



MEETING NOTICE

TO: North East Texas Regional Mobility Authority Board Members
FROM: Linda Thomas, Chair
DATE: Tuesday, April 9, 2019
SUBJECT: **April Board Meeting**

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

DATE: Tuesday, April 9, 2019
TIME: 1:30 PM
PLACE: Mount Pleasant Civic Center
1800 N Jefferson Ave
Mt Pleasant, TX 75455
Titus 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 Felux at 903.630.7894.

**NORTH EAST TEXAS REGIONAL MOBILITY AUTHORITY (NET RMA)
BOARD OF DIRECTORS REGULAR MEETING
Mount Pleasant Civic Center
1800 N Jefferson Ave
Mt Pleasant, TX 75455
Titus 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, April 5, 2019.

2. INVOCATION

Dan Droege provided the invocation.

3. WELCOME & INTRODUCTION OF BOARD MEMBERS

Phone: Dave Spurrier, Dr. Harris, Tim McRae, John Cloutier, Cory Floyd. Present: Belinda Andrus, Andrea Williams, Chet Clayton, Larry Morse, Linda Thomas, Chris Miller, Nate Priefert, Dan Droege, Jason Ray, Robbie Shoults

4. OPEN PUBLIC FORUM/COMMENT PERIOD

Nate Priefert introduced Judge Brian Lee. He thanked all for coming and appreciated that everyone made the trip there. He appreciates the service of the NET RMA and he stated that he believes in the NET RMA's mission.

5. DISCUSSION, CONSIDERATION AND APPROVAL OF THE MINUTES FOR THE MARCH 19, 2019 BOARD MEETING. Action Item

Motion to approve: Dan Droege. 2nd: Jason Ray.

6. CHAIR'S REPORT

Linda Thomas

Linda Thomas stated that she is thankful to be here on such a beautiful day. There is big news for all in transportation. Both political parties have agreed on a partisan effort to approve an infrastructure bill. They anticipate it will be unveiled in May. Another thing to note; some members of congress are calling for a mileage-based fee to capture revenue from electric and hybrid vehicles. The CTRMA also received 46.94M loan from the federal government to help construct a project that will be open in 2021.

7. COMMITTEE REPORTS

A. Executive Committee

Linda Thomas

No report.

B. Personnel Committee

Jason Ray

No report.

C. Construction and Maintenance Committee

Barham Fulmer

No report.

D. Member Outreach Committee

John Cloutier

John Cloutier reminded all board members that Monday is deadline for priority project submittals.

E. East Texas Hourglass Committee

Dave Spurrier

Dave Spurrier stated that the status of the loan will be discussed later. CP&Y has continued to work with their working group to evaluate criteria and define goals for a study. The suggested routes that have developed during the public hearings for Segment 6 have been identified and processed. The next step is to narrow down the potential routes to the next best 6 routes. This should wrap up in late April or early May. On April 30th, there will be an ETHG committee meeting in Longview to discuss this further.

F. Investment Committee

Robert Messer

No report.

8. PARTNERSHIP UPDATES

A. East Texas Corridor Council

Linda Thomas

No report.

B. I-69 Alliance Committee

Linda Thomas

Cory Floyd stated TxDOT has revised their website and they have an I-69 link. The district maps and projects link are particularly helpful. It shows an interactive map that shows proposed routes. It will be a beneficial tool for advocacy.

C. East Texas Council of Governments

Linda Thomas

No report.

9. REVIEW AND ACCEPTANCE OF NET RMA FINANCIAL STATEMENTS.

Dianne Johnston provided the presentation. The statement of Net Position shows and ended period of 391M. Total liabilities equaled 210M. The only thing to note about the balance sheet is that she did add the 1.8M principal payment and added that to the current liabilities. Statement of revenues and expenses: the variance shown is still the yearly variance. There is also a month to date column added. NET RMA is now showing a positive variance in video transaction revenue which is continuing to move in the right direction. Total operating expenses as of February 2019 are under the year to date figure by 5.22%. The only thing that looks unusual in operating expenses is the rent. The 2018 column shows 0 but it was paid in March. It was just a cut off. The other variances are the same as they have been in the previous months. Operating expenses are over the 2018 figure by 9.35%. She stated that what looks unusual here is the GEC column. The number is overstated because in January there was credit that occurred that didn't get corrected until February. Other income and expense, the net year-to-date is up 3.81% compared to last year. Change in net position shows a positive change compared to last year. Budget to actual operating revenues is under budget. There has been an uptick in video revenues. Total operating expenses are under budget by 8%. Toll 49 operating expenses are also down by 12%. Other income and expense are under budget by 2%. Net income to actual deficit is due to revenue being under budget. Larry Morse asked if there is a look forward on what the revenue will look like at the end of the year? Dianne Johnston stated not yet, but she would be able to put that on her to-do list. Chris Miller stated that they have discussed they would like to wait another month or two before working on those projections to have additional numbers.

Motion to approve: Larry Morse. 2nd: Nate Priefert. Unanimously approved.

10. REPORT ON TOLL 49 TOLLING TRANSACTIONS AND REVENUE.

Chris Miller stated that the average daily transactions have shown a positive trend and are continuing to stay above trend. The numbers are looking good. He also stated that they are still working with the CDM Smith group to break down the transaction numbers according to segments. They will try to have this ready for the next deep dive into transactions at the next quarterly update.

11. DISCUSSION, CONSIDERATION AND POSSIBLE ACTION TO APPROVE THE 2018 NET RMA ANNUAL REPORT. (RESOLUTION 19-09)

Action Item

Linda Thomas stated that the annual report looks great and commended Colleen Colby for her hard work. This will be sent to TxDOT and all county judges.

Motion: Dan Droege. 2nd: Jason Ray. Unanimously approved.

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

Kate Wilder

Kate Wilder stated that final acceptance has been issued as reported last month. The project has a 2-year warranty period for all structures and a 1 year warranty period for all vegetation and seeding. Next steps will be to meet with the contractor and review any warranty items with Webber. Dan Droege asked when the warranty started. Kate Wilder stated it was on March 8th.

13. REPORT ON THE DEVELOPMENT OF SEGMENT 6 OF TOLL 49.

Everett Owen

Everett Owen provided the presentation. There will be a working group meeting at the beginning of May and in that meeting they hope to reduce the viable routes down to 6. A public meeting will then be held sometime in May or June with the hope of having the final 3 proposed routes. That will be when schematics will be prepared as well as environmental studies. They are on schedule and everything is moving forward. Dave Spurrier asked who all is on the working group. Everett Owen stated there are 15-20 individuals that have a vested interest in the project. There are county engineers, ISD individuals, TxDOT officials, and so on. Anyone that has a knowledge base or will have an impact makes up the committee. It's not a group of politicians. Linda Thomas asked how a group like that is assembled? Everett Owen stated that the consulting group puts together a suggested list. They look to involve organizations that have influence or would be impacted by the project. The NET RMA adds or subtracts individuals.

14. DISCUSSION, CONSIDERATION AND POSSIBLE ACTION AUTHORIZING THE BORROWING OF FUNDS FROM REGIONS CAPITAL ADVANTAGE, INC. AND THE EXECUTION AND DELIVERY OF A SECURED LOAN AGREEMENT AND A THIRD SUPPLEMENTAL TRUST INDENTURE IN CONNECTION THEREWITH; AND ENACTING OTHER PROVISIONS RELATED THERETO FOR THE DEVELOPMENT OF SEGMENTS 6 AND 7 OF TOLL 49.

(RESOLUTION 19-10)

Action Item

Richard Ramirez provided the presentation. The loan was supposed to be approved with Regions Bank however Regions requested that they delay the approval until next month to review additional documentation. No action taken.

15. DISCUSSION, CONSIDERATION AND POSSIBLE ACTION TO APPROVE AN EXTENSION OF THE FINANCIAL ADVISORY SERVICES AGREEMENT WITH HILLTOP SECURITIES, INC.

(RESOLUTION 19-11)

Action Item

Chris Miller stated that because of the Regions Capital loan, they needed to get this extended. The intention was to deal with this when the Regions loan was started (October/November). Richard Ramirez is here to help with any questions as the financial advisor.

Motion to approve: Dave Spurrier. 2nd: Larry Morse. Unanimously approved.

16. REPORT ON TOLL 49 MAINTENANCE ACTIVITIES.

Mark McClanahan

Mark McClanahan provided the presentation. He thanked Everett and Kate Wilder and their team for the good work on Segment 4. There haven't been any major issues. There have been small minor warranty issues like tightening signs and so forth. He and Daniel Fisher ride the road at least twice a day to inspect the road. He is happy to have a warranty on the road. His daily work includes removing debris and minor relocation of signs. They are also working towards moving the tree-line to make sure it doesn't creep onto the road. The upcoming work involves a seal coat project, mill and inlay in various locations and other routine maintenance works. It's mostly preventive issues. First cycle of mowing will hopefully start in the middle of May. They have also been working on a maintenance agreement with Smith County. Their roads cross Toll 49 and it's important to have a formal relationship with them. Erosion work will also start soon. They are also working on a joint agreement with TxDOT and the City of Tyler. All "no U-turns" and "no left turn" signs have been installed.

17. DISCUSSION, CONSIDERATION AND POSSIBLE ACTION TO AWARD A CONTRACT FOR THE TOLL 49 SEAL COAT PROJECT.

(RESOLUTION 19-12)

Action Item

Tammy Sims provided the presentation. The board authorized the NET RMA to solicit bids for the 2019 Seal Coat project. The board authorized 1.2M for this project. There were two bidders. Longview Bridge and Road came in at the lowest amount. The increase in cost is largely due to the material cost and the low quantity. There will be a bit of a higher bid rate for that. The board did approve a renew and replacement budget for 1.4M. They recommend the board to approve the awarding of the contract to the Longview Bridge and Road. They also recommend an approval of 1.44M budget taking into account contingency.

Motion: Larry Morse. 2nd: Chet Clayton. Unanimously approved.

18. LEGISLATIVE UPDATE

C. Brian Cassidy

Brian O'Reilly provided the update. There hasn't been a lot that's happened since the last update. There have been a lot of issues being addressed but not with transportation. There has been a toll subcommittee created that is looking at about 9 bills. The vehicle registration bills went through the house and are pending. The house has 20 bills on their hearing for this week. There is a lot of work being done and being monitored but nothing note-worthy to report. With Federal lending, it's difficult to create a policy. What is being discussed is a lot of local funding.

19. EXECUTIVE DIRECTOR'S REPORT

Chris Miller

A. Cofiroute Transition

Chris Miller stated that they are continuing to work through with the back-office provider. Conditions are getting better. There will be another meeting at the end of April to discuss any outstanding items.

B. Meetings with New County Judges

Chris Miller had a meeting with the new Wood County judge and it went well. He will meet Thursday with Harrison County and then Kaufman County on the 15th. There are more meetings in the pipeline. He would like to set up a meeting with Cass and Camp County judges once the transportation commissioners have passed their approval.

C. Financial Policies and Procedures

Dianne Johnston and Chris Miller have been working on a draft that they would like to present in May regarding financial policies and procedures. This will focus on the basic operation of the financial department as well as how things should be classified. He also wanted to thank Colleen for the annual report work. He also apologized for the last-minute change to the loan agreement. He thanked the staff and board for their commitment.

20. ADJOURNMENT

Adjourned 2:28PM.

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.**

Tentatively Scheduled NET RMA Board Meetings:

May 14, 2019 – TBD, Cherokee County

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

May 30, 2019 – Texas Transportation Commission meeting

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.

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.