

NORTH TEXAS TOLLWAY AUTHORITY
Minutes of the Board of Directors Meeting
July 18, 2012

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 July 18, 2012.

CALL TO ORDER

Chairman Barr called the meeting to order at 9:11 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
William Moore	Vice Chairman
Dave Denison	Director
Matrice Ellis-Kirk	Director
William D. Elliott	Director
Michael Nowels	Director
*George (Tex) Quesada	Director
Victor Vandergriff	Director
Jane Willard	Director

*Director Quesada arrived at 10:12 a.m.

NTTA employees attending the meeting were: Gerry Carrigan, 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, Assistant Executive Director of Project Delivery; Magdalena Kovats, Director of Internal Audit; Ray Zies, Controller; 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, Director of Maintenance; Nina Arias, Director of Human Resources; Kim Jackson, Director of Communications; Felix Alvarez, Director of Procurement Services; Armando Garza, Budget & Compliance Manager.

Also present at the meeting representing the Authority were: Frank Stevenson, Locke, Lord LLP, Board Counsel; Stephanie Halliday, HNTB, General Engineering Consultant to the Authority; Greg Schaecher, McCall Parkhurst & Horton (MPH), Bill Mahomes, Mahomes Bolden, PC, Bond Counsel to the Authority; Michael Copeland, CDM Smith Associates, Traffic & Revenue Consultant to the Authority.

2. General public comments not related to specific agenda items

No comments were made under this item.

3. Comments and announcements from the Chairman and Board Members

Chairman Barr recognized Felix Alvarez, Director of Procurement Services. Under Mr. Alvarez's leadership, the NTTA was awarded the 2012 Achievement of Excellence in Procurement award from the National Procurement Institute. Mr. Alvarez explained that the award is used as a benchmark for organizational excellence in procurement, utilizing a set standard of criteria designed to measure innovation, professionalism, productivity and leadership attributes of the procurement organization.

4. Approval of the minutes from the June 20, 2012, Regular Board Meeting and the June 20, 2012, Special Called Board Meeting

Vice Chairman Moore made a motion to approve the June 20, 2012, Regular Board Meeting minutes and the Special Called Board Meeting minutes. Director Willard seconded the motion and it was approved unanimously. (Resolution No. 12-108 and 12-109)

ITEMS

5. Approval of the 5-Year Capital Plan

Armando Garza, Budget and Compliance Manager, provided a briefing on the five-year Capital Plan, including an overview of the plan, changes from the draft five-year plan, and changes to the 2012 projects. Mr. Garza addressed questions of the Board.

Director Ellis-Kirk made a motion to approve the five-year Capital Plan and adjustments to the 2012 projects. Vice Chairman Moore seconded the motion and it was approved unanimously. (Resolution No. 12-110)

6. Contract with Rebcon, Inc., for Phase 2 of All-Electronic Toll Collection Conversion of the ramp toll plazas on President George Bush Turnpike in an amount not to exceed \$5,940,230.26

Chairman Barr called on Elizabeth Mow and offered congratulations on being named the Assistant Executive Director of Project Delivery.

Ms. Mow provided a briefing on a contract with Rebcon, Inc., for Phase 2 of the all-ETC conversion. She discussed the project and specifics of the contract. Ms. Mow indicated that Phase 2 was the final construction project.

Ms. Mow, Anthony Coleman, Director of Business Diversity, and Clayton Howe, Assistant Executive Director of Operations, addressed questions of the Board.

Director Nowels made a motion to approve the contract with Rebcon, Inc., and Director Willard seconded the motion. The motion was approved unanimously. (Resolution No. 12-111)

7. Interlocal Agreement with the Texas Department of Transportation for materials inspection and testing services at fabrication facilities in an amount not to exceed \$1,500,000.00

Ms. Mow briefed the Board on the current ILA and proposed ILA with TxDOT. She indicated that this was a routine agreement with TxDOT that started with the inception of the NTTA. Ms. Mow addressed questions of the Board.

Director Denison made a motion to approve the ILA with TxDOT and Vice Chairman Moore seconded the motion. The motion was approved unanimously. (Resolution No. 12-112)

8. Contract with Valley Crest Landscape Development, Inc., for landscape and irrigation improvements on Segment 5 of the Sam Rayburn Tollway in an amount not to exceed \$1,499,870.95

Ms. Mow briefed the Board on a contract with Valley Crest Landscape Development, Inc., providing some background and a description of the contract. She indicated that Valley Crest Landscape Development, Inc. was the only bidder. Ms. Mow and Felix Alvarez, Director of Procurement Services, addressed questions of the Board.

Director Ellis-Kirk stated due to only one firm bidding on the project, it would be good to have discussions at a committee meeting concerning the lack of bidders. Chairman Barr requested the Executive Director to include this as a discussion item on the appropriate committee agenda.

Director Willard made a motion to approve the contract with Valley Crest Landscape Development, Inc., and Director Nowels seconded the motion. The motion was approved 7-0. Director Elliott was out of the room when the vote was taken. (Resolution No. 12-113)

9. Approval of a utility easement with Oncor Electric Delivery Company LLC, at the Frisco Operations Center site.

Chairman Barr called on Eric Hemphill and offered congratulations on being named the Director of Maintenance.

Mr. Hemphill briefed the Board on a utility easement with Oncor Electric Delivery Company LLC, providing some background and an overview of the easement requested. He addressed questions of the Board.

Vice Chairman Moore made a motion to approve the easement and Director Ellis-Kirk seconded the motion. The motion was approved unanimously. (Resolution No. 12-114)

REPORTS

10. Monthly Financial Report for May 2012

Ray Zies, Controller, provided a briefing on the monthly financial report. Mr. Zies, Mr. Howe and Janice Davis, CFO, addressed questions of the Board.

After some discussion concerning write offs, Chairman Barr requested the NTTA Finance and Audit Committee include an item on their agenda to allow further discussions.

11. Regional Transportation Council Briefing

Director Nowels briefed the Board on the RTC meeting held on July 12, 2012

12. Business Diversity Activity Report for July 2012

A report was provided in the agenda packet.

13. Strategic Performance Metrics - May 2012 Reporting

A report was provided in the agenda packet.

14. RITE Systems Project Update

Item 14 was briefed following the first Executive Session.

Clayton Howe, Assistant Executive Director Operations, provided an update on the RITE solution. He then introduced Christopher Melnick, part of the international business development division of Autostrade, and Chairman of the ETCC Board of Directors.

Mr. Melnick provided an introduction to Autostrade Group, and stated that they had acquired a majority position in ETCC. He indicated that ETCC had been asked to revisit the entire delivery schedule and to take into consideration some additional resources. Mr. Melnick stated that Autostrade Group would be making available technical, financial and managerial resources to reinforce the program, and to ensure that the delivery meets the NTTA's requirements. Mr. Melnick addressed questions of the Board, and confirmed that March 15, 2013 would be the delivery date deadline.

Chairman Barr requested that staff inform the Board if there are any signs of delays or more problems.

15. Executive Director Reports

- A. Report on contracts, supplements, and orders not exceeding \$300,000.00, executed in June 2012
- B. County Review action plan

Reports were provided in the agenda packet.

16. **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. Legal briefing on tolling services agreements
 - 2. Briefing on proposed settlement with Fort Worth & Western Railroad re: billboard along Chisholm Trail Parkway
 - 3. RITE Systems Project
 - 4. Repeat Toll Violators
- B. Section 551.074(a)(1), to deliberate the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee.
 - 1. General Counsel evaluation

Chairman Barr called the Board into Executive Session at 10:11 a.m. and reconvened the meeting into open session at 10:55 a.m. No final action, decision nor vote with regard to any matter was taken during the Executive Session.

17. Possible action on any matter deliberated in Executive Session

Chairman Barr entertained a motion to approve item 16. A. 2. Director Nowels made a motion to approve a proposed settlement with Fort Worth & Western Railroad, and Director Denison seconded the motion. The motion was approved unanimously, 9-0. Resolution No. 12-115)

Item 14 was briefed after item 17.

Chairman Barr called the Board back into Executive Session at 11:30 a.m. and reconvened the meeting into open session at 2:34 p.m. No final action, decision nor vote with regard to any matter was taken during the Executive Session.

Director Denison and Director Ellis-Kirk departed during the second Executive Session.

ADJOURNMENT

The meeting adjourned at 2:34 p.m.

Handwritten signature of Kenneth Barr in blue ink.

Kenneth Barr, Chairman

Handwritten signature of Ruby Franklin in blue ink.

Ruby Franklin, Secretary