

MINUTES

**HIDALGO COUNTY REGIONAL MOBILITY AUTHORITY (HCRMA)
BOARD OF DIRECTORS MEETING
5:30 P.M. – THURSDAY, OCTOBER 09, 2008
CITY OF MCALLEN – CITY COMMISSION ROOM
1300 HOUSTON
MCALLEN, TEXAS**

The Hidalgo County Regional Mobility Authority (HCRMA) Board of Directors held a regular meeting at 5:30 p.m. on Thursday, October 09, 2008 at the City of McAllen, City Commission Room, McAllen, TX.

In attendance were:

Board Members

Mr. Dennis Burleson, Chairman
Mr. Rick Perez, Vice Chairman
Mr. Ramiro, Salazar, Secretary-Treasurer
Mr. Ramon Garcia
Mr. Joe Olivarez
Mr. Ricardo Perez

Others

Ms. Maria Champine
Mr. Ken N. Jones, LRGVDC
Mr. Victor Morales, LRGVDC
Ms. Blakely Fernandez, Tuggey Rosenthal Pauerstein Sandoloski Agather LLP
Mr. Ron Morrison, RBC
Ms. Cheryl Bellamy, Salinas Allen & Schmitt
Mr. Everett Owen, Owen Consulting
Mr. Mario Jorge, TxDOT
Ms. Norma Y. Garza, TxDOT
Mr. Gerry Pate, HCRB

1. CALL TO ORDER AND ESTABLISHMENT OF A QUORUM

Chairman Dennis Burleson called the meeting to order at 5:50pm and announced that a quorum of voting members was present.

2. PUBLIC COMMENTS

Chairman Burleson welcomed everyone in the audience to tonight's meeting and thanked Commissioner Scott Crane, City of McAllen, for allowing the HCRMA use their facility. Mr. Rick Perez also welcomed Mayor Pedro Contreras, City of San Juan.

3. CONSENT ITEMS:

A. Consideration and Approval of Minutes for Regular Meeting – September 25, 2008

Mr. Ramiro Salazar made a motion to approve the September 25, 2008 Meeting Minutes as presented. Mr. Ricardo Perez seconded the motion and, upon a vote, the motion carried unanimously.

B. Consideration and Approval of Financial Reports – Cheryl Bellamy, SAS, LLP.

Ms. Cheryl Bellamy, SAS, gave a brief summary of the Financial Reports. She noted that currently the HCRMA has over \$2,830,000 million in the bank. She stated that the Vehicle Registration checks from Hidalgo County have been deposited on a monthly basis. Ms. Bellamy stated that the transfer of funds from the LRGVDC accounts are almost finalized and only a certain amount is pending due to invoices that have not cleared.

Mr. Ramiro Salazar made a motion to approve the Financial Reports as presented. Mr. Ramon Garcia seconded the motion and, upon a vote, the motion carried unanimously.

C. Consideration and Approval of Outstanding Invoices and Travel Requests

Ms. Maria Champine stated that the expense report listed all of the invoices that needed to be paid. She stated that Board Member Ramiro Salazar had previously reviewed all of the billing and had approved them for payment. Mr. Everett Owen gave a brief clarification of the PBS&J Invoice to the Board Members. Mr. Ramiro advised the Board members that he met with Mr. Owen regarding the invoice and agreed to revise the future invoices from PBS&J.

Mr. Ramiro Salazar made a motion to approve the Outstanding Invoices and Travel Requests as presented. Mr. Joe Olivarez seconded the motion and, upon a vote, the motion carried unanimously.

4. PRESENTATION OF REPORTS:

A. MARIO JORGE, P.E. TEXAS DEPT. OF TRANSPORTATION

Mr. Jorge stated that he is looking forward to being an official partner in the development of the Hidalgo County Loop Project. He stated that TxDOT has been meeting and reviewing schematics with HCRB. They are looking at connections, connectivity and major highways. After TxDOT approves the schematics, these will be presented to the RMA Board members, as well as to the Hidalgo County MPO Policy Committee. Mr. Jorge advised the board that TxDOT has also been gathering information regarding state funding that may become available. He noted that the Transportation Commission is considering new bonding capacity for the pass-through financing program, which may be made available in the upcoming months. Mr. Jorge advised the Board members that TxDOT has scheduled a Town Hall meeting on November 5, 2008 at STCC in McAllen. Mr. Jorge stated that a designee will need to be chosen to be a part of the panel for the Town Hall Meeting. Mr. Burleson stated that this Town Hall meeting will be posted on the HCRMA website. ***Reports only, no action taken at this time***

B. RON MORRISON, RBC CAPITAL MARKETS

- a. Review of Cash Flow. This item was tabled for a future meeting.
- b. Update on Investment Policies and Procedures

Mr. Morrison stated that he is creating the investment procedures which are needed for the Investment Officer. He will start working with the investment officer in the upcoming months. ***Reports only, no action taken at this time***

C. EVERETT OWEN, PROJECT CONSULTANT

- a. Update on status of Project, including milestones achieved

Mr. Owen stated that the agreement with TxDOT posted for consideration will allow the state to participate in the environmental process. He stated that the schematics will include sections A, B & C. Mr. Owen noted that he will be involved in the comments and will review the schematics. He stated that he has already received several submittals from PBS&J. ***Reports only, no action taken at this time***

D. GERRY PATE, HIDALGO COUNTY ROAD BUILDERS

- a. Project Update, including milestones achieved
- b. Public Outreach Update
- c. Transportation Reinvestment Zone Update
- d. Right of Way Update

Mr. Pate stated that they have been having very good meetings with TxDOT over the schematics. He stated that once the review of the schematics is done; HCRB will begin focusing on the financing of the project. With regard to the Transportation Reinvestment Zone, HCRB is scheduled to give a presentation to Hidalgo County Commissioners Court, as per the HCRMA's request,. They will present a study to the County projecting the amount of revenue available for each section. The County will be scheduling a Public Hearing.

After the Public Hearing, there will be a 30-day waiting period prior to the adoption of an order. The Board members requested to see the TRZ study before it is presented to the County. Mr. Pate offered to present a draft copy of the report. Mr. Burleson requested the actual copy of the Study that was going to be presented to the County Commissioners Court. Mr. Burleson requested that the Planning Committee review and consider the pass-through application. Mr. Ricardo Perez asked about the financing of the Project and expressed concerns about the current market and the ability to complete the Project. **Reports only, no action taken at this time.**

E. Tracy Hill & Sharon Becca, PBS&J, Environmental Consultant

a. Update on Environmental Review Process

Ms. Sharon Becca, PBS&J, gave a brief status report on the environmental review and provided a handout for the Board members to review. She stated that they have begun mobilizing in section A and have begun submitting deliverables. She noted that desktop evaluations have run across archeological sites in section A and PBS&J has submitted this part to TxDOT for review. PBS&J will be scheduling a meeting with the Hidalgo County MPO staff.

5. DISCUSSION, CONSIDERATION, AND POSSIBLE ACTION TO MODIFY SCOPE OF HCRB AGREEMENT TO INCLUDE MODIFICATIONS TO SECTIONS A-3 AND B OF THE LOOP PROJECT

Mr. Everett Owen presented a contract modification to the Preliminary Development Agreement including modifications to Sections A-3 and B of the Loop Project. Mr. Owen described the financial impact of this increase in scope.

Mr. Joe Olivarez made a motion to approve to modify scope of HCRB agreement to include modifications to sections A-3 and B of the Loop Project as presented. Mr. Ramiro Salazar seconded the motion and, upon a vote, the motion carried unanimously.

6. DISCUSSION, CONSIDERATION, AND APPROVAL OF SECOND AMENDMENT TO PRELIMINARY PROJECT DEVELOPMENT AGREEMENT

Mr. Owen provided the Board a proposal from HCRB. Mr. Burleson asked what costs would be for the increase of scope. Mr. Owen noted that the cost is similar to the structure in place under the current agreement. In order for the entire revised scope be completed, a portion of the financial obligation under the PDA will have to be included in the construction financing.

Mr. Ramiro Salazar made a motion to approve the second Amendment to Preliminary Project Development Agreement as presented. Mr. Joe Olivarez seconded the motion and, upon a vote, the motion carried unanimously.

7. DISCUSSION, CONSIDERATION, AND APPROVAL OF FIRST AMENDMENT TO PROFESSIONAL SERVICES AGREEMENT WITH PBS&J.

Mr. Owen stated that at this time; negotiating has not been finalized and this item needs to be tabled. This item will be brought back next month for further consideration.

Mr. Ramiro Salazar made a motion to table this item and bring it back next month. Mr. Joe Olivarez seconded the motion and, upon a vote, the motion carried unanimously.

8. DISCUSSION, CONSIDERATION, AND APPROVAL OF ADVANCED FUNDING AGREEMENT WITH TXDOT

Mr. Owen stated that the HCRMA Board will need to adopt the funding agreement in order to officially bring TxDOT in as a partner to the Loop Project. Changes have been made to a previously circulated version to make the agreement more compatible with the project. The funding under this agreement will be a little over \$1 million. In order for the HCRMA to receive the Federal funds; the Board will need to adopt the Advance Funding Agreement with TxDOT.

Mr. Ramiro Salazar made a motion to approve the Advanced Funding Agreement with TxDOT. Vice-Chairman Rick Perez seconded the motion and, upon a vote, the motion carried unanimously.

9. DISCUSSION, CONSIDERATION, AND POSSIBLE ADOPTION OF TRAVEL POLICY

Mr. Burleson stated that an updated Travel Policy was provided to all of the Board members for review. The County recently updated their travel policies. He stated that the HCRMA adopted to use the County’s Travel Policy back in 2006. Mr. Burleson stated that he has reviewed the policy and there are only minor changes that were made.

Mr. Joe Olivarez made a motion to approve the updated Travel Policy. Mr. Ramiro Salazar seconded the motion and, upon a vote, the motion carried unanimously.

10. CONSIDER APPROVAL OF DRAFT RFP FOR AUDIT SERVICES

Mr. Victor Morales, LRGVDC Procurement Officer, stated that a draft copy of the RFP was included for everyone to review. Mr. Burleson suggested that the Executive Committee meet and review the RFP. *Mr. Joe Olivarez made a motion to approve the Executive Committee review and release the draft RFP for Audit Services. Mr. Rick Perez seconded the motion and, upon a vote, the motion carried unanimously.*

11. PUBLIC OUTREACH

- A. November 13th RMA Meeting – Location – LRGVDC Transit Center / Weslaco
- B. TeamTX Meeting – November 13-14
- C. Border to Border Conference, November 18-20, McAllen
- D. Texas Lyceum Transportation Conference, December 3, Houston
- E. Texas Transportation Forum – January 5-7, Austin

Mr. Burleson stated that the next HCRMA meeting is scheduled for November 13th but this meeting date may change due to the Team Tx meeting. He stated that the HCRMA will be hosting the Team Tx Meeting scheduled for November 13-14, 2008. The meeting will be taking place at the new McAllen Convention Center. Mr. Burleson stated that if any of the Board members wanted to attend any of the conferences; they need to meet with Maria to make proper arrangements.

12. EXECUTIVE SESSION PURSUANT TO CHAPTER 551:

- A. Section 551.071. Consultation with Attorney
- B. Section 551.072. Deliberation Regarding Real Property
- C. Section 551.074. Personal Matters

No executive session was held.

13. NEW BUSINESS FOR FUTURE MEETING AGENDA

This item was discussed during item #11.

14. ADJOURNMENT

Mr. Ramiro Salazar made a motion to adjourn. Mr. Ramon Garcia seconded the motion and upon a vote the motion carried unanimously.

ATTEST:

Ramiro E. Salazar, Secretary-Treasurer