



**MINUTES**  
**NORTH EAST TEXAS REGIONAL MOBILITY AUTHORITY (NET RMA)**  
**BOARD OF DIRECTORS REGULAR MEETING**  
**1:30 P.M., TUESDAY, JANUARY 26, 2010**  
**MINEOLA CITY HALL**  
**300 GREENVILLE HIGHWAY**  
**MINEOLA, TEXAS 75773**  
**PRESIDING: JEFF AUSTIN, III, CHAIRMAN**

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**1. CALL TO ORDER AND DECLARATION OF QUORUM**

Notice of this meeting was posted with the Secretary of State's Office, with the County Clerks in Smith and Wood Counties, on the NET RMA website, and in the offices of PBS&J on January 21, 2010.

Board members present: Chairman Jeff Austin, III, Vice-Chair Linda Thomas, Celia Boswell, Bill Rowton, Barry Hughes, David Stevenson, Gary Halbrooks, Hudson Old, Dave Spurrier, Walta Cooke, Bob Murray, Bill Runnels, Keith Honey, Jamal Moharer, and Andy Vinson.

Board members absent: Tab Beall, Rodney Gilstrap, Ed Smith

Chairman Austin called to order the meeting at approximately 1:30 pm.

**2. INVOCATION**

Chairman Austin asked Board Member Bob Murray to give the Invocation.

**3. SWEARING-IN AND OATH OF OFFICE OF REAPPOINTED BOARD MEMBERS**

Commissioner JERRY GASKILL swore in and gave the Oath of Office to the reappointed Board Members.

**4. WELCOME & INTRODUCTION OF BOARD MEMBERS**

Chairman Austin welcomed everyone. Board Members made their introductions.

**5. REMARKS BY PUBLIC OFFICIALS**

County Commissioner Jerry Gaskill welcomed everyone.

**6. OPEN PUBLIC FORUM / COMMENT PERIOD**

Board Member Celia Boswell welcomed all and thanked the city for the use of the great facility.

**7. APPROVAL OF MINUTES**

Board Member David Stevenson moved approval; Board Member Gary Halbrooks seconded the motion. The motion carried and the minutes from the December 1, 2009 meeting were approved.

**8. DISCUSSION, CONSIDERATION AND POSSIBLE ACTION ON HONORARY RESOLUTIONS FOR FORMER NET RMA BOARD MEMBER JOHN CLOUTIER, RUSK COUNTY AND NET RMA**

## BOARD MEMBER JAMAL MOHARER, SMITH COUNTY

Chairman Austin entertained a motion to approve the Honorary Resolutions for Former NET RMA Board Member John Cloutier, Rusk County and NET RMA Board Member Jamal Moharer, Smith County.

Board Member Barry Hughes moved approval for John Cloutier; Board Member Dave Spurrier seconded the motion. The motion carried and the Honorary Resolutions were approved.

Board Member Bill Runnels moved approval for Jamal Moharer; Board Member Linda Thomas seconded the motion. The motion carried and the Honorary Resolutions were approved.

## 9. CHAIRMAN'S REPORT

Chairman Austin

Chairman Austin

Meetings of Interest

- Texas Transportation Commission Meeting; January 28, 2010, February 25, 2010, and March 25, 2010 in Austin
- TeamTX – February 19, 2010 in Dallas

[www.dot.state.tx.us](http://www.dot.state.tx.us)

[www.team-tx.org](http://www.team-tx.org)

Update from the Texas Transportation Forum held in Austin, Texas on January 6 – 8, 2010. The presence of rail was noticeably a new perspective at this forum. Senator John Cornyn was the keynote speaker. There was discussion of Toll 49 and financial assistance request for additional portions of the hourglass. The State Infra-structure Bank (SIB) funding will also be available in the future. The RMA may want to watch that in case the TIFIA loan doesn't go through the way we expect.

Keith Honey advised that in the Forum there was a lot of discussion about potential funding sources. There was also a discussion about gas tax and all possibilities for funding for highways. Overall, it was a good meeting and people were taking the funding discussion seriously.

The Chairman asked Board Members to bring their county's prioritized projects to the next board meeting. Chairman Austin also advised that the selection of officers and establishment of committees will occur at the next board meeting.

Update on visits with various counties. Chairman Austin has visited several of the counties. He visited with Hudson and Titus County. Judge Russell advised we are beginning to hear positive results. The Chairman received a letter from the Mayor of Lindale. The City of Lindale would like the NET RMA to proceed with the next section of Toll 49 (Segment 4, the Lindale Relief Route) and with the access roads along I-20 in the City of Lindale. The NET RMA would like to pledge our help to support Lindale to help ease congestion. Chairman Austin asked all Board Members to please stay in touch with your city leaders so we continue to know what is important to each of the counties. He asked that the GEC work with the Board members to contact each represented county to revisit the Priority Project Lists.

## 10. TREASURER'S REPORT

Board Member Gary Halbrooks presented the Treasurer's Report.

Chairman Austin entertained a motion to approve the Treasurer's Report.

Board Member Walta Cooke moved approval; Board Member Robert Murray seconded the motion. The motion carried and the Treasurer's Report was approved.



**11. DISCUSSION, CONSIDERATION AND POSSIBLE ACTION ON THE FY2009 AUDIT  
BY PROTHRO WILHELMI  
(Resolution 10-01)**

Walter Wilhelmi

Mr. Walter Wilhelmi of Prothro Wilhelmi presented the FY2009 Audit. Mr. Wilhelmi met with Board Members Gary Halbrooks and Tab Beall, they reviewed the report in great detail. They have issued an unqualified opinion the financial statements are sound. He advised there were no deficiencies on internal controls. The second report is about the financial assistance agreement; in this case there were also no items to report. From an accounting and book keeping perspective the NET RMA is well prepared to move forward.

Chairman Austin entertained a motion to approve the FY2009 Audit. The audit is required by the State Comptroller and it will be posted on the website.

Board Member Celia Boswell asked if there were any red flags that board members should be alerted to. Mr. Wilhelmi advised there are none.

Board Member Gary Halbrooks advised it was a pleasure to work with Prothro Wilhelmi. He was also happy to know that the NET RMA is not dropping any balls.

Chairman Austin and Mr. Wilhelmi thanked each other for their help.

Board Member Robert Murray moved approval; Board Member Barry Hughes seconded the motion. The motion carried and Resolution 10-01 was approved.

**12. DISCUSSION ON WILBUR SMITH TRAFFIC AND REVENUE STUDY FROM TXDOT**

Project Director Everett Owen reported that staff had met with TxDOT and their Traffic and Revenue Consultant, Wilber Smith. As a result of that meeting, the Traffic and Revenue numbers and some of the assumptions are being revisited. It is a good first step and hopefully within a couple of weeks there will be additional data and the project will be able to move on from there.

**13. RAIL COMMITTEE REPORT**

Celia Boswell

Board Member and Chair of the Rail Committee, Celia Boswell led the discussion of submitting a SIB loan application to TxDOT for purchase of abandoned rail ROW from Troup to Whitehouse (Rail Spur).

Board Member Celia Boswell stated that she is planning to go to Team TX to collectively brain storm how to fund their collection of rail initiatives.

Chairman Austin advised that when the Federal Highway Administration and the US Department of Transportation looked at funding for rail, they skipped over Texas. The NET RMA can and will do a better job of addressing rail needs in east Texas. There is time to put together a proposal for rail possibilities for a Rail Spur project that would connect with Board Member Jamal Moharer's multimodal facility. The Agency would like to apply for a SIB loan through TxDOT to purchase this spur with a 15 to 20-year financing plan. The Chairman wanted the Boards approval to explore that option. The RMA is trying to secure that rail line.

Gary Halbrooks advised that once the rail lines go away they are *VERY* hard to get back. He advised the NET RMA needs to do everything possible to preserve that line. Chairman Austin said that Tyler District did give notification to Union Pacific Railroad for the Agency to acquire the spur. TxDOT has formed a rail division; Bill Glavin is the head of that division. The NET RMA is continuing to work on the Rail Spur ROW acquisition with TxDOT.

Board Member Barry Hughes wanted to know the dollar amount involved. Chairman Austin advised it is approximately \$500,000. Gary Halbrooks wanted to know about loan repayment options. Chairman Austin



advised if the NET RMA puts its name to it, it must stand on its own. It is a little more than a 7-mile segment of railroad ROW. It is a critical section for rail connectivity in the region.

Board Member Jamal Moharer advised there might be a PFC charge (as the airlines do), the NET RMA might be able to create some funding possibilities there. It might open up a whole new avenue for the agency. It is worth looking into the option.

Board Member Hudson Old asked if there are any stipulations about repayment when you buy something like a Rail Spur? Chairman Austin advised that there will be repayment conditions and at this time the RMA doesn't have the reserves to do it. Chairman Austin advised we must have some way to repay the loan before we get it.

Chairman Austin thanked the board as this was a good discussion.

#### 14. PROJECT DIRECTOR'S REPORT (Toll 49)

Mr. Everett Owen, NET RMA Project Director gave his report. There are four shortlisted development teams for the Design/Build of Toll 49 Segment 3B. The RMA is working with them as each team is developing their total project cost; the process is moving forward. Chairman Austin asked what are items that could cause a delay?

Project Director Everett Owen said purchasing right of way and financing are the two pieces that could present delays in the project. If there will be delays, it will be in the financing, there will be quite a bit of time to work with the ROW issue after the proposals are received from the developers. The time starts the day the proposals are received. As the due date for proposals is in May, the costs included in these proposals are time sensitive so they will only be valid through September.

Project Director Everett Owen advised he is working with Wayne B. Placide (First Southwest) and Mitch Gold (Bank of America). They are working together to create a finance plan.

Chairman Austin wanted to walk through the project. Segment 1 and 2 are open. Randy Hopmann (TxDOT Engineer) advised 3A is a 3-year project, open summer 2012. Segment 5's start date is next month. The letting is just over \$15 million dollars, this was a significant drop from the initial \$20 million dollar estimate. Segment 4 the "Lindale Relief Route" - is waiting on FHWA final approval. He hopes in a couple short months there will be a public hearing so the project can move into the final environmental process. On the Toll 49, it took 24 months to receive Federal approval. Right of way acquisition will be the next step after receiving approvals.

Chairman Austin advised we have 2 projects; Toll 49 Segment 3B and the East Texas Hourglass. In reality, in the best case scenario, the East Texas Hourglass project couldn't start turning dirt in 3 to 4 years. It appears that Toll 49 gets all of the press, but we should focus on the entire loop.

Wayne B. Placide (First Southwest) - Municipal markets have continued to perform well. Financing is readily available. Investors are seeing bonds moving really well. Eighty four billion dollars in bonds were sold. He expects a large amount of Build America Bonds (BAB) to be sold again this year. The BAB receive a 35% interest credit, it helps a lot of projects that would not have been conceivable. A lot of transactions are getting done.

Mitch Gold (Bank of America) - The lower rate of credit sold in the market was hard. This has really opened up now. He has seen new toll roads financed very successfully. There is good press and transactions that will be a great precursor to what the NET RMA is trying to do.

Chairman Austin - On Segment 6, Greg and Harrison counties should be moved up. The Chairman was up in DC last week. There is discussion on the street about the second stimulus package. We have applied for several of those projects and have not heard anything back from those entities yet.

The following is a brief summary of Toll 49 project activities and accomplishments since the last Board meeting:

**Toll 49 – Segment 1                      Construction: 100% complete**

- Construction complete. Segment 1 open to traffic.
- Averaged 4,637 transactions in December, 2009 (low due to holidays).

**Toll 49 – Segment 2                      Construction: 100% complete**

- Construction complete. Segment 2 open to traffic.
- Traffic same as Segment 1 above.

**Toll 49 – Segment 3A                      Construction: 18% complete**

- Project under construction.
- Continuing archeological site testing of Site 41SM404 at Indian Creek.

**Toll 49 – Segment 3B                      Design: 30% complete**

- Held One-on-One Meetings with short-list contractors on January 21 – 22, 2010
- Issued final FRDP documents to Developers.
- Held additional discussions with TxDOT Administration regarding Toll 49 PDA and revenue transfer.
- Began analysis of WSA Comprehensive (Level 3) T&R Study dated January 2010.

**Toll 49 – Segment 4                      Corridor Study (by TxDOT)**

- TxDOT ENV Division reviewing environmental documents with anticipated final Public Hearing in Spring of 2010.

**Toll 49 – Segment 5                      Construction: 0% complete**

- Bid Letting held on December 9, 2009. Longview Bridge was low bidder.
- Construction Start-up anticipated in February 2010.

**15. REPORT CONCERNING STATUS OF GEC WORK AUTHORIZATIONS**

Mr. Mike Battles, PBS&J and NET RMA GEC presented the GEC Progress Report.

The following is a brief summary of general GEC activities and accomplishments since the last Board meeting.

**Engineering Feasibility Studies / Research**

- Prepared Toll System Integrator Recommendation and Tolling Responsibility Matrix
- Reviewed WSA Comprehensive (Investment Grade) Traffic and Revenue Report and prepared comments for further consideration.

**Financial Studies**

- All current assignments complete.

**Design-Build CDA Procurement**

- Prepared CDA Exhibits for postings on December 7 and January 8.



- Attended One-on-One meetings with D/B CDA Developers in December and January.
- Prepared Draft Quality Assurance Program Manual.
- Prepared CDA Evaluation Manual.
- Worked with TxDOT and FHWA to submit, revise and resubmit the Interstate Access Justification Report for the Toll 49 @ I-20 interchange.

#### NET RMA Administrative Activities

- Assisted Board Members with Smith County Intermodal Grant Application.
- Prepared materials for January 2010 Board Meeting.

#### Public Involvement Activities

- Prepared Annual Report Materials for Board Member Hudson Old.
- Supported Public Outreach / Education Committee efforts.

#### Web Page Activities

- Updated project related information on Web Page.
- Supported Public Outreach / Education Committee efforts

Chairman Austin asked folks to be mindful of how they use the PBSJ team.

Board Member Rodney Gilstrap wanted to know how much revenue will 1000 transactions generate on Toll 49?

Mike Battles, PBSJ, advised how much revenue is generated depends on the type of vehicle that is transiting the toll.

Project Director Everett Owen advised trucks pay four times the rate that a car would pay. Depending on how much value the driver places on time will dictate whether the toll will be taken or not. Generally, we would expect higher truck traffic once the road is open to I-20.

## 16. PUBLIC OUTREACH AND EDUCATION COMMITTEE REPORT

Board Member Jamal Moharer led the discussion regarding NET RMA Regional Transit Advisory Committee (NET RMA/RTAC).

Board Member Jamal Moharer advised he was handing his book to Board Member Bill Runnels, so a regional multimodal facility could be located strategically on the rail track.

He publicly thanked PBSJ for all of their hard work. He's seen many grants, this one was by far the highest quality. The fact that this is being considered and this is being championed, demonstrates the need for this project. Smith and Greg County are not the only counties that will benefit. Other counties can benefit and benchmark this initiative. As he departs, Board Member Jamal Moharer advised he will remain available to continue to help in any way he can. Judge Baker has a more detailed plan. It encompasses regional rail, rural partners; it is a revenue generating facility. A business approach was utilized in empowering this project which helped the project's momentum. He wanted to publicly thank PBSJ again for all of their help with this.

Chairman Austin advised he would love to have him stay on this committee. He advised you don't have to be a board member to be on the committee. Ideally, Board Members need to go back to their counties to have a regional, consolidated approach.

Board Member Jamal Moharer advised there are letters of support from Greyhound. Not all counties have their own Greyhound facility. Greyhound is supportive of sharing their (they own the property) facility and working with the multi modal facility.

Chairman Austin advised there are three metropolitan planning organizations within the RMA that can help identify funding. It is important to ensure we help plan and fund together. We don't want too many entities working against each other in a competitive fashion. Mayor, (reference to Carolyn Salter former Mayor of Palestine) I'm glad you are here. Judge Rider asked what is being done about the US 79 Corridor now. The Chairman stated that there is a need to expand US 79 to 4 lanes. We might want to open those discussions again and see what options are available to expand more sections of Highway 79 maybe all the way though Carthage to the state line.

Mayor Salter - I would be happy to help out.

Chairman Austin – this is a slow and delicate process to add more counties. The Authority would like to add more counties. It adds more corridors for the Authority to think about. This would mean total connectivity. If the NET RMA could add others in the future it would be good to do it all at one time. So let's give this some thought so the Authority can methodically move forward for access to city and to the state line.

Board Member Hudson Old - As far as the annual report, I would like any of your cooking recipes and I will forward all articles for your approval before we go to publish the document.

## 17. TxDOT DISTRICT REPORTS

Atlanta District – no one present.

Randy Hopmann - Tyler District – Mr. Hopmann stated that the Toll 49 status was covered adequately earlier. The US 69 south of Mineola, is about 90% complete, it should be finished this summer. In regard to the stimulus funding, the Tyler District has obligated all of its funds including the Tyler and Longview MPO funding. TxDOT has obligated all of the funds. We will take bids for stimulus projects in Cherokee County and one in Longview. TxDOT has allocated and executed letting all of the stimulus projects in this part of the state. Unfortunately, the other parts of the state have run into problems with the allocation of funds. There is some talk from Congress of the next round of funding. The window for this round, if it does come about, it will be a very short window. You must have a project on the shelf and take bids the day the president announces. The second one is a 90-day to obligate, take bids and award the contract. If that is how it comes out, there will be concerns in the state about the feasibility. As far as the Tiger Funds, the decisions have not been made, as they (the decisions) are the US Department of Transportation's. Funding is not going towards projects like US 79 to widen it. Randy suggested that to get a project funded, the RMA needs to get involved as there should be some momentum around that project.

Board Member Hudson Old asked what do we need to do to be/have a shovel ready project?

Randy Hopmann advised shovel ready is in part of the bill. This was used to emphasize the point so people are put back to work immediately. TxDOT selected the projects with money but were not totally funded. The ARRA bill directed that TxDOT must allocate money by proportion. Another formula stated a portion of the money must be spent out of the MPO areas. Because of cash flow problems, TxDOT used \$174 million for preventative maintenance and rehabilitation. Specific projects were selected by each district. There was a desire for it to be spent in economically disadvantaged areas. TxDOT knows where our worst roads are, we



have a numerical score but it never hurts to communicate what your counties needs are. The counties should know where their needs are.

Board Member Hudson Old – So, we are we taking money we didn't expect to get, and using it for maintenance funds. It seems we should be using the maintenance money somewhere else.

Randy Hopmann advised it had to be new projects, not projects that were already slated or funded. TxDOT is only funding maintenance right now.

Chairman Austin – Our districts got Texas in a pickle. Proposition 14 bonds included things that were a lot of maintenance. In one of our next meetings, can we go back and review the 12 categories of funding. It will be important for us to go back and review that.

Board Member Hudson Old - For TxDOT to continue to receive continued support, TxDOT should work through this group, it would be worthwhile for the future of this body. Chairman Austin could go to Austin and say the regional needs are.... Anything I can do to encourage TxDOT to help the other counties on this board would be good.

Chairman Austin – We have to be ready, the prioritization schedule should be on the website. There is a mandate on some of the formulas; there are some funds that are targeted right to traffic. 85% of the dollars are going to the big four or five. We have opportunities to be unified in our list of projects so we have a united front.

SH 149 in Gregg County, it might be time to make it a shovel ready project. Let's look at this in the next meeting. The Authority will look at what shovel ready projects does each county have.

Board Member Hudson Old – How important is it? I want PBS&J to do it. I think PBS&J has a relationship with TxDOT.

Project Manager Everett Owen– It doesn't matter what relationship exists. You can have any engineering firm do it, it doesn't have to be PBS&J.

Chairman Austin – A county might say we have a preference to who we use. If the county wants to delegate it to us, we can have full bidding process. We need to move projects forward with each of the counties. This helps us with our education process.

Randy Hopmann – I would welcome the opportunity to do a presentation on funding in one of your meetings going forward. If a project doesn't have a chance of being funded, we can't do it. It must have an environmental document, design and funding for the project to be on TxDOT's radar.

(At this time, Board Member Jamal Moharer departed for another meeting).

## 18. METROPOLITAN PLANNING ORGANIZATION REPORTS

Tony Filippini, Senior Planner Tyler MPO

–Working on long range planning with Texas College and UT-Tyler

Longview, Karen Owen – not present

Texarkana, Brad McCaleb – not present

## 19. FINANCE COMMITTEE REPORT

Board Member Gary Halbrooks presented the Finance Committee Report.

## 20. LONG RANGE PLANNING COMMITTEE REPORT



Board Member Barry Hughes led the discussion of County / Regional Projects or Needs – the new year is a good time to get priorities in order. Let's continue that. Chairman Austin agreed.

## 21. COMPLIANCE & OVERSIGHT COMMITTEE REPORT

Board Member Keith Honey presented the updated reports to the Board.

- A. Open Records spreadsheet
- B. Surety Bond spreadsheet
- C. Conflict of Interest spreadsheet
- D. Term Expiration spreadsheet- be sure your counties know about reappointments

## 22. NEW BUSINESS FOR FUTURE MEETING AGENDA

CIRCULATE ITEMS FOR NEW AGENDA & NEW PROJECTS.

JOINT HEARING OF SENATE FINANCE COMMITTEE – TX FUNDING FINANCING ISSUES – WILL BE STREAMED ON THE INTERNET THERE IS AN OPPORTUNITY FOR PUBLIC TESTAMONY. IF ONE OR TWO OF YOU COULD SPEAK ON BEHALF OF NET RMA, NOT BEING FULLY SUPPORTED BY TXDOT. BOTH HOUSE AND SENATE HAVE ISSUED INTERIM CHARGES. TXDOT REL WITH RMA ON LIST, RPOS AND THEIR ISSUES ARE ON THE LEGISLATURES AGENDA IN THE NEXT FEW MONTHS.

## 23. ADJOURNMENT

There being no further business, Chairman Austin adjourned the meeting at approximately 3:46 p.m.

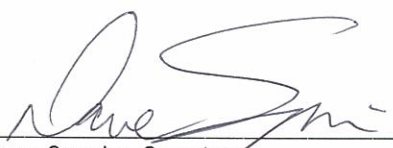
## EXECUTIVE SESSION PURSUANT TO GOVERNMENT CODE, CHAPTER 551, IF ANY

There was no Executive Session at this time.



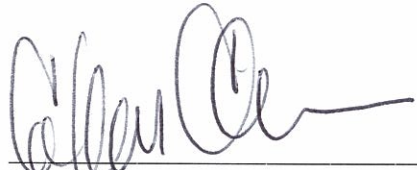
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Jeff Austin, III, Chairman



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Dave Spurrier, Secretary



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Colleen Colby