

MEETING NOTICE

TO: North East Texas Regional Mobility Authority Members
FROM: Jeff Austin III, Chairman
DATE: February 28, 2011
SUBJECT: **NET RMA REGULAR BOARD MEETING**

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

DATE: Monday February 28, 2011
TIME: 1:30 P.M.
PLACE: Mineola Civic Center – Dogwood Room
1150 North Newsom
Mineola, TX 75773

Enclosed are the agenda and other pertinent information for your review prior to the meeting. Should you have any questions, please call me at 903.561.6547.

**NORTH EAST TEXAS REGIONAL MOBILITY AUTHORITY (NET RMA)
BOARD OF DIRECTORS REGULAR MEETING
1:30 P.M. Monday, February 28, 2011
PRESIDING: Linda Ryan Thomas, Vice- CHAIR**

1. CALL TO ORDER AND DECLARATION OF QUORUM

Notice of this meeting was posted with the Secretary of State's Office, with the County Clerk in Smith & Wood Counties, on the NET RMA website and in the offices of PBS&J on February 24, 2011.

Board members present: Hudson Old, David Stevenson, Linda Thomas, Walta Cooke, Celia Boswell, Barham Fulmer, Mike Thomas, Gary Halbrooks, Barry Hughes, Bill Rowton and Jeff Austin III and Dave Spurrier were present via conference call.

Board members absent: Jeff Sandford, Robert Murray, Keith Honey, Ed Smith III, Rodney Gilstrap and Andy Vinson.

Vice -Chairman Thomas called the meeting to order at 1:31P.M.

2. INVOCATION

At the invitation of Vice-Chairman Thomas, Board Member Walta Cooke gave the invocation at 1:32 pm.

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

Smith County Commissioner and a founding member of the NET RMA Board, Jeff Warr, conducted the swearing in ceremony for the newly appointed and reappointed board members that were present at the meeting on the 28th. Mr. Warr said on behalf of Smith County Judge Joel Baker who couldn't be present due to him being in Austin, he sends his welcome. Barham Fulmer and Gary Halbrooks both of Smith County, Barry Hughes of Cherokee County and Walta Cooke of Panola County were all sworn in for another two year term serving on the NET RMA Board of Directors.

4. WELCOME & INTRODUCTION OF BOARD MEMBERS

Board Members

Vice-Chairman Thomas welcomed everyone to the Civic Center in Mineola at 1:37 pm. She thanked all of those in attendance for coming. Mrs. Thomas praised the board for being flexible in the past weeks in regards to scheduling this meeting. But due to the fact that some of the documents were still getting worked out in Austin as the meeting was taking place was the reason for all of the back and forth scheduling. She did have everyone go around the room & introduce themselves. Vice-Chairman Thomas announced to the board and those in attendance that the Chairman, Jeff Austin, III was out of town but would be joining the meeting via phone. Chairman Austin, via phone, welcomed everyone as well and thanked all for attending. He thanked Linda Thomas for chairing the meeting in his absence. He made a brief comment on item #10 on the agenda explaining that the documents were still not to a point that the board would be able to pass Resolution 11-01.

5. REMARKS BY PUBLIC OFFICIALS

There were no public officials present and no remarks made.

6. OPEN PUBLIC FORUM / COMMENT PERIOD

There were no open public comments presented at the meeting.

7. APPROVAL OF MINUTES

A. Discussion, Consideration and Approval of Minutes for

Action Item

- November 16, 2010 NET RMA Regular Board Meeting

Vice-Chairman Thomas opened the discussion regarding the Board Meeting Minutes for the past meeting held on November 16, 2010. Vice-Chairman Thomas asked if there were any changes/additions that needed to be made to the minutes or any corrections that needed to be noted.

There were no changes/additions/corrections that were voiced by the board members.

Board member Barry Hughes made a motion to accept the minutes. Board member Mike Thomas seconded the motion. The motion passed.

8. CHAIRMAN'S REPORT

Chairman Austin

A. Meetings of Interest

- Texas Transportation Commission Meeting: January 27, 2011 in Austin

B. Update from the 6th Annual Transportation Forum held in Austin, Texas on January 3-5, 2011

C. Segment 3B Groundbreaking January 21, 2011

D. Discussion regarding Strategic Planning

There was not a Chairman's report due to the fact that Chairman Austin was in Austin and only available via phone.

9. TREASURER'S REPORT

Tab Beall

A. Discussion, Consideration and Possible Action on the Treasurer's Report

Board member Gary Halbrooks gave the treasurer's report since Tab Beall, treasurer, resigned from the board in January. He briefly mentioned Section 9 of the report that was the total of all of the NET RMA assets and liabilities. As of November of 2010 the cash balance was \$378,711.00.

Board member Hudson Old asked where the copies of all of the checks were and was answered by Barham Fulmer that they were in there and on the last page of the report.

Board member Gary Halbrooks made a motion to pass the treasurer's report. Board member Walta Cooke seconded the motion. The motion passed.

**10. DISCUSSION, CONSIDERATION AND POSSIBLE ACTION ON APPROVAL OF A RESOLUTION AUTHORIZING EXECUTION OF A STATE INFRASTRUCTURE BANK (SIB) LOAN AGREEMENT AND A TOLL EQUITY LOAN AGREEMENT WITH TXDOT FOR TOLL 49 SEGMENT 3B; AUTHORIZING THE ISSUANCE AND DELIVERY OF SEPARATE PROMISSORY NOTES IN CONNECTION WITH SUCH LOAN AGREEMENTS; APPROVING THE TRUST AGREEMENT; AND APPROVING OTHER MATTERS RELATED THERETO
(RESOLUTION 11-01)**

Action Item

Brian Cassidy gave a general overview of the SIB Loan, the Toll Equity Loan Agreements (TELA) and the Trust Agreement so the board would have a renewed background of the documents in the resolution. The SIB Loan is a \$39 million dollar loan and the TELA makes up the remaining \$50 million. The use of these loans from TxDOT afforded the NET RMA to save tens of millions of dollars said Chairman Jeff Austin, III. The required date for paying back the SIB loan goes from the original 8 years of 2019 to now 2039 and it will be paid back from the revenue from the tolls. The interest rate is at 4.18% and hopefully bonds can be obtained in February 2019 to help in the payback of the loans. The goal would be to start paying on the interest in 2016 and completely pay off the SIB loan in 2019 anyway. Brian Cassidy commented that the TELA loan money will remain in the region. Everett Owen, Project Director, said that the road will generate money above the loan amounts according to the projections by Wilbur Smith and Associates (WSA). In addition, Mr. Owen commented that Segment 4 is a crucial part of the whole picture because if there isn't a Segment 4 then there won't be as much revenue to pay back the loans.

Mike Thomas, board member, asked what toll rate was being used, the top allowable rate or the bottom rate? Everett Owen responded that is was neither. You can't increase the toll rate too much or the traffic will just stop using the toll road, resulting in less revenue for the toll road. Randy Hopmann, District Engineer for Tyler TxDOT, commented that studies were just conducted and finished on HWY 130 in Austin and the consensus was to lower the rate for trucks based on the sensitivity studies. Mr. Cassidy explained that the Trust Agreement and the PDA governs exactly how the project will go. The Trust Agreement must go to the Attorney General's Office with the PDA for approval. The Trust agreement is what the bank will go off of when deciding whether to approve or disapprove financial draw requests.

Brian Cassidy, legal counsel, said this item was on the agenda in anticipation of the agreements being completed. Therefore, it was **tabled** and will be brought back to the board in a later meeting.

**11. DISCUSSION, CONSIDERATION AND POSSIBLE ACTION ON APPROVAL OF A PROJECT DEVELOPMENT AGREEMENT WITH TXDOT FOR TOLL 49 SEGMENT 3B
(RESOLUTION 11-02)**

Action Item

Brian Cassidy, legal counsel, said that this item was on the agenda in anticipation of the agreements being completed. Therefore, it was **tabled** and will be brought back to the board in a later meeting.

**12. DISCUSSION, CONSIDERATION AND POSSIBLE ACTION ON APPROVAL OF AN INTERIM OPERATIONS AND MAINTNENANCE AGREEMENT WITH TXDOT FOR TOLL 49 SEGMENT 3B
(RESOLUTION 11-03)**

Action Item

Brian Cassidy, legal counsel, said this item was on the agenda in anticipation of the agreements being completed. Therefore, it was **tabled** and will be brought back to the board in a later meeting.

13. DISCUSSION, CONSIDERATION AND POSSIBLE ACTION ON AUTHORIZATION FOR THE NET RMA PROJECT DIRECTOR TO TAKE ACTIONS TO PROSECUTE THE DEVELOPMENT OF AND AUTHORIZE EXPENDITURES FOR TOLL 49 SEGMENT 3B WITHIN THE SCOPE AUTHORIZED BY THE BOARD (RESOLUTION 11-04) **Action Item**

As the NTP is issued to the contractor, this resolution says that Everett Owen, Project Director, has the authority to make decisions for the NET RMA based within the scope of the project. Vice-Chairman Linda Thomas asked if there was anything that needed to be explained any further. No one had any comments except Everett Owen saying that it is a pretty straight forward resolution.

Board member Walta Cooke made a motion to pass Resolution 11-04. Board member Bill Runnels seconded the motion. The motion passed.

14. DISCUSSION, CONSIDERATION AND POSSIBLE ACTION ON SELECTION OF A TOLL SYSTEM INTEGRATOR (RESOLUTION 11-05) **Action Item**

Brian Cassidy announced that TELVENT was selected to be the Toll System Integrator for Segment 3B of Toll 49. He described who all submitted an RFP and how the selection was ultimately made. Raytheon is the current provider for TxDOT and once the Toll becomes under the NET RMA control, TELVENT will take over. All of the toll system integrator operating systems statewide are interchangeable so there won't be any need to modify the current system.

Board member Gary Halbrooks made a motion to pass Resolution 11-05. Board member Walta Cooke seconded the motion. The motion passed.

15. DISCUSSION, CONSIDERATION AND POSSIBLE ACTION ON APPROVAL OF SELECTION OF A TRUSTEE (RESOLUTION 11-06) **Action Item**

Brian Cassidy announced that AMEGY Bank was selected to be the Trustee of the NET RMA. Again, there were several financial institutions that did submit RFPs but few were actually able to be 'Trustee' in the capacity needed. It was late in December 2010 when the NET RMA decided that a Trustee was indeed going to be needed.

Board member Mike Thomas made a motion to pass Resolution 11-06. Board member Bill Runnels seconded the motion. The motion passed.

16. DISCUSSION, CONSIDERATION AND POSSIBLE ACTION ON APPROVAL OF GEC WORK AUTHORIZATION #13 FOR DESIGN OVERSIGHT OF TOLL 49 SEGMENT 3B (RESOLUTION 11-07) **Action Item**

This resolution would allow PBS&J to review and accept in concept the roadway, drainage and bridge designs prepared by CH2M Hill for Toll 49 Seg 3B. This will ensure that the designs meet the intent of the schematic drawings for Seg 3B and are similar to previously designed and constructed segments of Toll 49. CH2M Hill will still be responsible for the accuracy and correctness of their designs. The budget for this WA is approximately \$1.65M.

Board member Barry Hughes made a motion to pass Resolution 11-07. Board member Gary Halbrooks seconded the motion. The motion passed.

17. DISCUSSION, CONSIDERATION AND POSSIBLE ACTION ON APPROVAL OF GEC WORK AUTHORIZATION #14 FOR CONSTRUCTION OVERSIGHT (CEI) OF TOLL 49 SEGMENT 3B (RESOLUTION 11-08)

Action Item

This resolution would allow PBS&J to conduct construction oversight over all construction performed by CH2M Hill on Toll 49 Seg 3B. This will be done to ensure that all construction is performed in accordance with the intent of the approved schematics and project designs, and in accordance with all of the CDA documents. CH2M Hill will still be responsible for the quality and adequacy of their construction. The budget for this WA is approximately \$3.8 million.

Board member Walta Cooke made a motion to pass Resolution 11-08. Board member Barham Fulmer seconded the motion. The motion was passed.

18. DISCUSSION, CONSIDERATION AND POSSIBLE ACTION ON APPROVAL OF GEC WORK AUTHORIZATION #15 FOR ADDITIONAL SUPPORT SERVICES FOR TOLL 49 SEGMENT 3B (RESOLUTION 11-09)

Action Item

This resolution would allow PBS&J to provide construction oversight support services for Toll 49 Seg 3B. This would include such things as: Right-of-Way procurement, Toll System Integration, finalization of environmental and archeological services and permits, and conduct of Public Information and Relations tasks relating to the construction of Toll 49 Seg 3B. Randy Hopmann, District Engineer of Tyler TxDOT, said that TxDOT will still be overseeing the project to make sure that the public's money is still being used correctly. The contractor and PBS&J are able to use TxDOT as a resource during the build process of Segment 3B of Toll 49. The budget for this WA is approximately \$1.5M.

Board member Mike Thomas made a motion to pass Resolution 11-09. Board member Barry Hughes seconded the motion. The motion passed.

19. DISCUSSION, CONSIDERATION AND POSSIBLE ACTION TO DECLARE A PUBLIC NECESSITY TO ACQUIRE AND AUTHORIZE ACQUISITION THROUGH CONDEMNATION, SHOULD NEGOTIATIONS TO PURCHASE FAIL, OF SOME OR ALL OF THE FOLLOWING PARCELS OF PROPERTY IN SMITH COUNTY FOR TOLL 49 SEGMENT 3B (EXTENDING 9.96 MILES FROM APPROXIMATELY IH 20 AT FM 849 TO SH 31, 2 MILES EAST OF FM 2661): (RESOLUTION 11-10)

Action Item

The last remaining four parcels of land are to be acquired by the NET RMA. They are not anticipating any difficulty in the purchasing of those properties. Two of PBS&J's Right of Way agents were present at the meeting, Chris McCarthy and Mark Bradley. They too confirmed that the acquisition would not pose any problem.

Board member Bill Rowton made a motion to pass Resolution 11-10. Board member Walta Cooke seconded the motion. The motion passed.

**20. DISCUSSION, CONSIDERATION AND POSSIBLE ACTION ON APPROVAL OF A NET RMA INVESTMENT POLICY
(RESOLUTION 11-11)** **Action Item**

Mike Byrd with Southwest Financial Advisors was present for the meeting and he explained the investment policy and the need for an investment committee.

Board member Gary Halbrooks made a motion to pass Resolution 11-11. Board member Mike Thomas seconded the motion. The motion passed.

**21. DISCUSSION, CONSIDERATION AND POSSIBLE ACTION ON APPROVAL OF A NET RMA BICYCLE COMMITTEE
(RESOLUTION 11-12)** **Action item**

This resolution was **deferred** due to the fact that Mike Butler, president of the Tyler Cycling Club, could not attend so Gary Halbrooks asked if the resolution could be postponed until Mr. Butler was able to attend a meeting.

22. UPDATE ON THE 82ND LEGISLATIVE SESSION Brian Cassidy

Please see attached for a summary of the 82nd Legislative session. Brian Cassidy just gave a brief synopsis.

23. DISCUSSION REGARDING REQUIREMENT FOR NET RMA BOARD MEMBERS TO FILE FINANCIAL DISCLOSURE STATEMENTS WITH THE TEXAS ETHICS COMMISSION Brian Cassidy

Vice-chairman Thomas said, "This is going to be popular!" regarding the fact that now the board members are required to submit financial statements to the Texas Ethics Commission. Brian Cassidy apologized to the board members because he knew that they would not be complete favor of having to submit these records. He explained that because Smith County, as of the past census, surpassed 200K in population, that financial statements from all appointed board members on any board were now required. A few board members asked a few questions to Brian Cassidy to which he either answered or suggested that they look on line for a specific answer.

24. FINANCE COMMITTEE REPORT Gary Halbrooks

There was not a report given at this meeting.

25. COMPLIANCE & OVERSIGHT COMMITTEE REPORT Keith Honey

- A. Open Records spreadsheet
- B. Surety Bond spreadsheet
- C. Conflict of Interest spreadsheet
- D. Term Expiration spreadsheet

Board member Keith Honey was absent therefore there was nothing discussed regarding compliance and oversight. However, Brian Cassidy did say that Mr. Honey would be tracking all of the financial statements that will need to be submitted by the board members per the Texas Ethics Commission, by April 30th.

26. NEW BUSINESS FOR FUTURE MEETING AGENDA

Because of three of the resolutions (11-01, 11-02, 11-03) being tabled at this meeting, a special conference call meeting was set up for Friday March 4, 2011 at 10am. It will be held at the PBS&J Tyler office. Mike Battles said that a draft agenda would be sent out that evening and that it would need to be posted by Tuesday, March 1, 2011. Board member Hudson Old did asked if it was possible to have something addressing the by-laws in the next agenda. Everett Owen did mention that there was still a possibility that the documents would not be ready by the next meeting that was scheduled for Friday March 4, 2011.

27. ADJOURNMENT

Vice Chairman Linda Thomas adjourned the board meeting at 3:11 pm.

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

- A. **Section 551.071. Consultation with Attorney—Consultation with, and advice from legal counsel concerning pending/contemplated litigation, settlement offers and negotiations, and other legal issues.**
- B. **Section 551.074. Personnel Matters—Deliberation concerning the designation, reassignment, evaluation, compensation, and duties of personnel.**
- C. **Section 551.072. Deliberation Regarding Real Property—Discussion of real property purchase, exchange, lease, donation, including property to be acquired for Toll 49, Segment 3B right-of-way.**

There was no Executive Session during this Board Meeting.



Jeff Austin, III Chairman



Dave Spurrier, Secretary



Erin Lavender

Non-Scheduled Meetings / Functions Where a Quorum Could be Present, but No RMA Business Will be Conducted

Texas Transportation Commission Meeting
February 24, 2011
March 31, 2011
Austin, Texas

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 Chairman 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 & PUBLIC HEARING

During agenda item 5, 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. 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 direct the Chairman, 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.

During agenda item 10, the Board will hold a public hearing to receive public comments on the proposed CDA with CH2M HILL Constructors, Inc.

During the open comment period and the public hearing, 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/public hearing.

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 Chairman may rearrange the order in which agenda items are considered.

Presenters with audiovisual needs are requested to contact Erin Lavender at (903) 509-1552 ext. 4481-229, 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 Erin Lavender at (903) 509-1552 ext. 4481-229 in advance so accommodations 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 Erin Lavender at (903) 509-1552 ext. 4481-229 at least two working days prior to the meeting so that appropriate arrangements can be made.