

NORTH TEXAS TOLLWAY AUTHORITY  
Minutes of the Board of Directors Meeting  
February 16, 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, on February 16, 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
Jane Willard	Director

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 & Debt Management/Assistant Treasurer; John Dahill, General Counsel; Clayton Howe, Assistant Executive Director Operations; Gerry Carrigan, Assistant Executive Director Project Delivery; Ray Zies, Controller; Kiven Williams, Director of Customer Service Center; J.C. Wood, Director of Maintenance; Nina Arias, Director of Human Resources; Dave Pounds, Director of Information Technology; Kimberly Jackson, Director of Communications; Magdalena Kovats, Director of Internal Audit; Marty Legè, Director of System Incident Management; Anthony Coleman, Director of Business Diversity.

Also present at the meeting representing the Authority were: Frank Stevenson, Kevin Twining, Locke Lord, Bissell & Liddell (LLBL), Outside Counsel to the Authority; Jerry Holder, Stephanie Halliday, HNTB, General Engineering Consultant to the Authority; Dan Heimowitz, 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. Chairman update

- A. Regional partnership
- B. Legislative opportunities and issues
- C. 2011 Committee/Workshop structure

Chairman Vandergriff recognized and complimented staff for all their efforts during the inclement winter weather. He read a letter from Roger Staubach, Chairman of the Super Bowl Host Committee, who expressed appreciation to the employees for their hard work and dedication to clear the roadways during the Super Bowl week. Chairman Vandergriff, on behalf of the Regional Transportation Council, presented a commemorative Super Bowl pass to J.C. Wood, Director of Maintenance, and the Maintenance team for their role in helping to plan the region's response to inclement weather.

Mr. Wood expressed appreciation to the Maintenance employees for all their efforts and dedication.

Allen Clemson, expressed appreciation to Mr. Wood, Marty Legè, Director of System Incident Management, and Clayton Howe, Assistant Executive Director of Operations, for all their leadership and dedication.

Chairman Vandergriff briefed the Board on his testimony provided, on behalf of the NTTA, at both the senate and house transportation during the past week.

**RESOLUTION(S) FOR CONSIDERATION**

4. Resolution approving the minutes of the January 10, 2011 Special Called Board of Directors meeting and the January 19, 2011 Board of Directors meeting

Director Barr made a motion to approve the minutes of the January 10, 2011 Special Called Board of Directors meeting and the January 19, 2011 Board of Directors meeting. Director Day seconded the motion and it was approved unanimously. (Resolutions No. 11-25 and 11-26)

5. Briefing and possible action on sale of NTTA interest in RITE software to ETC Corporation, amendments to the Value Added Reseller (VAR) Agreement, and software license for continued use of the RITE software

Clayton Howe, Assistant Executive Director Operations, provided a briefing on item 5, including history, VAR agreement summary, renegotiations and value, and the next steps. Mr. Howe addressed questions of the Board.

Director Moore made a motion to approve item 5 and Director Day seconded the motion. The motion was approved unanimously. (Resolution No. 11-27)

6. Briefing and possible action on sticker TollTag purchase

Mr. Howe clarified that this action was for the annual procurement of TollTags and replenishment of stock.

Director Day made a motion to approve the sticker TollTag purchase and Director Cagle seconded the motion. The motion was approved unanimously. (Resolution No. 11-28)

7. Briefing and possible action on a contract with Austin Bridge and Road, L.P., for the construction of retaining wall 301 repair/pavement repair on the President George Bush Turnpike at Kelly Boulevard in an amount not to exceed \$2,814,565.85

Mr. Howe clarified that this action was to present the results of the procurement process for the repair of the retaining wall, and that staff recommended moving forward with the repairs.

Director Day made a motion to approve item 7 and Director Barr seconded the motion. The motion was approved unanimously. (Resolution No. 11-29)

8 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

Janice Davis, CFO, indicated that this item could possibly come before the Board at its meeting in March. Ms. Davis introduced Dan Heimowitz, RBC Capital Markets, who presented an update on the status of the financing.

Mr. Heimowitz briefed the Board on the financing sources and uses, financing structure, financing parties and documents, a preliminary schedule, and equity requirement. He addressed questions of the Board.

Chairman Vandergriff expressed appreciation to the entire finance team for all its efforts to move the financing forward.

**BRIEFINGS**  
**Administration**

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

This item was not briefed.

10. Analysis and evaluation of NTTA business model and procurement process

This item was moved to the March 3 Board Worksession.

**Finance**

11. Overview of interest rate swaps

Ron Morrison, RBC Capital Markets, briefed the Board on interest rate swaps. Mr. Morrison provided information related to synthetic fixed rate debt and mechanism, NTTA 2004 and 2005 fixed pay swaps, termination of fixed pay swap, and potential risks of interest rate swaps. He addressed questions of the Board.

12. December 31, 2011 Monthly Financial Report/Quarterly Investment Report

Ray Zies, Controller, provided a briefing on the financial report and Dana Gibson-Boone, Director of Cash and Debt Management, provided a briefing on the investment report. Ms. Davis, Mr. Zies and Ms. Gibson-Boone addressed questions of the Board.

**Customer Service**

13. Briefing on toll transaction invoicing 30/30 business rule

Mr. Howe provided an update on business rule revisions for transactions sent per invoice, including background, pilot results and next steps.

14. Briefing on outsourcing image review

Mr. Howe provided a briefing on image review outsourcing, including the RFP process and forecasted savings, and addressed questions of the Board.

After some discussion, staff was directed to provide additional information.

**Business Diversity**

15. Business Diversity Activity Report February 2011

A report was included in the agenda packet.

## Reports

### 16. RTC briefing

#### A. Update on 2035 plan

Director Day briefed the Board on the RTC meeting held on February 10, 2011, highlighting the NTTA/RTC joint resolution supporting public private partnerships, a time extension for the SH 161 upfront payment, and the Mobility 2035 proposed roadways.

### 17. Executive Director Report

- A. Items administratively approved in January 2011
- B. Human Capital Metrics Report

Mr. Clemson noted that staff was working on a Human Capital Metrics Report, and provided some details on the purpose for the report. He advised the Board of meetings scheduled with TxDOT and the RTC.

### 18. **EXECUTIVE SESSION - Pursuant to chapter 551, subchapter D, Texas Government Code:**

Chairman Vandergriff called the Board into Executive Session at 11:00 a.m. and reconvened the meeting into open session at 1:30 p.m. No final action, decision nor vote with regard to any matter was taken during the Executive Session.

### 19. **CONSIDERATION OF ITEMS FROM EXECUTIVE SESSION**

- A. Consideration of a joint resolution with the Regional Transportation Council to support comprehensive development agreement authority for TxDOT to advance the IH 35 East managed lanes, the SH 183 managed lanes and the North Tarrant Express project

Director Day made a motion to approve a joint resolution with the RTC to support comprehensive development agreement authority for TxDOT to advance the IH 35 East managed lanes, the SH 183 managed lanes and the North Tarrant Express project. Vice Chairman Denison seconded the motion and it was approved unanimously. (Resolution No. 11-30)

- B. Briefing and possible approval of a legal services delivery plan and related personnel actions and contracts for legal services with outside law firms

Director Day briefed the Board on the resolution, the legal services frame work, the legal work flow chart, and the legal services plan created by the Ad Hoc Committee, and stated that the Legal Services Committee recommended approval by the Board.

After some discussion and opinions expressed, Vice Chairman Denison made a motion to approve item 19 B. Director Barr seconded the motion and it was approved 6-1, with Director Cagle voting nay. (Resolution No. 11-31)

**ADJOURNMENT**

Director Moore made a motion to adjourn and Vice Chairman Denison seconded the motion. The meeting adjourned at 1:51 p.m.

  
Victor T. Vandergriff, Chairman

  
Ruby Franklin, Secretary