

NORTH TEXAS TOLLWAY AUTHORITY
Minutes of the Board of Directors Meeting
June 15, 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 meeting held at the North Texas Tollway Authority, 5900 West Plano Parkway, Plano, Texas, at 9:00 a.m. on June 15, 2011.

CALL TO ORDER

Chairman Vandergriff called the meeting to order at 9:00 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

*Director Barr arrived at 9:15 a.m.

*Director Nowels arrived at 9:18 a.m.

NTTA employees attending the meeting were: Allen Clemson, Executive Director; Ruby Franklin, Secretary; Lorelei Griffith, Assistant Secretary; Janice Davis, CFO/Treasurer; Dana Gibson-Boone, Director of Cash and 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; Magdalena Kovats, Director of Internal Audit; Dave Pounds, Director of Information Technology; Marty Legè, Director of System Incident Management; Kim Jackson, Director of Communications; Anthony Coleman, Director of Business Diversity;

Nina Arias, Director of Human Resources; J. C. Wood, Director of Maintenance; 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; Stephanie Halliday, HNTB, General Engineering Consultant to the Authority; Ron Morrison, RBC Capital Markets, Financial Advisor to the Authority; Rick Porter, McCall Parkhurst & Horton (MPH), Bond Counsel to the Authority; Michael Copeland, Wilbur Smith Associates (WSA), Traffic & Revenue Consultant to the Authority.

2. Public Comments

Chairman Vandergriff recognized The Honorable Keith Self, Collin County Judge, The Honorable Mary Horn, Denton County Judge, and The Honorable Raphael Anchia, Texas State Representative. The Honorable Clay Jenkins, Dallas County Judge, arrived later and was recognized by the Chairman.

3. Summer internship program

Chairman Vandergriff introduced the members of the 2011 NTTA Internship Program, including, Meghan Dollar, Krista Powell, Ryan Hopfinger, Jeff Brownback, and Javier Alamirra, and expressed appreciation for their service.

4. Chairman updates

A. Legislative update

Chairman Vandergriff stated that the Legislative team would plan individual meetings with each Board Member to obtain feedback and input.

CONSENT AGENDA (ITEMS 5-11)

5. Resolutions approving the minutes from the April 7, 2011 and May 5, 2011 Worksessions, April 21, 2011 Board of Directors meetings and the April 28, 2011 Special Called Board of Directors meeting
6. Approval of recommendations resulting from the speed studies for the Lewisville Lake Toll Bridge, Mountain Creek Lake Bridge, and Addison Airport Toll Tunnel
7. Approval of the proposed policy and procedures for the Sale of Surplus Real Property by the NTTA
8. Approval of amendments to the policy and procedures regarding the Use of NTTA Real Property by Individuals and Other Entities
9. Approval of the Dallas North Tollway Extension, Phase 4B/5A Environmental Evaluation and Schematic Design

10. Approval of a contract with Infor Global Solutions (Atlanta), Inc. for Hansen software upgrade
11. Approval of a contract with Highway Intelligent Traffic Systems, Corp. for installation of Dynamic Message Sign and CCTV structures for the President George Bush Turnpike and Dallas North Tollway

Director Moore made a motion to approve the Consent Agenda, items 5 through 11. Director Cagle seconded the motion and it was approved unanimously. (Resolutions No. 11-87 through 11-96)

ITEMS FOR INDIVIDUAL CONSIDERATION

12. Briefing and possible approval of a Bond Resolution authorizing the issuance of NTTA System Variable Revenue Refunding Bonds in an amount not to exceed \$100,000,000 and approving an Official Statement, a Letter of Credit term sheet from Morgan Stanley Bank, and a Letter of Credit and Reimbursement Agreement with Morgan Stanley Bank, all relating to the Bonds

Dana Gibson Boone, Director of Cash and Debt Management, provided some background on the refunding of Series 2008J Bonds, and stated that staff and consultants recommended approval of the Bond resolution authorizing the issuance of NTTA System Variable Revenue Refunding Bonds, approval of the Preliminary Official Statement, the Morgan Stanley Term Sheet and the Letter of Credit and Reimbursement Agreement.

Vice Chairman Denison made a motion for approval and Director Day seconded the motion. The motion was approved unanimously. (Resolution No. 11-97)

13. Briefing and possible action on declaring a slope easement on the Dallas North Tollway as surplus and approving conveyance to the adjacent property owner

J.C. Wood, Director of Maintenance, provided an overview of the conveyance of a slope easement along the Dallas North Tollway, including location, legal and financial impact, and stated that staff recommended approval.

Director Moore made a motion for approval and Director Shepard seconded the motion. The motion was approved unanimously. (Resolution No. 11-98)

14. Briefing and possible action on the Comprehensive Annual Financial Report FY2010

This item was neither briefed nor considered.

15. Briefing and acknowledgement of receipt of 2010 audited financial statements and reports

Magdalena Kovats, Director of Internal Audit, introduced John Weber, Partner, Crowe Horwath.

Mr. Horwath briefed the Board on the 2010 NTTA audit and addressed questions of the Board.

Director Day made a motion to acknowledge receipt of the 2010 audited financial statements and reports. Director Barr seconded the motion and it was approved unanimously. (Resolution 11-99)

16. Briefing and possible action on the status of new contracts with Board Counsel and Locke Lord Bissell and Liddell, LLP and an extension of the Contract for Legal Services between NTTA and Locke Lord Bissell and Liddell, LLP through July 31, 2011

After some discussion concerning a timeline, Director Day made a motion to extend the contract for legal services between NTTA and LLBL through August 30, 2011. Director Nowels seconded the motion and it was approved 8-1, with Director Cagle voting nay. (Resolution No. 11-100)

Legal Services Committee Chairman, Director Day, indicated that a Legal Services meeting would be held on June 29, 2011, for further discussion on this item.

17. Briefing and possible action regarding Board participation and attendance at IBTTA annual conference in Berlin, Germany

Allen Clemson, Executive Director, briefed the Board on the International Bridge, Tunnel and Turnpike Association (IBTTA) and the annual conference to be held in Berlin, Germany in September 2011.

After some discussion, Vice Chairman Denison made a motion to endorse no more than two Board Directors, and up to two staff, subject to Executive Director approval, to attend the IBTTA annual conference. Director Moore seconded the motion.

Director Willard made an amendment to the motion to consider Directors and staff separately, and Director Cagle seconded the amendment to the motion.

Chairman Vandergriff called for a vote to endorse up to two staff to attend the IBTTA annual conference, subject to Executive Director approval. The motion was approved 9-0. (Resolution No. 11-101)

Chairman Vandergriff called for a vote to endorse up to two Board Directors to attend the IBTTA annual conference. After some discussion, the vote failed 6-3, with Vice Chairman Denison, Director Nowels and Director Moore voting aye.

18. Briefing and possible Board recommendation regarding the annual employee recognition and awards banquet

Mr. Clemson provided an overview of the NTTA employee awards and recognition, including historical background, employee recommendations, and plans for upcoming employee recognitions.

After some discussion, Director Shepard made a motion to move forward with having an annual employee banquet, and Vice Chairman Denison seconded the motion. After further discussion concerning expense and budgeting, Director Shepard withdrew his motion.

19. Update report on County Review of NTTA and take any necessary or appropriate action

Kim Tolbert, Assistant Executive Director Administrative Services, provided an update on the status and process of an independent county review of the NTTA, and addressed questions of the Board.

Vice Chairman Denison made a motion requesting that the committee overseeing the county review allow the NTTA to appoint an additional non-voting member to the committee, and that the non-voting member be Director Nowels, and, that Magdalena Kovats be named the point person at the NTTA, with all contact and release of material for the NTTA and the committee to go through and be coordinated through Ms. Kovats, and that Ms. Kovats cooperate fully with the committee and its consultant to help ensure a complete and impartial review by the consultant of all facets of NTTA deemed appropriate by the committee. Director Barr seconded the motion.

After some Board discussion and comments made by the county judges present, Director Day made a motion to amend Vice Chairman Denison's motion by separating the motion into two motions. A motion to name Director Nowels as a non-voting member to the committee, and a motion to name Magdalena Kovats as point person. Director Willard seconded Director Day's motion, and the motion failed 4 to 5, with Chairman Vandergriff, Director Day, Director Cagle and Director Willard voting aye.

Vice Chairman Denison called the question.

Chairman Vandergriff called for a vote on Vice Chairman Denison's motion and seconded by Director Barr. The motion failed 5 to 4, with Vice Chairman Denison, Director Barr, Director Moore and Director Nowels voting aye.

Reports

20. Business Diversity Activity Report June 2011

Anthony Coleman, Director of Business Diversity, commented on the report provided to the Board in the agenda packet. The Board expressed an interest in having more detail on the Business Diversity Activity Report at the July Board meeting.

21. Executive Director Report

A. IH 35E

Mr. Clemson informed the Board about meetings being held to discuss the IH 35E corridor.

Staff was requested to provide a report on an administrative approved item related to the PeopleSoft maintenance project.

22. EXECUTIVE SESSION

Chairman Vandergriff called the Board into Executive Session at 11:20 a.m. and reconvened the meeting into open session at 1:25 p.m. No final action, decision nor vote with regard to any matter was taken during the Executive Session.

23. CONSIDERATION OF ITEMS FROM EXECUTIVE SESSION

A. Any appropriate action on any matter deliberated in Executive Session

Chairman Vandergriff stated that the performance review of the Executive Director would be discussed in open session.

Vice Chairman Denison made a motion to begin the performance review per agreement of the NTTA and Mr. Clemson, with the review being completed by August 17, 2011. Director Barr seconded the motion.

Chairman Vandergriff stated that he would appoint an Ad Hoc Committee to work on the performance review documents. Chairman Vandergriff called for a vote and the motion was approved unanimously.

Vice Chairman Denison presented proposed criteria to be used for the performance review of the Executive Director. After some discussion, there was a consensus to make some changes to the criteria and have ready for the Board at the July Worksession.

Chairman Vandergriff entertained a motion to approve a resolution finding rights to be acquired from Fort Worth and Western Railroad necessary for the Southwest Parkway and Chisholm Trail project, and authorizing the power of eminent domain to acquire those rights.

Director Nowels made a motion to approve and Director Barr seconded the motion. The motion was approved unanimously. (Resolution No. 11-102)

Chairman Vandergriff entertained a motion to approve a resolution authorizing the filing of a Surface Transportation Board proceeding regarding rights to be acquired from Fort Worth and Western Railroad for the Southwest Parkway and Chisholm Trail project.

Director Nowels made a motion to approve and Director Barr seconded the motion. The motion was approved unanimously. (Resolution No. 11-103)

ADJOURNMENT

Director Moore made a motion to adjourn and Director Cagle seconded the motion. The meeting adjourned at 1:55 p.m.



Victor T. Vandergriff, Chairman



Ruby Franklin, Secretary