NORTH TEXAS TOLLWAY AUTHORITY
Minutes of the Board of Directors Workshop
April 4, 2013

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 workshop held at the North Texas Tollway Authority, 5900 West Plano Parkway, Plano, Texas, at 10:00 a.m. on April 4, 2013.

CALL TO ORDER

Chairman Barr called the meeting to order at 10:40 a.m.

1. Establishment of quorum

A quorum was established with the following Board Members present in the meeting:

Kenneth Barr	Chairman
William Moore	Vice Chairman
*Dave Denison	Director
Matrice Ellis-Kirk	Director
*William Elliott	Director
Mojy Haddad	Director
Michael Nowels	Director
Jane Willard	Director

*Directors Denison and Elliott were out of the room when a quorum was established, but joined the meeting shortly thereafter.

NTTA employees attending the meeting were: Gerry Carrigan, CEO/Executive Director; John Carreker, COO/Deputy Executive Director; Ruby Franklin, Secretary; Lorelei Griffith, Assistant Secretary; Janice Davis, Assistant Executive Director of Strategic & Innovative Solutions/Treasurer; Dana Gibson-Boone, Director of Cash and Debt Management/Assistant Treasurer; Tom Bamonte, General Counsel; Elizabeth Mow, Assistant Executive Director of Project Delivery; Magdalena Kovats, Director of Internal Audit; Ray Zies, Controller; Kim Tolbert, Chief Strategic Officer; John Bannerman, Interim 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, Director of Maintenance; Nina Arias, Director of Human Resources; Kim Jackson, Director of Communications; Felix Alvarez, Director of Procurement Services; Marty Legè, Director of System Incident Management; Armando Garza, Budget & Compliance Manager.

Also present at the meeting representing the Authority were: Frank Stevenson, Locke, Lord LLP, Board Counsel; Michael Copeland, CDM Smith Associates, Traffic & Revenue Consultant to the Authority.

Chairman Barr announced that he would call for an Executive Session before continuing with the agenda items. He then called the Board into Executive Session at 10:42 a.m. and reconvened the meeting into open session at 11:30 a.m. No final action, decision nor vote with regard to any matter was taken during the Executive Session.

2. General public comments not related to specific agenda items

No comments were made.

3. Comments and announcements from the Chairman and Board Members

No comments were made.

4. Briefing on amending the FY 2013-2017 Five-Year Capital Plan to fund a multi-year Collections Process project for 2013 and 2014 in the amount of $2.5 million per year

Janice Davis, Assistant Executive Director of Strategic and Innovative Solutions, provided a briefing on the FY 2013-2017 Five-Year Capital Plan to fund a multi-year collections process project for 2013 and 2014. Ms. Davis discussed the level of collections, issues with impacts, and efforts being taken on multiple fronts to address the issues. After some discussion, there was a consensus of the Board to forward the amendment to the 2013-2017 Five Year Capital Plan to the April Board meeting. Staff was requested to provide some deliverables when bringing this item to the Board at the regular Board meeting.

5. FY 2014 Budget briefing

Gerry Carrigan, CEO/Executive Director, discussed the general guidance for the 2014 budget, including budget development base objectives, and the focus on added resources on revenue generating activities and strategic opportunities. Other objectives discussed included developing proposed 2014 budget proposals from actual base expenditure levels vs. budgeted levels, meeting the NTTA mission and the challenge to do more with less.

Ms. Davis briefed the Board on the different funds, and provided a chart showing what expenses fall under each of the funds. Armando Garza, Budget and Compliance Manager, briefed the Board on the organizational initiatives and assumptions. After some discussion, staff was requested to find a way to determine the gross revenue and the percentage considered uncollectible. Mr. Carrigan, Ms. Davis, Mr. Garza, Mr. Zies, and Eric Hemphill, Director of Maintenance, addressed questions of the Board. The Board discussed additional information staff should include in their presentations.

Mr. Garza indicated which departments would not have changes to their budgets, and Mr. Carrigan addressed questions regarding those departments.

Mr. Hemphill provided a presentation on the 2014 Maintenance Department Budget assumptions, and addressed questions. Staff was requested to look at contracting services.

Marty Legè, Director of System Incident Management (SIM), provided a presentation on the 2014 SIM budget assumptions. Ms. Legè addressed questions and discussed Department of Public Safety (DPS) staffing and other alternatives, and toll enforcement remedy initiatives. Staff was requested to consider opportunities for providing better service on NTTA roadways.

John Bannerman, Interim Director of Customer Service Center (CSC), provided a presentation on the 2014 CSC budget assumptions, and addressed questions. The Board discussed contract staffing, collections, and the significant ramifications for customer service should the NTTA be given the legislative authority it is seeking. Staff was requested to look for opportunities to keep service levels up and enhance collections efforts.

Dave Pounds, Director of Information Technology (IT), provided a presentation on the 2014 IT Department budget assumptions, and addressed questions concerning a recent outage of the system, and the benefit of including an internal assumption to be all-encompassing.

Tom Bamonte, General Counsel, provided a presentation on the 2014 Legal Department budget assumptions, and Mr. Bamonte and Ms. Legè addressed questions concerning public information requests. Staff was requested to work on making information more easily open to customers. Staff was also requested to consider the budget should the NTTA not get remedies from the Legislature.

Nina Arias, Director of Human Resources, provided a presentation on the 2014 HR Department 2014 budget assumptions, and Ms. Arias and Mr. Carrigan addressed questions concerning health care and PEBC. Staff was requested to continue to look at other options.

Kim Jackson, Director of Public Affairs, provided a presentation on the 2014 Public Affairs budget assumptions. Chairman Barr noted that considerable progress had been achieved in Public Affairs, including addressing critical public image issues before becoming problems.

Ray Zies, Controller, provided a presentation on the 2014 Finance Department budget, including Finance, Cash and Debt Management, Procurement Services and Business Diversity. Mr. Zies addressed questions concerning staffing for Finance and Procurement Services.

Elizabeth Mow, Assistant Executive Director of Infrastructure, provided a presentation on the 2014 Project Delivery budget, and addressed questions concerning options for

improving the DNT south of LBJ. Staff was requested to develop a strategy to address that portion of the DNT that would be proactive.

6. Monthly Financial Report for February 2013

This item will be presented at the April Board meeting.

7. NTTA insurance program briefing

Ms. Legè provided an overview on the NTTA insurance program, including information about the program, the 2013 insurance coverage, initial feedback from External Insurance Assessment, and bond requirement benchmarking. Ms. Legè addressed questions concerning Board liability, coverages, and deductibles. Keith Jackson, GEC, and Laura Lantrip, Texas Municipal League, addressed questions concerning assessing the value of NTTA property, and business interruption. Staff was asked to keep the Board posted on assessing cyber risks.

Ms. Mow provided a briefing on benchmarking against like agencies for construction contract bonding requirements, stating that the NTTA is in line with its peer agencies on the types, the durations and amounts required for bonding construction projects by prime contractors. Ms. Mow indicated that this exercise is performed often to utilize best practices while protecting the NTTA, and addressed some questions of the Board.

8. Strategic Plan update

This item will be presented at the April Board meeting.

9. **EXECUTIVE SESSION**

10. **ADJOURNMENT**

Prior to adjourning, Chairman Barr expressed appreciation to the Board Members and staff for all the time and effort put forth.

The meeting adjourned at 2:07 p.m.

Kenneth Barr, Chairman

Ruby Franklin, Secretary