

MINUTES  
FORT BEND COUNTY TOLL ROAD AUTHORITY

January 20, 2016

The Board of Directors (the "Board") of the Fort Bend County Toll Road Authority (the "Authority") met in regular session, open to the public, on the 20<sup>th</sup> day of January, 2016, at the offices of the Greater Fort Bend Economic Development Council, One Fluor Daniel Drive, Sugar Land, Texas, and the roll was called of the members of the Board:

James D. Condrey, DDS	Chairman
Bobbie A. Tallas	Vice Chairman
Charles Rencher	Secretary
Dean Hrbacek	Assistant Secretary
William D. Kee, III	Treasurer/Assistant Vice Chairman

and all of the above were present, thus constituting a quorum.

Also present for all or part of the meeting were: Mark Heidaker of Property Acquisition Services, LLC; Howard Caldwell of LJA Engineering, Inc.; Cliff Kavanaugh of First Southwest Company; Andy Boswell of Bio-West Inc.; John Maples of CDM Smith; Scott Kirby of Aguirre + Fields ("A&F"); Karen Vannerson, James Harris, and Brian Harris of Linebarger Goggan Blair & Sampson LLP; Zak Vermillion of Ramos Consulting; Raj Basavaraju of HNTB; Gary Gehbauer of Brown & Gay Engineers, Inc.; Terence Wall of Fort Bend County Constables Office Precinct 3; Richard Stolleis and Cindy Pribyl of Fort Bend County (the "County"); Michael Stone, Phil Martin and Megan Brown of Mike Stone Associates, Inc. ("MSA"); Richard Muller and Amy N. Love of The Muller Law Group ("MLG"). A list of others in attendance is attached.

Director Condrey called the meeting to order.

RECEIVE PUBLIC COMMENTS

Director Condrey opened the meeting to receive public comments. There being no public comments, Director Condrey closed the meeting to public comments.

CONSENT AGENDA

Director Rencher moved to approve the following Consent Agenda items: (1) the meeting minutes from December 16, 2015; (2) the bookkeeper's report, including payment of bills; (3) the operating report; and (4) the sworn statements, bonds, and oaths of office for members of the Board of Directors. Director Hrbacek seconded the motion, which was approved by unanimous vote. Copies of documents related to Consent Agenda items are included in the attached Board Book. Copies of the summary of construction pay invoices are attached.

FORT BEND COUNTY, TEXAS, SENIOR LIEN TOLL ROAD REVENUE BONDS, SERIES 2016 BOND ISSUE

Mr. Kavanaugh gave an update on the Fort Bend County, Texas, Senior Lien Toll Road Revenue Bonds, Series 2016 bond issue. He reviewed a pricing book that showed a historical

interest rate graph, final numbers, a list of underwriters and rating reports. A copy of the pricing book is included in the attached Board Book. No Board action was needed.

#### DISCLOSURE OF INTERESTED PARTIES IN DISTRICT CONTRACTS

Mr. Muller stated that the Texas Legislature passed a bill imposing new requirements for contracts entered into by governmental entities. He added that a business entity must disclose certain interested parties, intermediaries, and controlling interests when seeking any contract that is in excess of \$1 million or requires an action or vote by the governing body before a governmental entity may enter into the contract. Mr. Muller explained that business entities are required to fill out a disclosure form, which can be found on the Texas Ethics Commission website, and have the form notarized. He added that a governmental entity cannot enter into a contract until proper disclosure forms are received by the Authority. Mr. Muller stressed that HB 1295 affects all contracts entered into by all Texas governmental entities, including construction contracts, consultant and service contracts and bond-related contracts. No action was needed by the Board.

#### UPDATE ON FILING OF REQUIRED DOCUMENTATION OF EMINENT DOMAIN AUTHORITY IN TEXAS

Mr. Muller stated that SB 1812 (2015) requires all public and private entities with eminent domain authority to annually file a report with the Comptroller of Public Accounts. He added that MLG has filed this report for the Authority for calendar year 2015. No Board action was needed.

#### APPROVE TEMPORARY USE AGREEMENT WITH LONE STAR CONSTRUCTION

Mr. Stone stated that the Authority received a request from Lone Star Road Construction, Ltd. ("LSRC") regarding use of a temporary office site on property owned by the Authority. He stated that MSA and MLG reviewed the request and does not object to the Board granting the request. Discussion ensued regarding the project that LSRC is using the property for. Following review and discussion, Director Hrbacek moved to authorize execution of the Temporary Use Agreement, subject to MSA communicating with the Harris County Toll Road Authority ("HCTRA") and approval by Commissioners Court. Director Rencher seconded the motion, which was approved by unanimous vote. Mr. Muller added that LSRC submitted a Form 1295 in connection with this Agreement.

#### ADDITIONAL OPERATING MATTERS

Mr. Stone discussed additional operating matters. Mr. Gehbauer stated that the contractor has completed all of the work on the roadway signing and pavement markings project however there are punch list items that need to be done. Mr. Stone added that MSA is assessing the full amount of the liquidated damages available in the contract for every day the project is ongoing.

The Board discussed the possibility of issuing non-tag customers invoices in lieu of violation notices. Mr. Stone stated that MSA is waiting on additional information from Xerox before this process can be implemented. He added that Segment "F" of the Grand Parkway is scheduled to open February 2016 and recommended the Board authorize MSA the discretion to waive penalty fees of customers without toll tags while the Authority works on implementing the new policy. Following discussion, the Board concurred to allow MSA to waive penalty fees of customers without toll tags at their discretion.

Mr. Stone then reviewed complaints the Authority received from the Better Business Bureau ("BBB"). He stated that the common issue is that customers assume when they handle an issue with HCTRA that the issue will be handled with the Authority as well and that is not the case. Mr. Stone added that all of the accounts in which the Authority received complaints from are currently in good standing. Mr. Muller asked if the Board would like MLG or MSA to respond to the complaints from the BBB. Discussion ensued and the Board concurred not to respond to the complaints received from the BBB.

#### FORT BEND PARKWAY STATE HIGHWAY 6 CROSSING

Mr. Gehbauer gave an update on the status of construction of the State Highway 6 Crossing project. He stated that many of the utilities that were delaying the project have been relocated and the project is moving forward. No Board action was needed.

#### WESTPARK EXTENSION, PROJECT B

Mr. Stolleis gave an update on the status of Westpark Extension, Project B and reviewed the bids that were received. He stated that the County awarded the contract to the low bidder, Webber, LLC and that a preconstruction conference will be scheduled for mid-February.

Mr. Muller then distributed and reviewed a Memorandum of Understanding on Project Cost Allocation with the County. He asked that Board members and consultants review the Memorandum and contact MLG with any questions and/or revisions. No Board action was taken.

#### FORT BEND PARKWAY, PROJECT C

Mr. Gehbauer gave an update on the Fort Bend Parkway, Project C project (Grand Outer Loop corridor). He recommended the Board authorize execution of an Environmental Services Agreement with Bio-West, Inc. as the Authority's environmental consultant on this project. Following review and discussion, Director Kee moved to authorize execution of an Environmental Services Agreement with Bio-West, Inc. as the Authority's environmental consultant for Project C, subject to approval by Commissioners Court. Director Tallas seconded the motion, which was approved by unanimous vote. Mr. Muller added that Bio-West, Inc. submitted a Form 1295 in connection with this Agreement.

#### CONVENE IN EXECUTIVE SESSION PURSUANT TO SECTION 551.072, TEXAS GOVERNMENT CODE, TO DELIBERATE THE PURCHASE, EXCHANGE, LEASE, OR VALUE OF REAL PROPERTY

The Board did not convene in Executive Session.

There being no further business to come before the Board, the meeting was adjourned.



*Asst.* Secretary, Board of Directors

LIST OF ATTACHMENTS

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