

NORTH TEXAS TOLLWAY AUTHORITY
Minutes of the Board of Directors Meeting
December 21, 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 December 21, 2011.

CALL TO ORDER

Chairman Barr called the meeting to order at 9:05 a.m.

1. Establishment of Quorum

Chairman Barr established a quorum by calling the roll.

The following Board members were present in the meeting:

Kenneth Barr	Chairman
Bill Moore	Vice Chairman
Dave Denison	Director
Michael Nowels	Director
Tex Quesada	Director
Bob Shepard	Director
Victor Vandergriff	Director
Jane Willard	Director

NTTA employees attending the meeting were: Gerry Carrigan, Interim Executive Director; Ruby Franklin, Secretary; Janice Davis, CFO/Treasurer; Dana Gibson-Boone, Director of Cash and Debt Management/ Assistant Treasurer; Tom Bamonte, General Counsel; Clayton Howe, Assistant Executive Director Operations; Elizabeth Mow, Interim Assistant Executive Director Project Delivery; Kim Tolbert, Assistant Executive Director Administrative Services; Kiven Williams, Director of Customer Service Center; Dave Pounds, Director of Information Technology; Anthony Coleman, Director of Business Diversity; Carrie Rogers, Director of Government Affairs; Eric Hemphill, Interim Director of Maintenance; Nina Arias, Director of Human Resources; Felix Alvarez, Director of Procurement Services; Marty Legè, Director of System Incident Management.

Also present at the meeting representing the Authority were: Frank Stevenson, Kevin Twining, Art Anthony, Locke Lord, Bissell & Liddell (LLBL), Outside Counsel to the Authority; Doug Mann, Steve Knobbe, Stephanie Halliday, 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.

3. Comments and announcements from the Chairman and Board Members

- A. 2012 Committee and Board schedule
- B. A resolution honoring former Director Day

Chairman Barr reported on the two groundbreaking celebrations held on December 20th in Fort Worth and Cleburne for the Chisholm Trail Parkway, stating that they were well attended with a lot of enthusiasm in both counties. The Chairman also announced that the PGBT EE would be opening on this day.

Chairman Barr recognized Dr. Bob Day, former NTTA Board Member, and read a resolution in his honor. Chairman Barr presented Dr. Day with a framed version of the resolution and a plaque replicating the signs being erected identifying the PGBT EE.

Dr. Day expressed appreciation to the Board and staff, and stated how proud he was on the opening of the PGBT EE.

4. Committee Chair reports

- A. Administration – December 1, 2011
- B. Legal Services – December 1, 2011
- C. Customer Service, Projects and Operations – December 1, 2011
- D. Finance & Audit – December 1, 2011

Director Quesada chaired the Administration Committee meeting on December 1st in place of the Committee Chair, Jane Willard, and provided a report on the committee meeting.

Director Denison, Chair of the Legal Services Committee, provided a report on the committee meeting.

Director Nowels, Chair of the Customer Service, Projects and Operations Committee, provided a report on the committee meeting.

Vice Chairman Moore, Chair of the Finance and Audit Committee, provided a report on the committee meeting.

5. Resolutions approving the minutes from the November 3, 2011 Special Called Board of Directors meeting and the November 16, 2011 Board of Directors Regular meeting

Vice Chairman Moore made a motion to approve the minutes listed in item 5, and Director Nowels seconded the motion. The motion was approved unanimously. (Resolutions No. 11-190 and 11-191)

RESOLUTIONS RECOMMENDED FOR APPROVAL BY THE ADMINISTRATION COMMITTEE

Director Quesada made a motion to approve items 6, 7 and 8, and Director Denison seconded the motion. The motion was approved unanimously. (Resolutions No. 11-192, 11-193A, 11-193B, 11-194)

6. Approval of the 2012 employee holidays
7. Approval of the 401K and 457 plan amendments in response to guidance from the IRS
8. Approval of the 2012 M/WBE Industry-Specific Goals

RESOLUTIONS RECOMMENDED FOR APPROVAL BY THE CUSTOMER SERVICE, PROJECTS AND OPERATIONS COMMITTEE

After some questions were addressed by Eric Hemphill, Interim Director of Maintenance, and item 11 was pulled to be considered individually, Director Nowels made a motion to approve items 9, 10, 12, 13, 14, 15, 16 and 17. Director Vandergriff seconded the motion, and it was approved unanimously. (Resolutions No. 11-195, 11-196, and 11-198 through 11-203)

9. Approval of recommended speed zones for the Sam Rayburn Tollway Segment IV
10. Approval of contract with Striping Technology, L.P. for the PGBT main lane and ramp restriping project in an amount not to exceed \$345,730.90
11. Approval of a contract change order with Prairie Link Constructors, LLC, for the incorporation of "President George Bush Turnpike" text and plaque on roadway signs for the PGBT-WE Phase 4, in an amount not to exceed \$465,026.50

After some discussion concerning re-signing a portion of the roadway, and questions were addressed, Director Vandergriff made a motion to approve item 11. Vice Chairman Moore seconded the motion and it was approved 7-1, with Director Quesada voting nay. (Resolution No. 11-197)

12. Approval of a work authorization with HDR Engineering, Inc., for corridor management services in 2012, in an amount not to exceed \$1,423,100.00
13. Approval of a work authorization with Jacobs Engineering Group, Inc., for corridor management services in 2012, in an amount not to exceed \$2,335,800.00

14. Approval of a 2-year contract with the Department of Public Safety, in an amount not to exceed \$7,772,486.80
15. Approval of the Oracle PeopleSoft annual maintenance contract renewal for 2012, in an amount not to exceed \$358,888.57
16. Approval of a contract with GO IT Services for a renewal in 2012, in an amount not to exceed \$1,500,000.00
17. Approval of a contract with EMC Corporation for the purchase of additional Storage Area Network (SAN) capacity, in an amount not to exceed \$2,450,000.00

RESOLUTIONS RECOMMENDED FOR APPROVAL BY THE FINANCE & AUDIT COMMITTEE

18. Approval of the 2012 final Budget

Armando Garza, explained a change made to the budget resolution since the Finance and Audit Committee considered it at the December 1, 2011 committee meeting, stating that the resolution now authorizes the Executive Director to make a deposit to the Texas Municipal League for the insurance pool.

Vice Chairman Moore made a motion to approve the 2012 final budget, and Director Vandergriff seconded the motion. The motion was approved unanimously. (Resolution No. 11-204)

ITEMS FOR INDIVIDUAL CONSIDERATION

19. Approval of the Investment Policy and Strategy and qualified Financial Institutions authorized to engage in investment transactions with the NTTA

Dana Gibson-Boone, Director of Cash and Debt Management, provided a briefing on the NTTA Investment Policy and Strategy, including an overview of changes, broker/dealer selection process, authorized financial institutions, and the investment process. Ms. Gibson-Boone and Janice Davis, CFO, addressed questions of the Board.

After some discussion concerning the financial institutions, Vice Chairman Moore made a motion to approve the Investment Policy and Strategy, and reserve for further review the selection of the financial institutions. Director Nowels seconded the motion and it was approved unanimously. (Resolution No. 11-205)

20. Briefing and possible approval of Second Amendment to the Project Agreement for PGBT Eastern Extension

21. Briefing and possible approval of resolution amending toll rate schedule for the PGBT Eastern Extension

Kevin Twining, Locke Lord, LLP, provided a briefing on items 20 and 21, the second amendment to the PGBT EE Project Agreement, and corresponding revisions to the NTTA System toll rate schedule. Mr. Twining addressed questions of the Board.

After some discussion, Director Quesada made a motion to approve item 20, and Director Denison seconded the motion. The motion was approved unanimously. (Resolution No. 11-207)

After further discussion concerning an extensive list of rate schedules, Vice Chairman Moore made a motion to approve item 21, and Director Shepard seconded the motion. The motion was approved unanimously. (Resolution No. 11-208)

22. Briefing and possible approval of a cost escalation change order with Granite Construction Company for Chisholm Trail Parkway Section 6 in an amount not to exceed \$13,927,000.00

Elizabeth Mow, Interim Assistant Executive Director Project Delivery, briefed the Board on the corridor status, and Chisholm Trail Parkway Section 6 cost escalation change order with Granite Construction Company. Ms. Mow addressed questions of the Board.

Director Vandergriff made a motion to approve the change order with Granite Construction Company, and Director Denison seconded the motion. The motion was approved unanimously. (Resolution No. 11-209)

Chairman Barr noted that the next eight items were related to the reprocurement of major consulting contracts that the NTTA has with a number of different firms, and that the Board is committed to moving ahead with the reprocurements.

23. Briefing and possible approval of the major consultant procurement plan

Felix Alvarez, Director of Procurement Services, provided a briefing on a major consultant procurement plan, including the Professional Services Procurement Act, the Alvarez & Marsal county review recommendations, the procurement process and contract structure, RFQ evaluation committees, criteria and inquiries, and timeline and schedule of procurements.

Gerry Carrigan, Interim Executive Director, provided a letter from Alvarez and Marsal, stating that the new plan, if executed successfully, would satisfy the eleven specific recommendations in the county review related to procurement, and that it is in line with general procurement best practices. Mr. Carrigan also provided a letter of support for the plan from the Business Diversity Advisory Council.

Mr. Carrigan, Mr. Alvarez, Ms. Mow, Ms. Davis, Ms. Tolbert and Mr. Bamonte, addressed questions of the Board.

After discussion, Director Quesada made a motion to approve the major consultant procurement plan. Director Willard seconded the motion. After additional questions were addressed, the motion was approved unanimously. (Resolution No. 11-210)

24. Briefing and possible approval of a contract extension with Jacobs Engineering Group, Inc., for maintenance management consulting services in 2012, in an amount not to exceed \$5,000,000.00

Eric Hemphill, Interim Director of Maintenance, briefed the Board on a contract extension with Jacobs Engineering Group, Inc., including an overview of the existing contract, overview of work authorization process, and the proposed contract extension.

Director Nowels made a motion to approve item 24, and Vice Chairman Moore seconded the motion. The motion was approved unanimously. (Resolution No. 11-211)

25. Briefing and possible approval of a work authorization and contract extension with HNTB Corporation, for general engineering consultant services in 2012, in an amount not to exceed \$10,400,000.00

Ms. Mow briefed the Board on a work authorization and contract extension with HNTB Corporation, including an overview of the existing contract, an overview of the work authorization process, and the proposed work authorization and contract extension.

Director Quesada made a motion to approve item 25, and Director Vandergriff seconded the motion. The motion was approved unanimously. (Resolution No. 11-212)

26. Briefing and possible approval of a contract extension with RBC Capital Markets Corporation, for financial advisory services in 2012, in an amount not to exceed \$610,000.00

Ms. Davis briefed the Board on a contract extension with RBC Capital Markets Corporation, including an overview of the contract and the next steps.

Director Denison made a motion to approve item 26, and Director Nowels seconded the motion. The motion was approved unanimously. (Resolution No. 11-213)

27. Briefing and possible approval of a contract extension with Wilbur Smith Associates, for traffic and engineering services in 2012, in an amount not to exceed \$2,500,000.00

Ms. Davis briefed the Board on a contract extension with Wilbur Smith Associates, including an overview of the contract and the next steps.

Director Nowels made a motion to approve item 27, and Vice Chairman Moore seconded the motion. The motion was approved unanimously. (Resolution No. 11-214)

28. Briefing and possible approval of a contract extension with Locke Lord, LLP, for outside counsel services in 2012

29. Briefing and possible approval of a contract extension with McCall Parkhurst & Horton LLP, for Bond Counsel services in 2012
30. Briefing and possible approval of a contract with Mahomes Bolden & Warren PC, for Bond Counsel services in 2012

Mr. Bamonte briefed the Board on items 28, 29 and 30, which included existing legal contracts with Locke Lord, LLP, McCall Parkhurst & Horton LLP, and Mahomes Bolden & Warren PC, and the upcoming legal services procurements.

Director Denison made a motion to approve item 28, 29 and 30, and Director Vandergriff seconded the motion. After some questions were addressed, the motion was approved unanimously. (Resolutions No. 11-215, 11-216, 11-217)

31. Briefing and possible approval of a director's request for indemnification under §366.258

Chairman Barr announced that item 31 would be delayed until after the Executive Session.

BRIEFING AND REPORTS

32. Monthly Financial Report for period ending October 31, 2011
33. Business Diversity Activity Report for period ending December 2011
34. County Review action plan

Mr. Carrigan reported on the County Review action plan, stating that progress was continuing. He indicated that the Board had addressed eleven items affirmatively in the County review with action taken at today's meeting. Mr. Carrigan indicated that staff would be asking for some additional feedback from Board Members at the upcoming committee meetings.

Chairman Barr expressed appreciation to staff for continuing to focus on the County Review. He noted that the Board would be meeting with the four County Judges on February 2, 2012, to present the first quarterly report on the NTTA's progress in implementing the recommendations made by the Alvarez and Marsal study.

Chairman Barr recognized The Honorable Wendy Davis, Texas State Senator, and expressed appreciation for her attendance at the Board meeting.

35. EXECUTIVE SESSION

Chairman Barr called the Board into Executive Session at 12:14 p.m. and reconvened the meeting into open session at 3:20 p.m. No final action, decision nor vote with regard to any matter was taken during the Executive Session.

- A. Section 551.071, to receive advice from legal counsel about pending or contemplated litigation and/or settlement offers or other legal matters
 - 1. Update on ongoing law enforcement matters
 - 2. Kelly Wall and related issues
 - 3. Reyes litigation
 - 4. Legal matters arising after agenda posting (any such matter will be referenced in open meeting)
- B. Section 551.072, to deliberate the purchase, exchange, lease, or value of real property
 - 1. Chisholm Trail Parkway, Section 5, property acquisitions
 - 2. Authorize the acquisition of parcel 120 for the Chisholm Trail Parkway Section 5
- C. Section 551.073, to deliberate regarding gifts and donations
- D. Section 551.074(a)(1), to deliberate the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee

36. Possible action on any matter deliberated in Executive Session

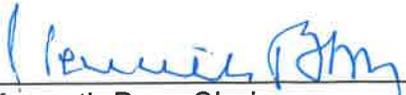
Chairman Barr noted that Director Denison departed during the Executive Session.

Director Nowels made a motion to approve item 35 B 2, authorizing the acquisition of parcel 120 for the Chisholm Trail Parkway Section 5. Director Shepard seconded the motion and it was approved 7-0.

Vice Chairman Moore made a motion to approve item 31 and Director Nowels seconded the motion. The motion was approved 7-0.

ADJOURNMENT

The meeting adjourned at 3:25 p.m.


Kenneth Barr, Chairman


Ruby Franklin, Secretary