

NORTH TEXAS TOLLWAY AUTHORITY
NTTA Legal Services Committee Meeting Minutes
DECEMBER 5, 2013

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 December 5, 2013, beginning at 10:45 a.m.

CALL TO ORDER

Committee Chairman Elliott called the meeting to order at 10:45 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, and Director Ellis-Kirk were also in attendance.

* Director Kloepper joined by via telephone

NTTA employees attending the Committee meeting were: Gerry Carrigan, CEO/Executive Director; Lorelei Griffith, Secretary; Karen Madison-Ponds, Assistant Secretary; Janice Davis, AED of Strategic & Innovative Solutions/Treasurer; Dana Gibson-Boone, Director of Cash and Debt Management/Assistant Treasurer; Horatio Porter, CFO; Tom Bamonte, General Counsel; Magdalena Brady, Director of Internal Audit; Ray Zies, Controller; Felix Alvarez, 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 November 7, 2013 Legal Services Committee meeting

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

New Business

4. Interlocal Agreements for habitual violator vehicle registration blocks with Ellis, Grayson, Johnson and Rockwall counties

Committee Chairman Elliott indicated that item 4 will be omitted. This item has been withdrawn.

Old Business

5. Interlocal Agreement with Camino Real Regional Mobility Authority for the distribution of TollTags

Committee Chairman Elliott indicated that item 5 will be omitted. This item has been withdrawn.

6. Securities law obligations of NTTA directors, officers and employees

Committee Chairman Elliott indicated an uplifting subject, no doubt. Tom Bamonte, General Counsel, informed the Committee members that everyone was provided with a hard and electronic copy of a draft offering document that pertains to the commercial paper program. Steve Bolden and Greg Schaecher with McCall Parkhurst provided an overview of a presentation which covers the disclosure obligations, that identifies several fragments of the offering memorandum that provides contextual on the due diligence process when putting together offering material.

Vice Chairman Moore inquired about additional details on the communications in the course of a Board meeting would that consist of a violation of the regulation. Mr. Schaecher addressed the questions of the Committee by stating the general rule is that any communication that is reasonably released to reach the market ought to be accurate and complete.

Vice Chairman Moore inquired about the Board meetings being an opportunity for members to clarify matters that aren't clear. Mr. Schaecher addressed the questions of the Committee by forming an example of statements pertaining to personal opinions not

factual information.

Committee Chairman Elliott inquired about Mr. Schaecher role as he sit and listen to the dialogue with respect to appropriate or inappropriate disclosure. Committee Chairman Elliott asked Mr. Schaecher to expound on his role in doing so, Mr. Schaecher elucidated to the questions of the Committee.

Director Quesada inquired about drifting into an area that someone could possibly put NTTA at risk, and how would the issue be identified. Mr. Schaecher addressed the questions of the Committee by stating in the event if his firm were in attendance, the information would be given to the appropriate person's attention should it require being addressed.

Vice Chairman Moore inquired about the misstatement being detected during a Board meeting, is it deemed appropriate to make corrections during a Board meeting or make corrections after the Board meeting. Mr. Schaecher addressed the questions of the Committee by stating the best practice for corrections would be during the Board meeting.

Director Haddad inquired about the guidelines. Mr. Schaecher addressed questions of the Committee.

Chairman Barr recommended the members of the Board and staff ought to read the McCall Parkhurst memorandum located in the notebook in order to put matters in perspective.

7. Form of offering document for NTTA System Commercial Paper Notes, Series A

Dana Gibson-Boone, Director of Cash and Debt Management, briefed the Committee members on the offering. In November, the Board approved the resolution 13-350 which included an approval letter of credit and reimbursement (inaudible) Bank of America, Merrill Lynch and approval of Bank of America, Merrill Lynch and Loop Capital Markets as the commercial paper dealers. A copy of the draft offering memorandum was presented for the presentation on the SEC disclosure obligation, were also emailed to the full Board.

Old Business

8. Special projects

- A. Update on legal agreement depository project
- B. Legal agreement "boilerplate" project: Phase 3

Tom Bamonte, General Counsel, provided the Committee members with the Special projects material listed above. Mr. Bamonte stated Jim Rain with Locke Lord LLP has been working constantly on the legal boilerplate project.

Committee Chairman Elliott uttered his appreciation to Mr. Rain. In addition, Chairman Elliott recalls 30 or so boilerplate paragraphs, but only seven will be discussed.

- 9. Committee informational items
 - A. Two-month draft agenda outlook
 - B. Legal budget information
 - C. Litigation update

10. Habitual violator vehicle ban

Committee Chairman Elliott inquired if any matters needed to be discussed pertaining to the vehicle ban. Mr. Bamonte stated he had nothing to be reported at this time.

11. **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. Kelly Wall litigation
 - 2. SH 360 project agreement
 - 3. Collections litigation pilot program

Committee Chairman Elliott called the Committee into Executive Session at 11:55 a.m. and reconvened the meeting into open session at 12:24 p.m. No final action, decision nor vote with regard to any matter was taken during the Executive Session.

12. Adjournment

The meeting adjourned at 12:25 p.m.



William Elliott, Chairman
NTTA Legal Services Committee



Karen Madison-Ponds, Assistant Secretary