

NORTH TEXAS TOLLWAY AUTHORITY
Minutes of the Board of Directors Worksession
March 3, 2011

A public notice of this meeting containing all items was posted at a place convenient to the public in the administrative offices of the North Texas Tollway Authority, provided to the Secretary of State, and provided to the County Clerk of Collin County, as required by Chapter 551 of the Texas Government Code, referred to as "The Open Meetings Act."

Minutes of the North Texas Tollway Authority Board of Directors Worksession held at the North Texas Tollway Authority, 5900 West Plano Parkway, Plano, Texas, at 9:00 a.m. on March 3, 2011.

CALL TO ORDER

Chairman Vandergriff called the meeting to order at 9:30 a.m.

1. Establishment of Quorum

Chairman Vandergriff established a quorum by calling the roll.

The following Board members were present in the meeting:

Victor Vandergriff	Chairman
Dave Denison	Vice Chairman
Kenneth Barr	Director
Kent Cagle	Director
Bob Day	Director
Bill Moore	Director
Michael Nowels	Director
Bob Shepard	Director
Jane Willard	Director

NTTA employees attending the meeting were: Allen Clemson, Executive Director; Ruby Franklin, Secretary; Lorelei Griffith, Assistant Secretary; Dana Gibson-Boone, Director of Cash & Debt Management/Assistant Treasurer; Bob Schell, Assistant Director of General Counsel; Clayton Howe, Assistant Executive Director Operations; Gerry Carrigan, Assistant Executive Director Project Delivery; Kim Tolbert, Assistant Executive Director Administrative Services; Ray Zies, Controller; Kiven Williams, Director of Customer Service Center; Elizabeth Mow, Director of Project Delivery; J.C. Wood, Director of Maintenance; Nina Arias, Director of Human Resources; Dave Pounds, Director of Information Technology; Magdalena Kovats, Director of Internal Audit; Marty Legè, Director of System Incident Management; Anthony Coleman, Director of Business Diversity; Carrie Rogers, Director of Government Affairs.

Also present at the meeting representing the Authority were: Frank Stevenson, Locke Lord, Bissell & Liddell (LLBL), Outside Counsel to the Authority; Jerry Holder, Tom O'Grady, HNTB, General Engineering Consultant to the Authority; Ron Morrison, RBC Capital Markets, Financial Advisor to the Authority; Greg Schaecher, McCall Parkhurst & Horton (MPH), Bond Counsel to the Authority; Michael Copeland, Wilbur Smith Associates (WSA), Traffic & Revenue Consultant to the Authority.

2. Public Comments

No comments were made under this item.

RESOLUTION(S) FOR CONSIDERATION

3. Briefing and possible action regarding the financing for development of the President George Bush Turnpike – Western Extension, including approval of a loan agreement under the Transportation Infrastructure Finance and Innovation Act, a Master Custodial Account Agreement, a Trust Agreement, Tiger Grant Agreement, the issuance of PGBT-WE bonds and bond anticipation notes, a toll rate resolution, and related documents

Ray Zies, Controller, informed the Board that Janice Davis, CFO, was currently in Washington D.C. in negotiations related to this item. He indicated that if negotiations were finalized, staff would like to have a special called meeting during the following week in order to get the documents approved by the Board.

4. Briefing and possible action approving an extension of Series 2009D Bonds Letter of Credit (LOC) with JPMorgan Chase Bank

Dana Gibson Boone, Director of Cash and Debt Management, provided an overview of an extension of Series 2009D LOC with JPMorgan Chase Bank, including LOC history, analysis cost and fees. Ms. Gibson Boone and Ron Morrison, RBC Capital Markets, addressed questions of the Board.

Director Day made a motion to approve an extension and Director Moore seconded the motion. The motion was approved unanimously. (Resolution No. 11-32)

Chairman Vandergriff stated that items 5, 6 and 7 came through the Legal Services Committee and asked Director Day, Chairman of the Legal Services Committee, to proceed.

Director Day stated that the Committee intends to continue working on items 5 and 6 and bring them back to the April Worksession. Concerning item 7, Director Day indicated that the Committee intends to begin accumulating resumes of legal firms interested in providing those kinds of services, and bring a recommendation back to the Board at its March meeting.

5. Briefing and possible action on a contract with Locke Lord Bissell & Liddell, L.L.P. for the legal services of Frank Stevenson
6. Briefing and possible action on a contract with Locke Lord Bissell & Liddell, L.L.P. to provide general legal services
7. Briefing and possible action on selection of outside counsel to provide legal services in the acquisition of right-of-way for Chisholm Trail sections 5 and 6
8. Briefing and possible action of engagement of Korn/Ferry International to conduct an executive search for the NTTA position of General Counsel

Victor Arias and Paige Westhoff, Korn/Ferry International, provided a presentation which included a general counsel profile, a search strategy, target organizations, Korn/Ferry International's legal center of expertise, cross-practice teaming, proprietary executive search assessment, and their approach to recruitment and representative searches across industries. Mr. Arias and Ms. Westhoff addressed questions of the Board.

After some discussion, Chairman Vandergriff asked that item 8 be postponed for the time being and that the Board move to item 11.

Director Barr made a motion to delay this item and bring it back to the Board at its March 16, 2011 meeting. Director Nowels seconded the motion. After further discussion, the motion was approved unanimously.

9. Approval and ratification of retaining the law firm of Nesbit, Vassar, McCown & Roden, and L.L.P. to provide legal services regarding the Dallas Morning News TPIA request

Chairman Vandergriff stated that the law firm of Nesbit, Vassar, McCown & Roden, L.L.P., specialized in media litigation and labor law, and that they would be an appropriate firm for being the controlling party related to the open records request by the Dallas Morning News.

Director Barr made a motion for approval and ratification of retaining the firm of Nesbit, Vassar, McCown & Roden, L.L.P., to provide legal services regarding the Dallas Morning News TPIA request. Director Day seconded the motion, and after some discussion the motion was approved unanimously. (Resolution No. 11-33)

10. Briefing and possible action on selection of outside counsel to provide legal services for the legal sufficiency review of the environmental document for the DNT 4B/5A project

Mr. Clemson stated that staff would provide the Legal Services Committee with the inventory of potential firms as mentioned in discussing item 7.

11. Briefing and possible action on selection of outside counsel to assist Legal Services Committee and the Board with implementation of Legal Services Delivery Plan and search for General Counsel

Chairman Vandergriff introduced Laura Franze of the law firm of Hunton & Williams. Ms. Franze provided an overview of her experience as an attorney and services offered by Hunton & Williams, and addressed questions of the Board.

After some discussion, Director Barr made a motion to authorize the Executive Director to engage Hunton & Williams to assist in drafting contracts, assist the Committee in negotiating those contracts, and assist the Committee in developing protocols in support of the Legal Services Delivery Plan that was adopted by the Board at its meeting in February. Director Nowels seconded the motion. After further discussion and questions were addressed, the Board approved the motion 7-1, with Vice Chairman Denison voting nay. Director Shepard abstained. Resolution No. 11- 34)

BRIEFINGS

Administration

12. Briefing on the development of the Collin County segment of the Outer Loop

Mr. Clemson provided an update on item 12, stating that the interlocal agreement was sent to Collin County, and that discussions were held with one of the commissioners. He indicated that all materials were being shared with the two Board Members representing Collin County, and that Board Counsel had drafted the agreement.

13. Briefing on the analysis proposed approach for the NTTA business model

Chairman Vandergriff stated that there would not be a briefing on item 13, due to the need for more information yet to be developed and provided to the Board. This item will come before the Board at its March 16 meeting.

Legislation

14. Legislative discussion and general update

This item followed item 34.

Carrie Rogers, Director of Government Affairs, provided an update on the status of legislative activities in Austin, focusing on the transportation-related bills, and addressed questions of the Board.

Chairman Vandergriff noted that there would be further discussions at the Legislative Committee meeting scheduled to follow the Worksession.

Finance

15. Briefing on monthly financial report for January 31, 2010

Ray Zies, Controller, offered an explanation as to why the 2010 books were still open as reported last month. He then briefed the Board on the monthly financial report, including the transactions, revenues and expenses, and addressed questions of the Board.

After some discussion concerning projects, Vice Chairman Denison suggested that a short presentation at the next work session on the development of projects from their inception might be beneficial for the Board Members.

16. Briefing on 2012 budget calendar/5 year capital plan calendar

Mr. Clemson stated that the budget schedule was included in the agenda packet, and that staff would generate the budget and update the capital plan consistent with the schedule. Staff can revise the schedule if the need arises, except for the dates that the budget goes to the Board.

Information Technology

Dave Pounds, Director of Information Technology, briefed the Board on item 17, 18, 19, 20 and 21, and addressed questions of the Board.

17. Briefing on a one year renewal of a contract with eVerge Group of Texas, Ltd. for PeopleSoft maintenance and support services
18. Briefing on procurement of Oracle PeopleSoft and Hyperion annual software maintenance and support for 2011
19. Briefing on the purchase of Idris software license upgrades
20. Briefing on the extension of a contract with SecureNet for security systems integration services through December 31, 2011
21. Briefing on the extension of contract with Zenisys Corporation for support and maintenance of SCIP and ARM applications through December 31, 2011

Maintenance

22. Briefing on the award of a construction contract with Craig Olden, Inc. for the stabilization of walls 3L, 3R, 4L, 4R on the President George Bush Turnpike at State Highway 114 in an amount not to exceed \$1,188,341.00

J.C. Wood, Director of Maintenance, briefed the Board on a construction contract with Craig Olden, Inc., and addressed questions of the Board.

23. Briefing on preparations to procure design-build services for the Frisco Operations center

Mr. Wood provided an update on the Frisco Operations center, and Everett Spaeth, Director of Architecture, Half Associates, Inc., briefed the Board on the design of the Frisco Operations center. Mr. Wood addressed questions of the Board.

Project Delivery

24. Briefing on the Utility Adjustment Agreement reimbursement to City of Grand Prairie, City of Irving, AT&T, Verizon, Atmos Energy, Oncor Electric and Time Warner Cable for the PGBT-Western Extension (SH 161) Corridor

Gerry Carrigan, Assistant Executive Director Project Delivery, provided an overview on the reimbursement of the franchise utilities for relocation costs, and addressed questions of the Board.

25. Briefing on the award of a contract with SEMA Construction, Inc. for construction of section 4 of Southwest Parkway in an amount not to exceed \$59,959,713.43
26. Briefing on the award of a contract and work authorization with Brown & Gay Engineers, Inc. for construction management services on Southwest Parkway section 4 in an amount not to exceed \$4,416,000.00
27. Briefing on the award of a contract and work authorization with MACTEC Engineering and Consulting, Inc. for construction materials testing services on Southwest Parkway section 4 in an amount not to exceed \$972,811.00
28. Briefing of a supplemental agreement with Kennedy Consulting, Ltd. for design services during construction on Southwest Parkway section 4 in an amount not to exceed \$300,000.00
29. Briefing on an award of a contract with Granite Construction Company for the design and construction of Southwest Parkway/Chisholm Trail section 6 in an amount not to exceed \$XXX
30. Briefing on an award of a contract and work authorization with HDR Engineering, Inc. for construction management services on Southwest Parkway/Chisholm Trail section 6 in an amount not to exceed \$XXX

31. Briefing on the payment of a stipend to the two unsuccessful proposers for the design and construction of section 6 of the Southwest Parkway/Chisholm Trail Project
32. Briefing on the purchase of mitigation banking credits for impacts to jurisdictional waters and wetlands resulting from the construction of Southwest Parkway/Chisholm Trail in an amount not to exceed \$2,026,780.00

Mr. Carrigan provided detailed briefings on items 25, 26, 27, 28, 29, 30, 31 and 32, which were all related to the Southwest Parkway/Chisholm Trail project, and addressed questions of the Board.

33. Briefing on the acquisition of certain properties as necessary for the construction, operation and maintenance of Southwest Parkway/Chisholm Trail sections 5 and 6

Elizabeth Mow, Director of Project Delivery, briefed the Board on the acquisition of certain properties necessary for the Southwest Parkway/Chisholm Trail project, and stated that a detailed list of the remaining parcels was provided in the agenda packet.

Business Diversity

34. Briefing on the proposed 2011 M/WBE industry-specific goals

This item was briefed following item 11.

Kim Tolbert, Assistant Executive Director Administrative Services, provided an overview of the 2011 M/WBE program, and briefed the Board on industry-specific goals, goal setting methodology, and proposed 2011 M/WBE industry-specific subcontracting goals. Ms. Tolbert expressed appreciation to members of the Board for their input and participation at Business Diversity Advisory Council meetings.

Reports

35. Executive Director Report
 - A. DNT / LBJ interchange update

Mr. Clemson informed the Board that the LBJ Infrastructure Group, the entity developing IH 635, had plans to go over the Dallas North Tollway instead of under it as originally planned, and that Project Delivery staff was working with them.

36. Summary of Monthly Project Delivery Report relating to contracts, expenditures, budgets and status of the following NTTA turnpike projects
 - A. Dallas North Tollway
 - B. President George Bush Turnpike
 - C. Lewisville Lake Toll Bridge
 - D. President George Bush Turnpike – Eastern Extension

- E. President George Bush Turnpike – Western Extension
- F. Southwest Parkway / Chisholm Trail Parkway
- G. Sam Rayburn Tollway
- H. Mountain Creek Lake Bridge
- I. Addison Airport Toll Tunnel
- J. SH 190 East Branch
- K. SH 170
- L. SH 360
- M. Trinity Parkway

37. EXECUTIVE SESSION

The Board did not go into Executive Session.

38. CONSIDERATION OF ITEMS FROM EXECUTIVE SESSION

N/A

ADJOURNMENT

Vice Chairman Denison made a motion to adjourn and Director Nowels seconded the motion. The meeting adjourned at 12:21 p.m.


Victor T. Vandergriff, Chairman


Ruby Franklin, Secretary