area. NET RMA for the entire region. DROEGE- this year my county was able to get a grant

for priority project. Thanks to everyone that participated

9. REVIEW AND ACCEPTANCE OF NET RMA FINANCIAL STATEMENTS.

Diane- Still having some TX Tag issues that can affect the numbers. November 30, 2021 ending date. Toll Revenue over budget 2%, Net Video Revenue under budget 6%, Total Operating Revenue under budget 2%, Operating expenses under budget 10% no significant variances to discuss currently, Toll 49 Operating Expenses under budget 46%, Other Income Expense over budget 1% which is a timing issue, Total Net Income deficit under budget 4%.

Morris and 2nd Cory Floyd. Motion unanimously approved.

10. REPORT ON TOLL 49 TOLLING TRANSACTIONS AND REVENUE.

Diane- December Average Transactions 57,152 Highest Average Monthly Transactions. 15% over our 2020 average. Very positive. Andrea- can you tell us where we are compared to other tolling agencies. Everett- we were ahead of others in additional growth. Slightly ahead of even. Cloutier- TX Tag issues. Cloutier- are we doing what it takes for the switch over? Andrea- Yes, we are looking into this further. Colleen- commercials that are driving that, partnering with NTTA on other campaigns. Colleen- social media and billboards. places that drive in on the way to the toll road. Andrea- targeting current users. Radio commercials, social media as well. Public service campaigns being done. Once the backend transition is done with NTTA there will be a definite change.

**11. DISCUSSION, CONSIDERATION AND POSSIBLE ACTION TO AUTHORIZE THE EXECUTIVE DIRECTOR TO PURSUE A REFUNDING OF NET RMA TOLL ROAD REVENUE BONDS.
(RESOLUTION 21-32)**

Action Item

Everette- was a month ago when we first considered this option. We want to proceed with the action items and get us in position so when interest rates do change, we will be positioned to do so. I have asked Mr. Ramirez to give us some information. Mr. Ramirez- we received a proposal on the bonds outstanding 10.1% savings and then 10.2% on the Junior. rates are going up. latest results as of Friday 10.1 down to 5% junior from 7.2% to 1%. still have a chance at the 2016 bonds we would not recommend today going forward. traffic and revenue study getting new report. most agencies have 3-5 years on traffic and revenue study. It's been 5 years, so we recommend your T&R. CTRMA we approved the deal and rates went away. in this rate environment we are not sure they will come down like they did last year. we would recommend approve the deal, but no money spent. we would have to come back and get some defined level to execute a transaction. Everette- this will enable the executive director to proceed with refunding. we would like to get the authority to go ahead and move quickly and take advantage of the rate change. no cost involved of the GEC. no expense until we sale the bond. put us in a position to move quickly. Dave Spurrier- why spend 20,000 and rates do not go that high. Everette- provide input in finalization of the expenses. spurrier- the \$20,000 in additional? Everette- yes. spurrier- that is the problem I have with it. Mr. Ramirez- T&R report is not usable to us. from my standpoint we won't be spending any money or costing any money. Evette- it provides input. new set of projections for 20-30 years. typically, the T&R studies are good for 3-5 years. if we are doing any funding, loans, or anything. this will let us do this. whatever new project is you would have to just add the new piece of road to the system. will shorten time frame to do refinance.

James Harris- thinks this is a good idea. I believe in being prepared. I would like to vote to do the preparation but recognize the opportunity that if came up next Thursday we could call a quick board meeting. Evette- if we proceed that would require specific board approval. this gets us in preparation but cannot do anything without your approval. Mr. Ramirez- this will take 60 days. Mr. Ramirez- 2016 bonds a lot of coupons are 5% you would be able to refinance at that time. Motion Robert Messer, 2nd Dave Spurrier. Motion is unanimously approved

**12. DISCUSSION, CONSIDERATION AND POSSIBLE ACTION TO EXTEND THE TERM OF THE NET RMA UNDERWRITING POOL.
(RESOLUTION 21-33)**

Everette- pool established back when other bonds sold. We issued RFP, got submittals. Got approved. Whether we do the bond issue or a different one. They help us market the bonds. When original resolution was done there was a time limit. We have exceeded that, and that time is up. Extend the pool for 1 year, not as critical. Takes some time to put out

an RFP. Normal course of business we would add people or remove them as situations change. No one has been removed. Approve year extension and we go through the RFP process which you will approve. We come back to you with recommendation. Motion Dan Droege 2nd Jason Ray. Motion is unanimously Approved **Action Item**

13. DISCUSSION, CONSIDERATION AND POSSIBLE ACTION TO DESIGNATE A LEAD SENIOR MANAGER TO PROVIDE UNDERWRITING SERVICES FOR THE REFUNDING OF NET RMA TOLL ROAD REVENUE BONDS. (RESOLUTION 21-34)

Everette- asking to designate a new senior manager for underwriting services previously used Bank of America Meryl Lynch. Mr. Ramirez- Legislature has mandated that anyone with gun policy or anti-Israel the government mandated these agencies cannot work with state agencies. Everette- We need new underwriters. We are asking authorized name Jeffery's as the senior. We selected someone from the current pool. Mr. Ramirez- certain qualifications. Some could become eligible in the future until they can certify with the AG. Motion Marcia Daughtrey 2nd Andrea Williams-McCoy. Motion is unanimously approved

Action Item

14. DISCUSSION, CONSIDERATION AND POSSIBLE ACTION TO APPROVE SUPPLEMENTAL WORK AUTHORIZATION NO. 4.4 WITH CDM SMITH FOR A TRAFFIC AND REVENUE STUDY TO SUPPORT THE REFUNDING OF NET RMA TOLL ROAD REVENUE BONDS. (RESOLUTION 21-35)

Everette- actual traffic and revenue study for upgrade of the existing system. Not cheap by any means, its just under 1 M. Know what our projections are for the future and plan accordingly. The current study is out of date. Existing T&R study the transactions are in the 10-15% range. The revenue is pretty much on target, very close. Because of truck traffic. Ability to finance projects in the future. Dave Spurrier- spent some money in the past, will we or should we include additional study of 6, 7 and or 8? Everette- No, it is existing system only. This study does greatly simplifies adding 6 or any other. What the new project would generate comparing to the existing system. Not do 6 at this point because of the uncertainty of what 6 will be. Mr. Ramirez- recommends every 4 years. Everette- every 4 or 5 years. Look at what will be reasonable and come up with policy. Everette- revenue increases with trucks and road usage. Motion Andrea Williams-McCoy, 2nd John Cloutier. Motion is unanimously approved

Action Item

15. DISCUSSION, CONSIDERATION AND POSSIBLE ACTION TO APPROVE AN EXTENSION OF THE FINANCIAL ADVISORY SERVICES AGREEMENT WITH HILLTOP SECURITIES, INC. (RESOLUTION 21-36)

Jason Ray takes over meeting. Everette- 5 year which is typical of our contracts. This one was up in December. We are asking for a year extension. Want to have something in place before the end of that year. Would be helpful if Hilltop does work for us. Would be good to have their contract extended for a year. John Cloutier- will the charges remain the same? Everette- yes. Motion John Cloutier, 2nd Dan Droege. Motion unanimously Approved.

Action Item

16. DISCUSSION, CONSIDERATION AND POSSIBLE ACTION TO APPROVE WORK AUTHORIZATION NO. 15 WITH ATKINS TO SUPPORT THE GILMER LOOP, PHASE II FEASIBILITY STUDY. (RESOLUTION 21-37)

Action Item

Everette- this is from the Gilmer phase II priority project it was awarded 3 years ago. Under phase I county asked us to have our consultant do the study. Phase II they are asking us to do the same thing. We use the priority project money to pay for this. \$320,000 is the amount of the grant. Motion Larry Morse, 2nd John Cloutier. Motion unanimously approved.

17. DISCUSSION, CONSIDERATION AND POSSIBLE ACTION TO APPROVE AN AMENDMENT TO THE MULTI-PARTY INTERLOCAL AGREEMENT REGARDING LOCAL MATCHING FUNDS FOR THE PURCHASE OF A UNION PACIFIC RAILWAY ABANDONED RIGHT-OF-WAY CORRIDOR. (RESOLUTION 21-38)

Action Item

Everette- this has been going on since 2019. We have a grant from TxDOT for \$400,000 to purchase this right of way from UP. It requires a 100% match. We need to extend 1 more time. Just in case, our understanding is we expected

everything to be done by February of 2022.

Motion John Cloutier, 2nd Derrick Choice. Motion unanimously approved. Marcia Daughtrey wants to recuse herself from further discussion.

18. DISCUSSION, CONSIDERATION AND POSSIBLE ACTION TO AUTHORIZE EXECUTION OF AN ADVANCED FUNDING AGREEMENT WITH TXDOT FOR A TRAFFIC SIGNAL AT THE INTERSECTION OF SH 110 AND TOLL 49.

(RESOLUTION 21-39)

Action Item

Everette- signal where ramp hits 110 needs to be improved. The signal will make this much safer. 1 year ago, we had in the budget this same project to fund signal at that point. We removed from budget at that time. We finally got through the hurdles with TxDOT. \$300,000 will be the cost. Marcia- where? Everette- On ramp going South. Will be a light at both ends. This will also include some restriping. Ramp was built with Segment 4. Motion Marcia Daughtrey, 2nd Dan Droege. Motion unanimously approved.

19. EXECUTIVE DIRECTOR'S REPORT.

A. Update on Status of SICE Toll System Implementation.

Everette- Sice is the new toll integrator replacing Kapsch. From Sice to NTTA, NTTA will be sending out bills. Original transition date has changed because all equipment cannot be received because of transportation slow down. We are now looking at start date of around June. Moving slower than originally expected. No additional cost.

20. ADJOURNMENT.

Thank you for your time today meeting is adjourned at 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.**

PARTICIPATION BY TELEPHONE CONFERENCE CALL:

One or more members of the Board may participate in this meeting through a telephone conference call, as authorized by Section 370.262, Texas Transportation Code. Under that law, each part of the telephone conference call meeting that by law must be open to the public shall be audible to the public at the meeting location. During the meeting, the identification of each party shall be clearly stated prior to speaking, and the meeting shall be documented by written minutes. On conclusion of the meeting, the written minutes of the meeting will be made available to the public.

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 must be made during the open comment period. You must be recognized by the presiding officer.

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 presiding officer, 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 presiding officer 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 meeting, please contact the 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 the NET RMA at 903.630.7894 at least two working days prior to the meeting so that appropriate arrangements can be made.