

Webb County - City of Laredo
Regional Mobility Authority (RMA)
Board of Directors Meeting
Tuesday, January 19, 2016
9:00 AM

Minutes

The Webb County - City of Laredo, Regional Mobility Authority Board of Directors convened in a meeting at 9:01 a.m. on Tuesday, January 19, 2016 at the Webb County Appraisal District Office, 3302 Clark Blvd., Laredo, TX.

Minutes are as follows:

Present: Ruben Soto, Jr., Chairman and Presiding Officer, Steve LaMantia, Arturo Dominguez, Alfonso Mendiola, Albert Muller, Sr., Jose Murillo, Oscar Lopez and Paul Saenz.

Absent: Board Member for Precinct 1 (Unassigned)

Others: Pedro Alvarez, P.E., TxDOT Laredo District Engineer
Raul Leal, TxDOT Public Information Officer
Mike Graham, TxDOT Environmental Specialist
Carlos Rodriguez, TxDOT Laredo Area Engineer
Marissa Montoya, Office Technician, TxDot Laredo District (note taker)
Araceli Rangel, Staff Assistant, CPA Office of Ruben Soto, Jr. (note taker)
Richard Ridings, HNTB
Brian O'Reilly, Locke Lord, LLP (Legal Counsel)
Juan Cruz, J. Cruz & Associates LLC (Legal Counsel)

1. Open Meeting and Establish Quorum

After establishing a quorum, Presiding Officer, Ruben Soto, Jr., called the meeting to order at 9:01 a.m. He then announced the following Board Members present: Steve LaMantia, Arturo Dominguez, Alfonso Mendiola, Albert Muller, Sr., Jose Murillo, Oscar Lopez, Paul Saenz and himself, Ruben Soto, Jr. He notified everyone present that the meeting was posted in accordance with the Texas Open Meetings Act, and then asked everyone to stand for the Invocation and Pledge of Allegiance.

2. Welcome and Opening Remarks -Ruben Soto, Jr. (WC-CL RMA Presiding Officer)

Chairman Soto informed all present that the meeting was being recorded and thanked Mr. Martin Villarreal, Chief Appraiser with Webb-CAD, for hosting the meeting and his assistant Alex Chapa for facilitating the Board Room. He also thanked TxDOT's Mike Graham for recording, and

Marissa Montoya and Araceli Rangel for assisting with the minutes and preparation for the meeting.

3. Action Item: Discussion, Consideration, and Approval of December 14, 2015 WC-CL RMA Regular Board Meeting Minutes

Chairman Soto stated that the Board Members had been provided a copy of the December 14, 2015 meeting minutes for review. He then asked for a motion to approve the minutes for the Webb County–City of Laredo RMA meeting that took place on December 14, 2015, as presented.

Albert Muller, Sr. made a motion, seconded by Jose Murillo to approve the meeting minutes. No discussion was held. Motion passed unanimously.

4. Chairman’s report

Chairman Soto mentioned that there had been a couple of meetings that the Laredo Development Foundation put together regarding planning for the City’s upcoming Washington trip to promote the city’s causes and encourage funding to Laredo. The panel basically consisted of all fields in the Transportation industry. Steve LaMantia, Oscar Lopez and Ruben Soto, were present for those meetings. Mr. Soto asked Mr. LaMantia to represent the RMA in Washington and speak on their behalf in conjunction with the city leaders. Among some of the discussions was the priority projects that they want to push in Washington. There were three projects that they looked at: Loop 20, Hachar Loop and Mines Road. It was a consensus with those present that they limit to three and no more than four items. He thinks it was a good meeting with a good consensus. He looks forward to a good presentation from the city leaders and delegates to the representatives and senators.

5. Report: Update on WC-CL RMA Bank Account

Mr. Soto said the RMA would be opening up a money market account to earn interest on the funds they are not currently using and communicate with their bank so hopefully they can set that up soon.

In regards to the RMA bank account, Chairman Soto stated that the RMA still had the same amount as they did before, \$3,490,316.90. The RMA’s accounts payable total is \$80,713.03.

6. Report: Update on Annual Audit Waiver Request

Chairman Soto stated that they are required to undergo an annual audit and submit the report to the city and county. On behalf of the RMA he has requested from the City Mayor and the County Judge that this requirement be waived due to lack of revenue. The county commissioners court has approved the request at their December 14, 2015 commissioners court meeting. The city has placed this item on their agenda for tonight’s city council meeting for approval.

7. Action Item (Resolution 16-01): Discussion, Consideration and Possible Action to Amend the WC-CL RMA Policy Manual

Mr. Soto stated the policy code manual has been continuously updated with new policies and the latest addition is their investment policy. Mr. Brian O'Reilly from their legal team will explain to the board this new policy.

Mr. O'Reilly said the new addition is a section on finances. It includes two policies - an investment policy and swap policy. They have worked closely with the RMA's financial advisor, Estrada Hinojosa to draft that section. It is similar to what other RMA's have.

Mr. Soto asked for a motion to approve the new policy document.

Albert Muller, Sr. made a motion, seconded by Arturo Dominguez to approve the new WC-CL RMA Policy Manual. No discussion was held. Motion passed unanimously.

Please view attached Resolution 16-01 for additional information.

8. Report: Update on Reporting Requirements Applicable to Regional Mobility Authorities

Brian O'Reilly gave the board an update on new reporting requirements applicable for RMA's.

Mr. O'Reilly stated that there were different bills that passed in the last legislative session and came into effect on September 1st, or would be tied to the beginning of their fiscal year. There are various reporting requirements that the RMA needs to follow to make sure that they are not in violation. Some come with different monetary penalties. The first one is required to be submitted to the comptroller and is due by February 1st. Another one that would be applicable to the RMA and would be regarding the outstanding debt obligations and reporting it to the comptroller. A few other steps that may be of interest is the new law that revised the conflict of interest forms that will be applied to any officers that are agents to the RMA or the governmental body in regards to the planning, recommending, selecting or contracting of a vendor. It broadens out some different conflict of interest requirements. The Ethics Commission is also going to require the RMA to file their financial statements online. That is due on April 30th of this year. He stated that it was the same form but online. Mr. Soto then asked, regarding the conflict of interest changes, what is the major difference between what was there before and now. Mr. O'Reilly stated that the major difference is subject to interpretation. This one extends beyond not just the board members, but local government officers.

Mr. Juan Cruz then stated that the gift exception went down, it used to be \$250 dollars and now it went down to \$100 dollars. So if they get a gift from a vendor, before if it was over \$250 dollars they would have to report it, now anything over \$100 dollars you have to report it. Of course there are exceptions, such as meals and entertainment as a guest, but still it's a requirement to report.

9. Action Item (Resolution 16-02): Discussion, Consideration and Possible Action to Approve Work Authorization No. 2 With HNTB for Development of a Financial Plan for Loop 20/I69 Project

Mr. Soto stated that TxDOT would be presenting their financial plan at today's MPO meeting and in order to expedite the RMA's involvement with the Loop 20 - I69 projects, he would like the board to consider authorizing their GEC to incorporate TxDOT's findings and initiate a preliminary financial plan to present to the MPO when completed. Mr. Soto asked for a motion regarding the approval of the Work Authorization No. 2 to HNTB for development of a financial plan for Loop 20 - I69 projects.

Albert Muller, Sr. made a motion; seconded by Jose Murillo to approve Work Authorization No. 2 with HNTB for development of a financial plan for Loop 20 - I69 projects. No discussion was held. Motion passed unanimously.

Please view attached Resolution 16-02 for additional information.

10. Action Item (Resolution 16-03): Discussion, Consideration and Possible Action to Approve Work Authorization No. 3 with HNTB to Study Local Funding Options for RMA Projects.

Mr. Soto stated that he believed it was in the best interest of the board to be proactive and be prepared to present to the city and county leaders alternative funding options for future road projects and assist them in getting those roads built faster. Mr. Soto asked for a motion to approve Work Authorization No. 3 with HNTB to develop a study of alternative local funding options for RMA projects.

Albert Muller, Sr. made a motion; seconded by Arturo Dominguez to approve Work Authorization No. 3 with HNTB to develop a study of alternative local funding options for RMA projects. No discussion was held. Motion passed unanimously.

Mr. Oscar Lopez asked if they could be informed when they were getting the reports in. Mr. Richard Ridings stated that they anticipate having a draft on both of those issues within the next 30 to 45 days and then they will go over that draft with the board and talk about the options and answer any questions. Mr. Soto asked if they would have a rough draft by the next board meeting. Mr. Ridings stated that they would have an outline or a rough draft by the next meeting. He stated that it was really important that they sit down with the board and go through each piece of it and make sure everyone understands and reach a consensus.

Please view attached Resolution 16-03 for additional information.

11. Report: Update by HNTB on Work Authorization No. 1 on Phase 1 of the Development of the Vallecillo Road Project

Mr. Richard Ridings stated that they are requesting an extension of the original work authorization that was supposed to end December 31st. They ran into some additional questions or issues regarding financing alternatives, particularly about the potential use of new funds that have become available since the RMA authorized them to begin the report. They are requesting an extension on that and an additional \$4,000 to wrap up those findings. He stated that they were 99% completed with the Vallecillo analysis, so the rough recommendations as to what should be done and the best way to go about constructing the facility. In discussions with TxDOT, they also began to discuss some of the issues of the connection with I-35 and ways to improve that in the future, and ways to come up with alternative financing to accelerate some improvements at the intersection with 35. They ask that the board take a couple of days to review the information, some are basic recommendations which will not change in terms of financing alternatives. They will bring additional financing options and help with their recommended method of financing for the project.

Mr. Soto stated that they would have to take action at the next board meeting since the agenda didn't state they were requesting an extension.

Mr. LaMantia asked them to define their extension of time. Mr. Ridings stated that the original work authorization stated that the time extension was the 31st of December, and they are requesting time to complete additional work. That additional work would cost about \$4,000. He stated that it would be complete by March 1st.

Mr. Mendiola asked if that was enough time for the extension period if it gets approved in February. Mr. Ridings stated that they would make it to March 31st, in case they had additional questions.

Mr. Saenz stated that in regards to the supplemental work authorization no.1, part 2, states the total compensation including consultant costs and direct expenses will increase not to exceed \$4,000. The range \$30,000 to \$34,000 will not be kicked up. Mr. Ridings stated that with the \$4,000, it will then be \$34,000. Mr. Saenz asked if the payment will be made until after the work is complete. Mr. Ridings confirmed and stated that they wouldn't bill or submit until after everything is complete and everyone was satisfied with it.

12. Public Comments

Chairman Soto then introduced Pete Alvarez, TxDOT District Engineer.

Mr. Alvarez stated that he wanted to bring the board up to date on a couple of projects that they have ongoing in the area. Even through the holiday season, there was still work being done on the roads. He reported that FM1472, Mines Road, Angel Brothers was still moving forward with that project and they have an estimated completion date of May 2016, so that will address some of the needs on Mines Road. Another project on Mines Road is the concrete paving and that one is done by Reim Construction from Trade Center to Inter-America and that should be completed within a month or so. The work that's in front of the district office is still ongoing and there has been some

progress with that work. They have two projects, the one on Clark and the railroad. Those are estimated to be completed in the spring of 2018. International on Loop 20 was let in December and Anderson Columbia was the successful low bidder. There's going to be a construction of an overpass interchange. That job has been delayed because of prepping and that's estimated to take about 18 months to complete. They have 15 months but there might be some construction issues. He stated he will be addressing the MPO board today regarding funding opportunities they have available for Loop 20 and other projects in the area. For clarification, TxDOT has done some studies looking at funding mechanisms available. The bulk of those mechanisms are opportunities the RMA, the MPO and local governments, whether it be the City of Laredo or Webb County, funding mechanisms and tools that they would have available to utilize. Those tools are strictly at the discretion of the governing body; the RMA, the MPO, the City or the County. He stated that at today's MPO, he would state it in that manner. He stated that he was interested to see what HNTB would be providing as far as funding alternatives and possible funding scenarios for the various projects that they have in the community. He stated that the last time he spoke to the RMA he discussed the Laredo community coming together as one and we need to insure that as we move forward, they have the best interest of the community in mind, which they always do. They also need to insure that they have projects that are at the highest priority clearly identified. He believes the MPO as a whole has the tools, for example, prop 1, prop 7 and other mechanisms available. They, in conjunction with the other governing bodies need to insure they can prioritize those projects and then they need to identify which entity is going to be taking the lead, as in starting the environmental process, the schematic, the preliminary engineering, and then which entity is going to actually start the design work. Before we start design, we have right of way acquisition, utility adjustments that may be required. We need to clearly identify which entity will be taking the lead, it doesn't mean it has to be the sole responsibility of that one entity, but that entity will serve as a lead identifying what those needs are, insuring that all the various local governments understand what the responsibilities are so that we can work together as one. He basically just wanted to let the board know that there are several tools available to them. He stated that Richard from HNTB stated last time about the TRZ, SIB Loans, and other funding mechanisms that can become available.

Mr. LaMantia asked if Mr. Alvarez was going to make a suggestion as to what opportunities they should take, or if he was just stating these are the opportunities, which they all know, but is he going to be specific. Mr. Alvarez stated that he was not going to be specific because the governing body is the one that is going to make that decision. Mr. LaMantia stated that then he didn't have an opinion. Mr. Alvarez stated that it is the governing body's decision, not his. He cannot tell them, for example, that they must use a TRZ. He said he would elaborate more on what those options are; TRZ, SIB, Prop 1, Prop 2, MPO dollars and so forth. Mr. LaMantia said that he was not there to state an opinion on what they think is the best alternative. Mr. Alvarez stated no, that that was why they hired HNTB, for example, to provide a financial plan. He stated that TxDOT is available to provide the RMA opportunities, review the facts, and give them a courtesy review on

information that is being provided to the RMA. They are there to assist and help. It is not TxDOT's role to dictate what should be done; it's the governing body, the local government.

Mr. Soto asked if there was monies available for Mines Road for an outgoing North bound additional lane. Mr. Alvarez stated yes, they have been working with the MPO. The project he is referring to is \$4.8 million dollar project. They have done some work south bound and now they want to do work on the north bound lane. TxDOT has worked with TTI to do various studies; short term, midterm and long term range, to try and address the needs that they have now and forthcoming. The intent is to break up the projects in phases and this is just another opportunity, \$4.8 million dollars to construct a north bound lane and to provide additional capacity in that area.

Mr. Soto stated that in light of the upcoming trip to Washington, they would like to ask for Mr. Alvarez's assistance in providing them with information, like graphics, for the presentation. Mr. Alvarez stated that TxDOT was there to help and for Mr. Soto to contact him in regards to the timeline.

Mr. LaMantia stated that they were currently resurfacing Mines Road all the way up to Columbia Bridge, were they planning to go past that? Mr. Carlos Rodriguez stated that it was only up to 255, Columbia Bridge only. They already did south bound and now they were doing the north bound lane.

13. Report: Date/Time/Location of the Next Regular Board Meeting

Chairman Soto stated that the next meeting will be held on Tuesday, February 16, 2015, 9 a.m. Location TBD.

14. Adjournment

Arturo Dominguez made a motion, seconded by Oscar Lopez to adjourn the Webb County - City of Laredo RMA meeting at 9:30 a.m. Motion passed unanimously and meeting was adjourned.

MINUTES FOR THE WEBB COUNTY - CITY OF LAREDO REGIONAL MOBILITY AUTHORITY BOARD OF DIRECTORS MEETING HELD ON JANUARY 19, 2016 WERE APPROVED ON THIS THE 16th DAY OF FEBRUARY 2016.

Submitted by:

Marissa J. Montoya
Office Technician
TxDOT Laredo Dist.