

NORTH TEXAS TOLLWAY AUTHORITY  
NTTA Legal Services Committee Meeting Minutes  
APRIL 3, 2014

A public notice of this meeting containing all items was filed in the Office of the Secretary of State as required by Chapter 551 of the Texas Government Code, referred to as "The Open Meetings Act."

Minutes of the NTTA Legal Services Committee meeting held at the North Texas Tollway Authority, 5900 West Plano Parkway, Plano, Texas, on April 3, 2014, beginning at 10:30 a.m.

**CALL TO ORDER**

Committee Chairman Elliott called the meeting to order at 11:48 a.m.

**1. ESTABLISHMENT OF QUORUM**

Committee Chairman Elliott established a quorum by calling the roll. The following committee members were in attendance:

William Elliott	Committee Chairman
Mojoy Haddad	Member
George (Tex) Quesada	Member
Gary Kloepper	Member

The following ex officio non-voting members were in attendance:

Gerry Carrigan	CEO/Executive Director
Tom Bamonte	General Counsel
Frank Stevenson	Board Counsel
Magdalena Brady	Director of Internal Audit

Chairman Barr, Vice Chairman Moore, Director Nowels, and Director Willard were also in attendance.

NTTA employees attending the Committee meeting were: Gerry Carrigan, CEO/Executive Director; Lorelei Griffith, Secretary; Karen Madison-Ponds, Assistant Secretary; Dana Gibson-Boone, Director of Cash and Debt Management/Assistant Treasurer; Horatio Porter, CFO; Tom Bamonte, General Counsel; Magdalena Brady, Director of Internal Audit; Jeff English, Director of Procurement Services.

Also present at the meeting representing the Authority were Frank Stevenson, Locke, Lord, Board Counsel to the Authority; Greg Schaecher, McCall Parkhurst & Horton, Bill Mahomes, Mahomes Bolden, PC, Bond Counsel to the Authority.

2. General public comments not related to specific agenda items

No comments were made under this item.

3. Approval of minutes from the March 6, 2014 Legal Services Committee meeting

Director Quesada made a motion to approve the minutes, and Director Kloepper made the second motion. The motion was approved unanimously. (Resolution No. 13-109)

***New Business***

4. Legal forms library

Tom Bamonte, General Counsel, provided a briefing to the Committee regarding the legal forms stating how well the form complements the contract boilerplate project. In addition, Jim Rain has provided templates for the key contract types that are being utilized by Procurement, professional services, both general and for architects and engineers, consulting services and RFP's.

Committee Chairman Elliott uttered providing some management efficiency; consistency of the documents in order for procurement and/or legal or perhaps anyone in that matter will do their due diligence to get'er done. It has a consistency from what the Board and management has expected.

5. Review of Directors' errors and omissions claims coverage

Tom Bamonte, General Counsel, provided a briefing to the Committee regarding the D&O coverage. Mr. Bamonte stated that NTTA regular reviews the adequacy of its liability insurance policy protections for the NTTA directors. NTTA retained Chuck Keeble from Haynes and Boones which is responsible for reviewing this information listed above. In addition, Chuck will provide the Committee with a presentation and Marty Lege, Director of System Incident Management, which handles the risk management function, will provide some additional background information about TML and the history and where it comes from.

Committee Chairman Elliott addressed the report continuation and what questions or concerns could be addressed in executive session and what should be addressed in the Committee meeting.

Director Quesada stated that everyone has had the opportunity to review the comprehensive memo that was distributed; he suggested skipping ahead to slide No. 6.

In doing so, Chuck proceeded with his presentation.

Committee Chairman Elliott asked Chuck if he might skip to slide No. 17.

In doing so, Chuck proceeded with the conclusions that the Authority's Directors do have substantial liability protection against allegations, other than perhaps allegations of intentional wrongdoing, which was indicated earlier however most individuals don't expect to have intentional misconduct. In addition, there are three separate layers of protection, immunity, indemnification and liability. Basically the TML E&O coverage is offered in the E&O market here today.

Committee Chairman Elliott stated he's satisfied with the materials, but wanted to be deferential to the Board members.

Marty Lege, Director of System Incident Management, added an additional slide for a comparison benchmark of vaster agencies with enormous debt.

Both Marty Lege and Chuck Keeble addressed the questions of the Committee concerning the TML and E&O insurance.

### ***Old Business***

#### 6. Special Projects

- A. Contract boilerplate project
- B. Document repository project

Tom Bamonte, General Counsel, provided an update to the Committee regarding the boilerplate project. Mr. Bamonte stated they were making progress and working with procurement in order to finalize the document process, continuing projects.

Committee Chairman Elliott inquired about the timeline and the guidance towards repository.

Mr. Bamonte stated staff members that are spearheading are putting together a matrix and present completion. Next month, the Committee will be presented with a report providing all areas in high double-digit, if not 100 percent completion of that.

#### 7. Committee informational items

- A. Two-month draft agenda outlook
- B. Legal budget information
- C. Pending matters

Mr. Bamonte provided the Committee members with the Committee informational items listed above.

8. **EXECUTIVE SESSION – Pursuant to Chapter 551, Subchapter D, Texas Government Code**

A. Section 551.071, to receive advice from legal counsel about pending or contemplated litigation and/or settlement offers or other legal matters.

1. Review of Directors' errors and omissions claims coverage

No items were considered following the Executive Session.

9. **Adjournment**

The meeting adjourned at 12:20 p.m.



William Elliott, Chairman  
NTTA Legal Services Committee



Karen Madison-Ponds, Assistant Secretary