

**Webb County – City of Laredo
Regional Mobility Authority (RMA)
Board of Directors Meeting
Monday, June 15, 2015
9:00 AM**

Minutes

The Webb County – City of Laredo Regional Mobility Authority Board of Directors convened in a meeting at 9:05 a.m. on Monday, June 15, 2015 at the Texas Department of Transportation (TxDOT) Office in the Laredo District Meeting Room, 1817 Bob Bullock Loop, Laredo, TX. They discussed the following agenda:

Minutes are as follows:

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

Absent: Steve LaMantia, Board Member for Precinct 1 (Unassigned) and Board Member for Districts 7 & 8 (Unassigned)

Others: Mike Graham, Environmental Coordinator, TxDOT Laredo District
Raul Leal, Public Information Officer, TxDOT Laredo District (Photographer)
Marissa Montoya, Office Technician, TxDOT Laredo District (Registration, Note taker)
Araceli Rangel, Staff Assistant, CPA Office of Ruben Soto, Jr. (Note taker)
Brian Cassidy, Locke Lord, LLP (Legal Counsel / Speaker)
Stephen Trautmann, Jr., J. Cruz & Associates, LLC (Legal Counsel)
Gerald Schwebel, I-69 Alliance (Speaker)
Kyle Madsen, TxDOT Right of Way Supervisor (Speaker)
Albert Ramirez, TP&D Director, TxDOT Laredo District (Speaker)
Carlos Rodriguez, Area Engineer, TxDOT Laredo District (Speaker)

1. Open Meeting, Establish Quorum, Welcome and Opening Remarks – Ruben Soto

After establishing a quorum, Presiding Officer, Ruben Soto, Jr., called the meeting to order at 9:05 a.m. He then announced the following Board Members present; Alfonso Mendiola, Paul Saenz, Jose Murillo, Albert Muller, Sr., Oscar Lopez and himself, Ruben Soto, Jr. He notified everyone present that the meeting was posted in accordance with the Texas Open Meetings Act, then asked everyone to stand for the Invocation and Pledge of Allegiance.

Chairman Soto informed all present that the meeting was being recorded and thanked TxDOT for hosting. He thanked Melisa Montemayor, TxDOT Laredo District Administrator, who wasn't able to attend. He also thanked Mike Graham, Marissa Montoya and Araceli Rangel for assisting with the minutes and preparations for the meeting.

2. Action: Discussion/Action to Approve May 18, 2015 Meeting Minutes

Chairman Soto stated that the Board Members had been supplied a copy of the May 18, 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 May 18, 2015 as presented.

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

3. Report: Discussion on the Development of a WCCL-RMA Strategic Plan

Chairman Soto stated that the Strategic Plan was a work-in-progress and encouraged all Board Members to review and propose any edits or additions to Mike Graham, TxDOT Environmental Coordinator. Mike established a draft of the initial Plan so the Board may have input in the process.

4. Action: Discussion and Possible Action Regarding Approval of Selected Portions of Policy Manual (Procurement, Conflicts of Interest)

Chairman Soto stated that the Board Members had been supplied selected portions of the Policy Manual. Mr. Soto notified the Board of the changes in By-Laws that reflect the length of terms the Directors that can serve from four years max to two years as to abide to State Law. The terms will still be staggered from one to two year terms initially, so if a Board Member drew the short term, a Board Member will have the one year term, if a Board Member drew the long term, the Board Member will have the two year term. The terms are now as follows:

Jose Murillo - 1 Year
Alfonso Mendiola - 1 Year
Paul Saenz - 2 Years
Oscar Lopez - 2 Years
Steve LaMantia - 1 Year
Albert Muller, Sr. - 2 Years

Mr. Soto then deferred to Brian Cassidy, Locke Lord, LLP, to explain the By-Laws.

Brian Cassidy stated that at the last meeting, the Board Members discussed the policy code and incrementally added chapters to it and prioritizing those as needed. With respect to the By-Laws, the only change that was adopted previously is the change from the four year to the two year terms. That change is reflected in the draft. There is a requirement in the By-Laws that the City and the County be provided with ten days advance notice of amendments to the By-Laws. Mr. Cassidy suggested that the Board adopt the By-Laws, Procurement Policies, Conflict of Interest Policies, and then they will notify the City and the County. At the next meeting, they will ratify the By-Laws so the changes can be in compliance with the amendment requirements in the By-Laws.

Mr. Soto asked for a motion regarding the adoption of the By-Laws, Procurement and Conflict of Interest sections of the policy manual, subject to ratification of the By-Laws after the ten day notice has been posted.

Oscar Lopez made a motion, seconded by Albert Muller, Sr. to approve By-Laws. No discussion was held. Motion carried by unanimous vote.

Please view attached Policy Code Draft for additional information.

5. Report: Update on Contributions From the City of Laredo and Webb County on Providing Funds for WCCL-RMA Non-Project Operating Expenses

Chairman Soto said they are still working on getting estimates. He then asked Oscar Lopez to give them an update on the insurance.

Mr. Lopez stated that he made contact with a few insurance agents in contact with Mr. Espinoza from the Central Texas Regional Mobility Authority. He received some information and will be showing it to the insurance companies for quotes. Mr. Lopez said he should have some quotes and ideas about the cost for the required insurance by the next Board meeting.

Mr. Soto requested their legal team provide estimates of fees on what has been done, what they foresee in the future until the time the RMA gets their first project underway.

6. Action: Discussion on Webb County Resolution of RMA's Project Sponsorship of Vallecillo Road

Chairman Soto stated that on May 26, 2015 meeting of the Webb County Commissioner's court there was discussion and possible action to approve a resolution supporting the Webb County City of Laredo Regional Mobility Authority to be designated as the project sponsor for the right of way acquisition and development of the Vallecillo Road project to connect and provide access from FM 1472 (Mines Rd.) to IH-35. It was passed unanimously. Officially the WC-CL RMA will be taking the lead on that project.

7. Action: Discussion and Possible Action to Approve the Vehicle Registration Fund Inter-local Agreement (ILA) with Webb County

Chairman Soto then asked Mr. Cassidy to update them on the status of the Vehicle Registration Fund ILA with Webb County.

Brian Cassidy stated that Locke Lord, LLP reviewed a draft of the agreement at the last meeting. After that meeting, they sat down with the County office and went over the changes on the draft agreement which was based on another RMA that has similar circumstances. The Vallecillo Road project is in the agreement. The Commissioner's Court also gave their support. Subject to Directors' approval, they will send the inter-local agreement to the County to get approved.

Mr. Soto stated that the Board has been provided the final draft of the inter-local agreement, including Vallecillo Road project. He then asked for a motion to approve the inter-local agreement as revised.

Jose Murillo made a motion, seconded by Albert Muller, Sr. to approve the inter-local agreement as revised. No discussion was held. Motion carried by unanimous vote.

Please view attached inter local-agreement document for additional information.

8. Report: Update on Web site development

Chairman Soto reported that J. Cruz & Associates have offered their assistant, Petra Ruiz, to assist them with the web site. The site is webbrma.com. The next step is getting assistance with menu items for posting content such as minutes of previous meetings, agendas, RFQs and RFPs. He will inquire if the County can assist.

9. Report: Discussion on meeting with Landon Hairgrove and Ana Garcia from U.S. Sen. John Cornyn's office and I-69 update by Gerald Schwebel

Mr. Soto stated that on May 27th, IBC hosted a meeting with community leaders and stakeholders regarding transportation issues affecting the Webb area. Landon Hairgrove, Legislative Assistant, and Ana Garcia, South Texas Regional Director Outreach Advisor, from Senator John Cornyn's office were present to hear the issues, which would then be relayed to the Senator. Mr. Soto then introduced Mr. Gerry Schwebel, Executive Committee Board Member of the I-69 Alliance, to give a brief summary of the meeting and I-69 developments.

Mr. Schwebel stated Senator Cornyn's staff objective was to get input regarding the highway trust fund, the reauthorization bill, and an update on the I-69 projects. The first part of the discussion focused on the appropriation side. The highway trust fund will receive a two month (short term) extension. There will possibly be another short term extension through the end of the year. However, they are looking for a long term, six year, extension of the highway trust fund. In addition to that, the highway appropriation committee approved, for the fiscal year 2016, the transportation housing urban development bill for fifty-five million dollars in discretionary spending. In addition to that, the bill included one hundred million for national infrastructure investment grants, which are tiger grants. Those grants are project specific. This is in addition to what TxDOT gets through the highway trust fund. Mr. Schwebel also stated that it would be good for the RMA to know how tiger grants work for the future, if it's appropriated. On July 8th, there is a Freight Mobility Forum for I-69 in Dallas, Tx, focusing on the state freight mobility plan that was put together by TxDOT, Texas A&M and also the University of Texas.

Regarding the tiger grants, Mr. Soto questioned, since the deadline has already passed, is the one hundred million that they are allocating for next year? Mr. Schwebel responded that right now, those funds have already been identified. They don't know when additional tiger grants would be available, but they have been receiving them for the last few years. Mr. Soto said that they would look out for that next year.

10. Report: Updates on the status of the US 59/Loop 20/I-69 Projects - Melisa D. Montemayor (TxDOT Laredo District Administrator and Staff)

Chairman Soto introduced Mike Graham, TxDOT Environmental Coordinator, to give an update on US 59, Loop 20 and I-69 Projects.

Mr. Graham stated that he would discuss two main things that are interrelated with US 59, I-69 Project. One is the environmental status of the environmental work that they are doing, the other is acquisitions. Kyle Madsen, Right of Way Division, will talk about early acquisitions. This came up at the MPO meeting last month, so Right of Way Division is providing the information to the RMA Board. The other factor that is important in this process is the funding. As of now, there is nothing to present as far as an update of the funding plan or the financial plans for this month. By next month, Right of Way Division should have some of the studies on tolling revenues. Mr. Graham then introduced Kyle Madsen, TxDOT Right of Way Supervisor for Laredo and San Antonio.

Mr. Madsen stated that early or advanced acquisition on projects such as I-69, basically when acquiring Right of Way parcels, after environmental clearance, and prior to federal funding being in place, the issue is that all these acquisitions are done at risk. This means that Board Members are risking their federal funding if they are not done correctly. There is limited authority for TxDOT to do early acquisitions; basically the transportation code gives TxDOT the ability to purchase options. These options would be, for example, they go to the property owner and enter into a contract with them, where they could, in the future, purchase their property at a certain price, according to the contract. TxDOT also has a couple of tools that they use on a parcel by parcel basis, depending on certain situations, these are hardship acquisitions. This is when a property owner comes to them and requests that they purchase the property in advance because of a medical issue or financial hardship. Another one is a protected buy, this is when the property is about to be developed and it's going to increase the price of the acquisition. They can, in limited cases, on a parcel by parcel basis, go out and purchase the property beforehand and the third way is through donations. All of these are done at risk. They have to be done in a way that it doesn't influence the environmental document or the choice alignment of the project in its final status. They all have to comply with the Uniform Act. The uniform relocation assistance policy act that was passed in 1970 is basically the federal law that breaks down how to treat property owners when one acquires property. Since there is such a risk, they typically discourage early acquisition, and TxDOT rarely does it. When he says that federal funding is at risk, the federal government won't participate in the acquisition of that parcel, or they could pull all federal funds from your project, including the construction side of the project.

Mr. Soto asked if, for example, they have the I-69 project and they know the alignment, if they were to do early acquisition on some of this property, and if everything is planned accordingly, how can that be seen negatively? Mr. Madsen stated that if it is done on a limited basis, because there is a preferred alignment and a build/no build option, at some point, when ~~you~~ one purchases too much property along the project, the feds can come in and say that you have purchased so much property that it's going to influence your choice of what your choosing between no build option and a build option. A subjective test is done and it's up to FHWA when that line is crossed. Mr. Paul Saenz questioned at what point can they start acquiring property? Mr. Madsen stated that TxDOT has a full release on a project when they start acquiring a property, which means they have environmental clearance on a project, they have federal funding in place, and they have any local contributions that are needed for a project. Typically local public agencies are responsible for 10% of the acquisition cost on a project. When they have all that in place, they get a full release from the Right of Way Division headquarters that would allow them to acquire the property. Mr. Saenz asked as far as this

project is concerned, how far along is that process? Mr. Madsen replied that as of now there are no right of way funds programmed for this project, so he has no money to buy right of way at the moment.

Mr. Graham presented the environmental status on the US 59/ Loop 20 / I-69 project. Please view attached environmental status PowerPoint presentation for additional information.

Mr. Albert Muller, Sr. asked for an update on the Mines Road project, which would start construction in August. Mr. Graham asked for Mr. Albert Ramirez, TxDOT TP&D Director, to give an update on Mines Road. Mr. Ramirez stated that this project went from design into construction, so he asked for Mr. Carlos Rodriguez, TxDOT Area Engineer, to elaborate on the status of the project. Mr. Graham confirmed that it was the project on FM 1472. Mr. Rodriguez stated that it went through a pre-construction meeting and is scheduled to start. Mr. Muller asked what was going to be done. Mr. Rodriguez stated that right now TxDot has four intersections where they will be replacing the hot mix with concrete. Mr. Muller asked if they would be adding any lanes. Mr. Rodriguez said there would be no added lanes. Mr. Ramirez stated that TxDot is basically removing the hot mix and replacing it with concrete. They are reconstructing the existing pavement. They said they would get with Mr. Muller after the RMA meeting to show him the plans for the project.

11. Report: Legislative Update (Brian Cassidy, Locke Lord, LLP, Legal Counsel)

Mr. Soto then asked for Mr. Brian Cassidy to give them a legislative update. Mr. Cassidy stated that there was a funding bill with theories from the House and the Senate, both dedicating significant amount of money to transportation but both having a different way of doing it. The result was a compromise of the two such that, subject to a constitutional amendment, there will be two and a half billion dollars of sales tax dedicated to state highway funds beginning in 2017. 35% in the motor vehicle sales tax, over five million dollars, in 2019. Funds are restricted in a sense because it can only be used by right of way for public roadways other than toll roads. Not toll roads, or transit and other non-roadway purposes. Mr. Soto stated that by constitutional amendment means that the voters have to vote for it. Mr. Cassidy confirmed his statement. He stated that it would be this November. House Bill 20 implements a requirement on TxDOT to engage in different types of rule makings that will establish a performance based criteria for their procurement process for project implementation process, it also requires rule making on project selection priority criteria. The policy they develop is how the projects will be selected for funding. It will require the MPOs to come up with their own project selection criteria. In House Bill 20, on the funding side, it eliminates the requirement that state highway funds be used to pay for the leasing of roadways. The Texas Mobility Fund in 2003 was a revolving fund that would allow loans and grants to be made for various types of projects, including toll projects. Legislature restricted TxDOT and any excess proceeds from toll roads. HB2612 is requiring a study for toll roads. Requiring a study to determine how much toll road debt is across the state and what it would take to eliminate toll road debt and tolls on a project. This is in effort to respond to the anti-toll discussions. Nothing significant passed regarding anti-tolling. Mr. Muller stated that he received some information from Phil King, Representative from Parker and Wise County, and his email stated that at the end of the legislature, all the money in the Texas Highway fund will pay for transportation instead of other programs. The change will increase transportation funding by 1.3 billion dollars over two years. Parker and Wise County also support its senate joint resolution which proposed a constitutional amendment,

which would dedicate 2.5 billion dollars from the State sales tax revenue to transportation every two years.

12. Action: Discussion and Possible Action on Posting Temporary/Permanent Executive Director Position or Consultant; Job Description Re: Same; and Matters Related Thereto (Possible Closed Session - Texas Government Code Section 551.071)

Chairman Soto asked to disregard this agenda item due to it being discussed at a previous meeting.

13. Closed Session: Board will adjourn into closed session pursuant to the following sections of the Texas Open Meetings Act

A. 551.071 Consultation with Board's Attorney

1. RFP for Financial Advisor(s)

2. RFQ for General Engineering Consultant(s)

Chairman Soto stated that an email was sent to the Board Members with a draft of the RFQ and the RFP for both services. He asked if any Board Members would like to go into Executive Session to discuss the particulars. Mr. Paul Saenz requested to enter into Executive Session in order to go over the documents.

Mr. Soto dismissed for Executive Session pursuant to Section 551.071 of the Texas Government Code to consult with legal counsel regarding the RFQ's at 9:58 a.m. Executive Session officially opened at 10:04 a.m.

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Chairman Soto asked for a motion to close the Executive Session at 10:23 a.m.

Paul Saenz made a motion, seconded by Oscar Lopez to close the Executive Session. No discussion was held. Motion carried.

**14. Reconvene from Closed Session; the Board may take action on items, if necessary, as discussed in Closed Session**

**1. Action: Discussion and Possible Action to Approve Issuance of a Request for Qualifications for General Engineering Consulting Services**

**2. Action: Discussion and Possible Action to Approve Issuance of a Request for Proposals for Financial Advisory Services**

Chairman Soto asked for a motion to approve the RFQ and RFP for General Engineering Consultant Services and Financial Advisory Services.

Oscar Lopez made a motion, seconded by Jose Murillo to approve the RFQs and RFPs. No discussion was held. Motion carried by unanimous vote.

Mr. Soto then asked Mr. Cassidy to explain the process and procedures for the RFQs and RFPs. Mr. Cassidy stated that the RFQs would be posted on the web site today, June 15, 2015, both for the General Engineering Consulting Services and the Financial Advisory Services. It

will have a June 15<sup>th</sup> issue date and responses will be due July 24, 2015 at 3 p.m. The question deadline will be July 15, 2015 at 5 p.m. The submissions will be made through Juan Cruz's office and questions will be directed to Locke Lord (Cassidy). Information will be posted on the RMA website. After the submissions, the evaluating committee will evaluate and recommend from the short list.

Please view attached RFQs and RFPs for General Engineering Consultant Services and Financial Advisory Services for additional information.

#### 15. Public Comments

No public comments.

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

Chairman Soto proposed the July meeting be rescheduled to have time to go over the evaluation committee's recommendation of RFQ and RFP submissions. The next meeting will be held on Monday, August 17, 2015, at 9 a.m. Location to be announced.

#### 17. Action: Adjournment

Albert Muller, Sr. made a motion, seconded by Alfonso Mendiola to adjourn the Webb County - City of Laredo RMA meeting at 10:27 a.m. Motion carried by unanimous vote.

#### Action Items Previously Discussed

| Date     | Action Item                                                                                                                                                                                                                                                                                                                                                                                                                                            | Date Completed |
|----------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|
| 11/17/14 | <b>Legal Responsibilities:</b> <ul style="list-style-type: none"> <li>• Surety Bonds</li> <li>• Conflict of Interest Policy forms</li> <li>• Procurement Policy <u>(Completed 6/15/15)</u></li> <li>• File an annual Personal Financial Statement (Completed 2/24/15)</li> <li>• Training on responsibilities under the Open Meetings Act and Publication Information Act</li> <li>• Nepotism laws</li> <li>• Ethics and Compliance Program</li> </ul> |                |
| 11/17/14 | <b>Future Services / Facilities Required:</b> <ul style="list-style-type: none"> <li>• Lease facilities for staff</li> <li>• Banking services (Finance Committee will need to draw up agreement with county to agree how much the \$10 fee will go to RMA and then set up an account.)</li> <li>• Legal counsel (Completed 4/20/15)</li> <li>• Financial advisory services <u>(In process)</u></li> <li>• Accounting and auditing services</li> </ul>  |                |



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|  | <ul style="list-style-type: none"> <li>• Public informational material</li> <li>• Branding, web site design &amp; maintenance (In process)</li> <li>• Inter-local Agreements- TRZ, Toll Equity Bonds, Tolling (Completed 6/15/15)</li> <li>• Executive Director (job description to be developed and posted when needed with experience in business, management, state policy and TxDOT)</li> <li>• Staffing (Receptionist, secretary (preferably paralegal), executive director and support staff.)</li> </ul> |  |
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MINUTES FOR THE WEBB COUNTY - CITY OF LAREDO REGIONAL MOBILITY AUTHORITY BOARD OF DIRECTORS MEETING HELD ON JUNE 15, 2015 WERE COMPLETED ON THIS THE 10th DAY OF AUGUST 2015.

Submitted by:  
 Marissa J. Montoya  
 Office Technician  
 TxDOT Laredo Dist.