

Alamo Regional Mobility Authority

*Meeting August 11, 2011, 1:00p.m.,
Al J. Notzon III Conference Room
Alamo Area Council Of Governments, at 8700 Tesoro Drive.*

Minutes

1. **Call meeting to order.** Chairman Thornton called the meeting to order at 1:00 p.m. All Board members present except Rey Diaz.
2. **Approval of minutes from the Regular Board of Directors Meeting of July 14, 2011.** R. Thompson made the motion to approve the minutes as presented to the Board. A. Downey seconded. All voted in favor.
3. **Discussion and appropriate action on a resolution approving an amendment to the Interlocal Agreement with the City of San Antonio for an extension of the loan (Terry Brechtel/Lisa Adelman) (Resolution No. 11-10).** T. Brechtel introduced the item and stated that this is the second amendment for a one year extension and that Bob Thompson and Art Downey had attended the City Council meeting on August 4th for the approval. T. Brechtel stated that in 2010 the RMA asked for a three year extension and was given a one year extension to 2011 and this year the RMA asked for a three year extension and was given a one year extension and the requirement for City staff to meet with the RMA to discuss repayment options. T. Brechtel stated that she recommended Board approval of the resolution. *R. Thompson made the motion to approve the resolution and A. Downey made the second.* R. Thompson stated that this is a dilemma that still needs to be resolved since as it stands now the RMA has no way to pay it back in 2012 unless we find another source. T. Brechtel stated that Councilmember Reed Williams wants a discussion between the two entities. R. Thompson asked how a one year extension works and T. Brechtel stated that in a year the RMA will be closer to completing a more specific financial plan with more detailed information on how the projects will be completed and Councilmember Soules asked about the traffic and revenue reports which will be a work product that provides value and will focus on growth and demographics. T. Brechtel stated that we did not promise the City a revenue source by 2012 and were very clear about timing. Chairman Thornton stated that the due date is a promise to pay only when there is a revenue source. A. Downey stated that the Council wants to look at it in more detail and they need to understand the procedure and the RMA did not agree to pay it back next year unless funds are available. T. Calvert asked if the RMA will pay it back next year and T. Brechtel stated that the RMA is not paying it back next year but the loan is accruing interest. T. Calvert asked if a fundraising option has been pursued to pay this off. Chairman Thornton stated that it is a small amount of money in terms of the entire project financing and it will be the first thing listed in bond uses and the City is getting more in interest on this loan than its Treasuries, other RMAs have received grants instead of loans, and the City has received benefits from all of our projects so it is a good return on investment. R. Thompson asked if it is necessary to approve the extension today and T. Brechtel stated that it is necessary to extend the loan because we don't want a default and it gives us one year to work with City staff to reach a conclusion on how to pay it back. T. Brechtel stated they met with Council members to start the discussions and education process on the RMA and its projects. R. Thompson asked if they expected us to renew and T. Brechtel stated that they did. Chairman Thornton stated we need the financial relationships in order. T. Calvert asked about the rationale for why it was a loan and not a grant. R. Thompson described the history of the RMA in its creation and the timing of available projects which subsequently did not happen.

Chairman Thornton stated that the County understands the issues because they are all still there but the City people are all new. Chairman Thornton stated that the RMAs after ours all pursued grants instead of loans. J. Reed stated that the City was only willing to give a loan not a grant and originally wanted equity in the project with a percentage of income generated. R. Thompson stated that the Mayor seemed to indicate that an election on tolling might be an option but the RMA has right of first refusal and there is no statutory authority for a city or county election on tolling unless it includes a method for payment. If the City and County tell the RMA not to do toll projects then TxDOT can go ahead and own and operate them. A. Downey stated that there is a perception that a public referendum can affect the result but that is not the case. T. Calvert stated that he had looked at the referendum issue before and how it plays into the city charter and state legislation and we need to keep the public informed on the parameters are for tolling and the financial advisors can help with this. J. Reed stated that a vote may not be a yes or no to tolls but a vote on how to pay for the roads. Chairman Thornton stated that no other communities have held votes on whether to toll and we must follow the law and its intent. All voted in favor of adopting the resolution.

4. **Discussion and appropriate action on the financial statements for the periods ending June 30, 2011 (Terry Brechtel / Milo Nitschke).** M. Nitschke made the presentation of the financial statements and pointed out that page 1 is the assets, cash and work in progress of a total of \$51.6 million. He also pointed out that the loans for Bandera and Wurzbach Parkway have not yet been reduced and will be shown at the close of fiscal year. M. Nitschke also pointed to the Notes on page 5 for the values of Bandera and Wurzbach Parkway of \$1.7M and \$1.1M respectively, pages 7-13 are the values of the projects the RMA is working on, and pages 15-16 are the sources of funds used to pay for them. *R. Rodriguez made the motion to accept the Financial Statements as presented to the Board. A. Downey seconded.* R. Rodriguez stated he had no comments. R. Thompson stated that these reports are so detailed and hard to quantify, will it be pointed out if something is out of the ordinary. M. Nitschke stated that the Notes serve that purpose and A. Downey stated that the Finance Committee reviews these reports in detail with staff and that specific items are discussed and any issues would be brought to their attention but there haven't been any to date. R. Rodriguez stated that they ask questions during the Finance Committee and go over the reports in great detail. M. Nitschke stated that staff and T. Brechtel meet frequently to go over cash flow and if there was a red flag they would bring it to the immediate attention of the Finance Committee. All voted in favor.
5. **Executive Director's Report.** T. Brechtel reviewed the calendar for the next three months and noted the reports included on the various projects. She stated that the draft EIS on Loop 1604 has been submitted to TxDOT and we are anticipating December 2012 public hearing at this point. Planning Committee will be looking at the Draft EIS for 281 and the goal is to submit it by the end of the month. R. Rodriguez asked about the Interchange DBE reports and whether there can be a professional services category like the County uses and T. Brechtel stated that she can have the construction percentage broken down by services. A. Downey stated that he has heard some unhappiness from his community about the closures for the Interchange project but it is necessary. J. Reed asked about how people get on the email list for the Interchange project for lane closures and there was a discussion about the emails and notices and Leroy Alloway said he would work on it and get added a website message to the dynamic signs along the project.

6. **Citizens' Communications.** None.
7. **Adjournment.** There being no further actions for the Board, Chairman Thornton called the meeting to adjournment at 1:55 p.m.

APPROVED:

DR. WILLIAM E. THORNTON, CHAIRMAN

DATE ADOPTED: 9/08/2011

I hereby certify that the above foregoing pages constitute the full, true, and correct minutes of all the proceedings and official records of the Alamo Regional Mobility Authority at its meeting on August 11, 2011.

ATTEST: _____
REYNALDO L. DIAZ, JR
SECRETARY/TREASURER