

THE STATE OF TEXAS                   §

COUNTY OF CAMERON               §

BE IT REMEMBERED on the 19<sup>th</sup> day of February 2010, there was conducted a Special Meeting of the Cameron County Regional Mobility Authority, at the Dancy Courthouse, thereof, in Brownsville, Texas, for the purpose of transacting any and all business that may lawfully be brought before the same.

THE BOARD MET AT:

12:00 Noon

PRESENT:

DAVID E. ALLEX  
CHAIRPERSON

MICHAEL SCAIEF  
DIRECTOR

RUBEN GALLEGOS, JR.  
DIRECTOR

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DIRECTOR

VICTOR ALVAREZ  
DIRECTOR

DAVID N. GARZA  
DIRECTOR

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DIRECTOR

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Secretary

YOLANDA VILLALOBOS  
ABSENT

FRANK PARKER, JR.  
ABSENT

\_\_\_\_\_  
ABSENT

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The meeting was called to order by Chairman David E. Allex at 12:04 P.M. At this time, the Board considered the following matters as posted and filed for Record in the Office of the County Clerk on this February 16, 2010 at 11:51 A.M.:

## AGENDA

Special Meeting of the Board of Directors  
of the  
Cameron County Regional Mobility Authority

Dancy Courthouse  
1100 E. Monroe Street  
Brownsville, TX 78520

Friday, February 19, 2010

12:00 NOON

ACCEPTED FOR FILING  
CAMERON COUNTY  
2010 FEB 16 A 11:51  
JOE G. RIVERA  
COUNTY CLERK

I. Public Comments

**ITEMS FOR DISCUSSION AND ACTION:**

- II. Presentation of plan of finance for the Cameron County Regional Mobility Authority Pledged Vehicle Registration Fee Revenue Bonds, Series 2010
- III. Consideration and Approval of Resolution authorizing Staff and Advisors to take necessary steps in preparation for the issuance of the Cameroun County Regional Mobility Authority Vehicle Registration Fee Revenue Bonds, Series 2010 including the preparation of a preliminary official statement and other necessary documents; selection of underwriters; selection of a trustee and paying agent; solicitation of rating(s); solicitation of bond insurance bid(s); and other actions in preparation of the sale
- IV. Consideration and approval of a Transportation and Project Pledge Agreement between the Cameron County Regional Mobility Authority and Cameron County whereby the County agrees to not lower or eliminate the Pledged Vehicle Registration Fee while the Cameron County Regional Mobility Authority Vehicle Registration Fee Revenue Bonds, Series 2010 or any other Parity Obligations remain outstanding
- V. Consideration and Approval of Interlocal Agreement Between the Cameron County Regional Mobility Authority and Cameron County

**EXECUTIVE SESSION ITEMS:**

- VI. Executive Session:
- A. Consultation with, and advice from Legal Counsel concerning negotiations and related contract issues with the Texas Department of Transportation regarding the Cameron County Regional Mobility Authority's projects, specifically SH 550 Toll Project and other legal issues affecting the authority, Pursuant to V.T.C.A. Government Code, Section 551.071 (2)
- VII. Action relative to Executive Session
- A. Possible Action
- VIII. Adjournment

Signed this 16<sup>th</sup> day of February 2010

  
\_\_\_\_\_  
David E. Alex  
Chairman

## **PUBLIC COMMENTS**

### **I. PUBLIC COMMENTS**

None were presented.

## **ACTION ITEMS**

### **II. PRESENTATION OF PLAN OF FINANCE FOR THE CAMERON COUNTY REGIONAL MOBILITY AUTHORITY PLEDGED VEHICLE REGISTRATION FEE REVENUE BONDS, SERIES 2010**

Mr. Dave Gordon, Financial Advisor with Estrada & Hinojosa presented the plan of finance to the Board. Mr. Gordon gave an analysis on the interest rate history for the 30 Year Treasury, 25 Year Revenue Bond index, and 20 year GO Bond Index. He explained the Tax Exempt (MMD) Yield Curves as well as the Build America Bonds Yield Benefit Analysis. Mr. Gordon then presented an analysis of the motor vehicle registration history in Cameron County for the last 15 years. Mr. Gordon discussed the transportation project and pledge agreement between the Cameron County Regional Mobility Authority and Cameron County. Mr. Gordon then presented a transaction summary as well as a list of projects and an approximate use of bond proceeds as identified by the Cameron County Regional Mobility Authority Staff and the Cameron County Regional Mobility Authority GEC. Mr. Gordon presented two tables showing debt service requirements, residual revenues from motor vehicle registration fees. One table assumed no growth on the amount of registered motor vehicles and the other table assumed a growth rate of 3.79 % (average over last 10 years). Finally, Mr. Gordon presented a timetable for the plan of finance presented to the Cameron County Regional Mobility Authority Board.

There was an exchange of questions amongst the Board and Mr. Gordon as well as the Cameron County Regional Mobility Authority Staff.

Director Gallegos moved to acknowledge the presentation of plan of finance for the Cameron County Regional Mobility Authority Pledged Vehicle Registration Fee Revenue Bonds, Series 2010. The motion was seconded by Director Garza and carried unanimously.

**The Summary of Presentation is as follows:**

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**III. CONSIDERATION AND APPROVAL OF RESOLUTION AUTHORIZING STAFF AND ADVISORS TO TAKE NECESSARY STEPS IN PREPARATION FOR THE ISSUANCE OF THE CAMERON COUNTY REGIONAL MOBILITY AUTHORITY PLEDGED VEHICLE REGISTRATION FEE REVENUE BONDS, SERIES 2010 INCLUDING THE PREPARATION OF A PRELIMINARY OFFICIAL STATEMENT AND OTHER NECESSARY DOCUMENTS; SELECTION OF UNDERWRITERS; SELECTION OF A TRUSTEE AND PAYING AGENT; SOLICITATION OF RATING(S); SOLICITATION OF BOND INSURANCE BID(S); AND OTHER ACTIONS IN PREPARATION OF THE SALE**

Director Gallegos moved to approve the Resolution. The motion was seconded by Director Scaief and carried unanimously.

**The Resolution is as follows:**

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**IV. CONSIDERATION AND APPROVAL OF TRANSPORTATION AND PROJECT PLEDGE AGREEMENT BETWEEN THE CAMERON COUNTY REGIONAL MOBILITY AUTHORITY AND CAMERON COUNTY WHEREBY THE COUNTY AGREES TO NOT LOWER OR ELIMINATE THE PLEDGED VEHICLE REGISTRATION FEE WHILE THE CAMERON COUNTY REGIONAL MOBILITY AUTHORITY VEHICLE REGISTRATION FEE REVENUE BONDS, SERIES 2010 OR ANY OTHER PARITY OBLIGATIONS REMAIN OUTSTANDING**

Director Scaief moved to approve the Agreement. The motion was seconded by Director Gallegos and carried unanimously.

**The Agreement is as follows:**

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**V. CONSIDERATION AND APPROVAL OF INTERLOCAL AGREEMENT BETWEEN THE CAMERON COUNTY REGIONAL MOBILITY AUTHORITY AND CAMERON COUNTY**

Mr. Pete Sepulveda, RMA Coordinator explained to the Board the need for the Interlocal Agreement and recommend approval.

Director Scaief moved to approve the Interlocal Agreement between the Cameron County Regional Mobility Authority and Cameron County. The motion was seconded by Director Alvarez and carried unanimously.

**The Agreement is as follows:**

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## EXECUTIVE SESSION

### VI. EXECUTIVE SESSION:

- A. CONSULTATION WITH, AND ADVISE FROM LEGAL COUNSEL CONCERNING NEGOTIATIONS AND RELATED CONTRACT ISSUES WITH THE TEXAS DEPARTMENT OF TRANSPORTATION REGARDING THE CAMERON COUNTY REGIONAL MOBILITY AUTHORITY'S PROJECTS, SPECIFICALLY SH 550 TOLL PROJECT AND OTHER LEGAL ISSUES AFFECTING THE AUTHORITY, PURSUANT TO V.T.C.A. GOVERNMENT CODE, SECTION 551.071(2)

Item was TABLED.

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### VII. ACTION RELATIVE TO EXECUTIVE SESSION:

- A. CONSULTATION WITH, AND ADVISE FROM LEGAL COUNSEL CONCERNING NEGOTIATIONS AND RELATED CONTRACT ISSUES WITH THE TEXAS DEPARTMENT OF TRANSPORTATION REGARDING THE CAMERON COUNTY REGIONAL MOBILITY AUTHORITY'S PROJECTS, SPECIFICALLY SH 550 TOLL PROJECT AND OTHER LEGAL ISSUES AFFECTING THE AUTHORITY, PURSUANT TO V.T.C.A. GOVERNMENT CODE, SECTION 551.071(2)

Upon motion by Director Gallegos, seconded by Director Garza and carried unanimously, this item was TABLED.

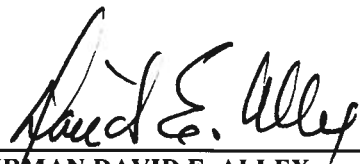
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### VIII. ADJOURNMENT


There being no further business to come before the Board and upon motion by Director Gallegos, seconded by Director Alvarez and carried unanimously the meeting was ADJOURNED at 1:06 P.M.

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APPROVED this 4<sup>th</sup> day of March, 2010.

  
CHAIRMAN DAVID E. ALLEX

ATTESTED:

  
SECRETARY RUBEN GALLEGOS, JR.

**II. PRESENTATION OF PLAN OF FINANCE FOR THE  
CAMERON COUNTY REGIONAL MOBILITY  
AUTHORITY PLEDGED VEHICLE REGISTRATION FREE  
REVENUE BONDS, SERIES 2010**

February 19, 2010

# Cameron County Regional Mobility Authority

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Plan of Finance Presentation

Vehicle Registration Fee Revenue Bonds, Series 2010

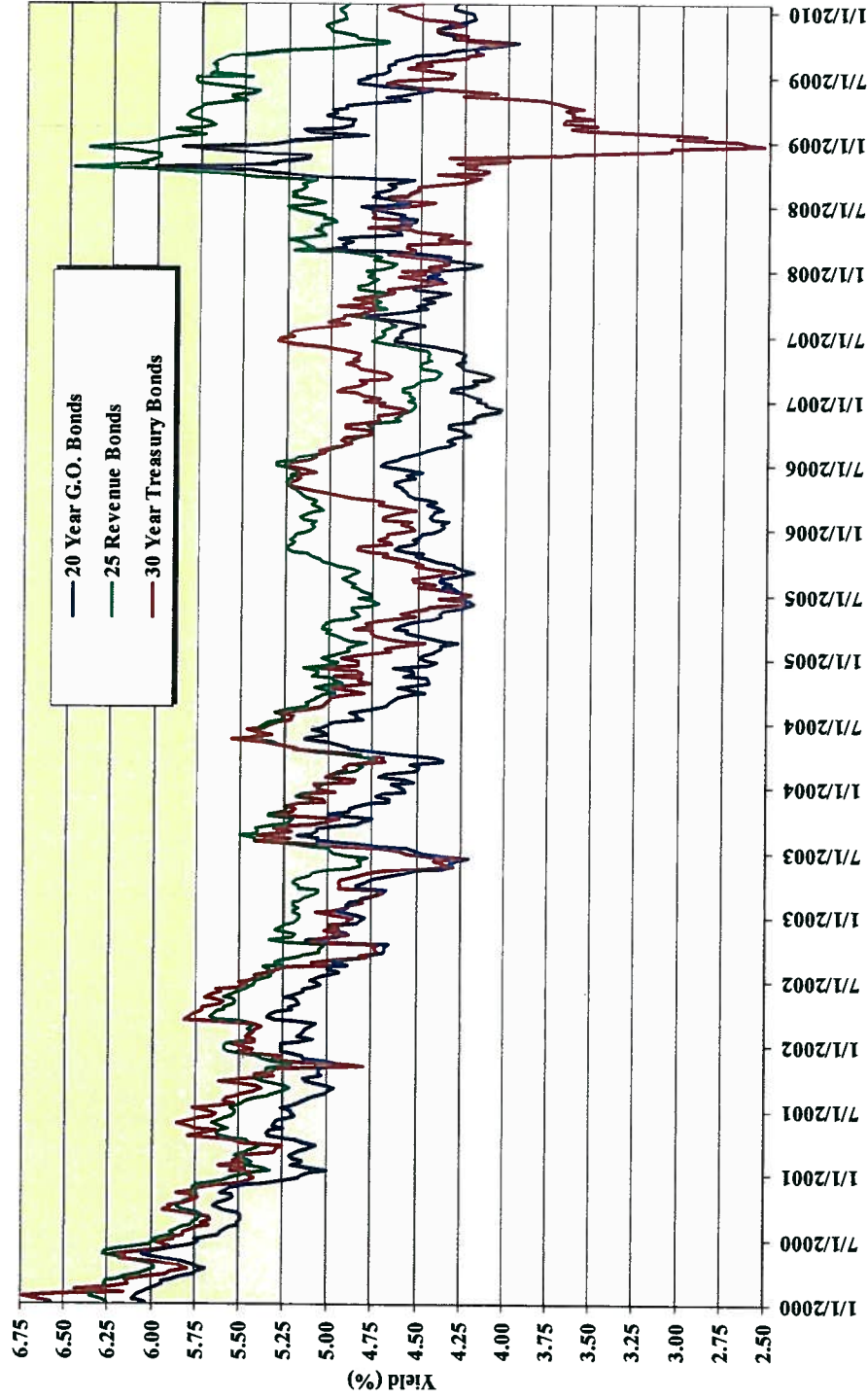


ESTRADA • HINOJOSA  
INVESTMENT BANKERS

# Interest Rate History

## Bond Buyer Indices

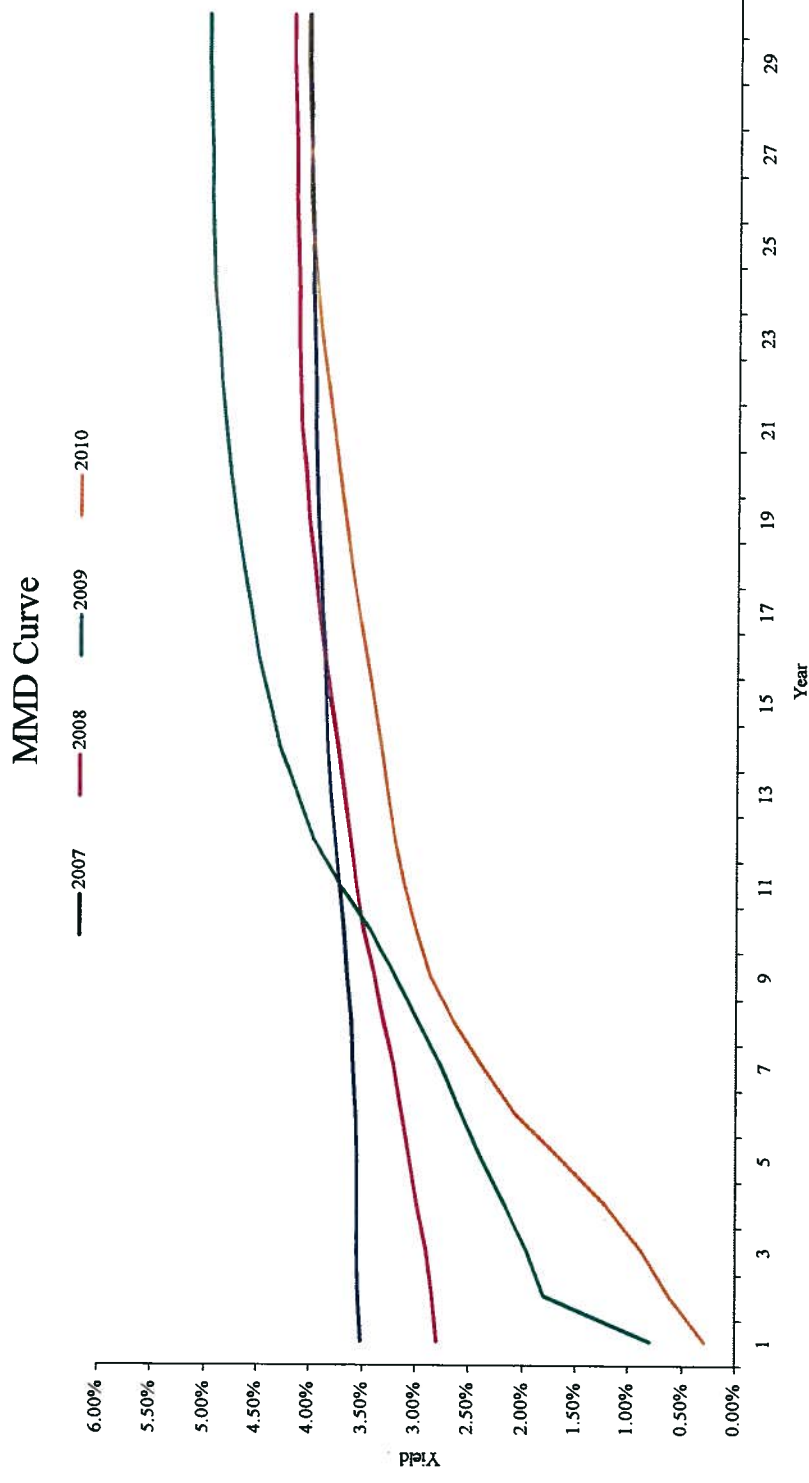
30-Year Treasury, 25-Revenue Bond Index, and 20-GO Bond Index  
January 2000 - Present





## Tax-Exempt (MMD) Yield Curves

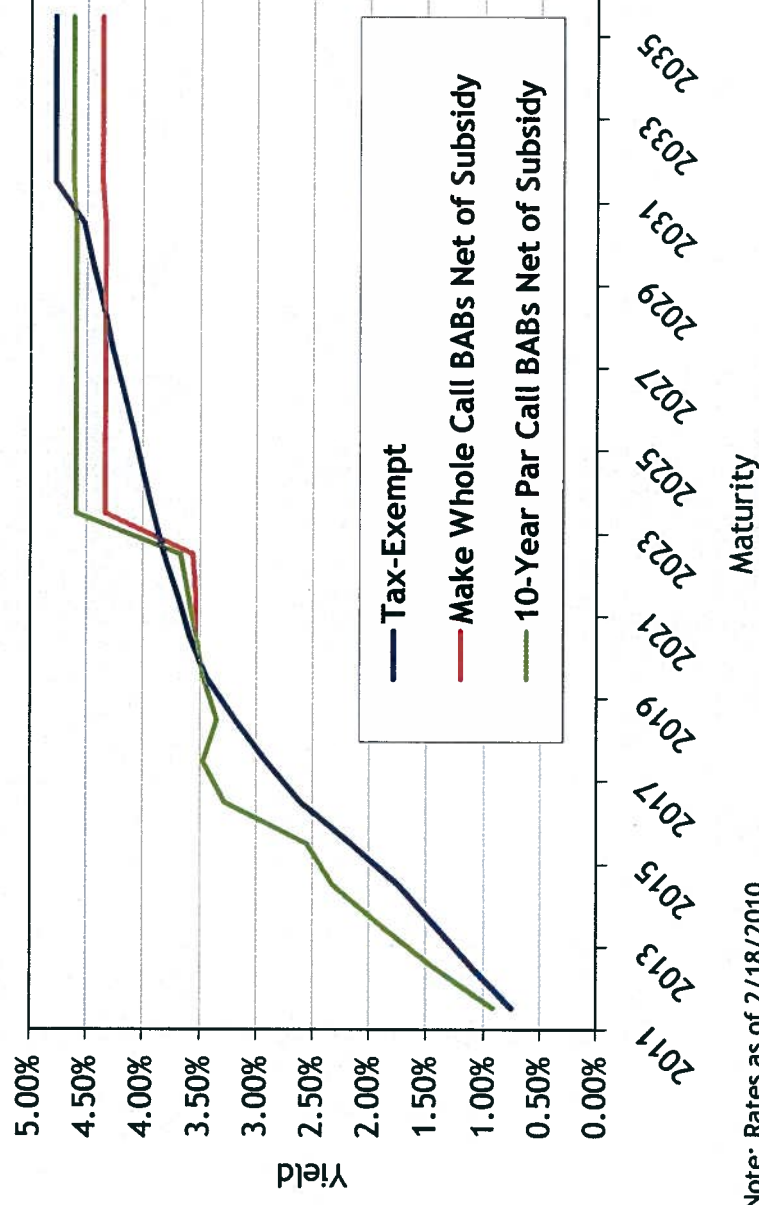
- The yield curve has steepened significantly over the last several years.
- Short term rates are very low.
- Long term rates remain near historic lows.



## Build America Bonds Yield Benefit Analysis

- Based on current assumptions and yields, BABs would offer a limited benefit of about 1.5% NPV savings for 10-year par call BABs and about 3.4% for make-whole call BABs.
- The use of BABs would complicate the ability of the RMA to call the bonds early.

Yield Comparison



Note: Rates as of 2/18/2010.

## Motor Vehicle Registration History

- Based on average annual growth rate of 3.79% over the last 10 years, 2010 estimated total number of motor vehicles registered is approximately 271,362.
- Compound annual growth rate (CAGR) over the same period equals 3.78%.

| YEAR | TOTAL # OF VEHICLES REGISTERED | DATA              | PERCENT GROWTH |
|------|--------------------------------|-------------------|----------------|
| 2009 | 261,453                        | PRELIMINARY TOTAL | 1.48%          |
| 2008 | 257,648                        | CERTIFIED         | 1.56%          |
| 2007 | 253,695                        | CERTIFIED         | 4.85%          |
| 2006 | 241,968                        | CERTIFIED         | 6.31%          |
| 2005 | 227,603                        | CERTIFIED         | 5.19%          |
| 2004 | 216,378                        | CERTIFIED         | 2.51%          |
| 2003 | 211,078                        | CERTIFIED         | 4.45%          |
| 2002 | 202,085                        | CERTIFIED         | 5.69%          |
| 2001 | 191,202                        | CERTIFIED         | 2.11%          |
| 2000 | 187,249                        | CERTIFIED         | -5.09%         |
| 1999 | 197,283                        | CERTIFIED         | 4.22%          |
| 1998 | 189,289                        | CERTIFIED         | 5.17%          |
| 1997 | 179,978                        | CERTIFIED         | 1.04%          |
| 1996 | 178,124                        | CERTIFIED         |                |

Source: Cameron County records

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## Transportation Project and Pledge Agreement

- CCRMA receives revenue from a \$10 motor vehicle registration fee that Cameron County must remit to the RMA by statute.
- Cameron County has authority to impose or remove the fee as well as change the fee amount up to the statutorily limit (currently \$10).
- In the “Transportation Project and Pledge Agreement”, the County would agree not to lower or remove the fee as long as any bonds secured by the fee were outstanding.

## Transaction Summary

- Bonds secured by a gross (first) lien on the pledged revenues (VRF revenues)
- Revenues after debt service are available for any lawful purpose
- Trustee will make monthly deposits to debt service fund
- \$24.0 million in project funds for expenditures identified by CCRMA
- Fully funded debt service reserve fund (DSRF) (approximately \$1.9 million)
  - Interest earnings on DSRF can be used to pay debt service
  - DSRF can be used for last year's debt service
- Costs of issuance equal to about 1.7%
- Bonds are expected to be rated in the A to AA-minus range
- Bond insurance may be used to the extent that it is cost effective
- Additional bonds can be issued after meeting ABT of 1.50X coverage
- Bonds will be callable and could be paid off from the proceeds of another financing (e.g, toll revenue bonds) or refunded for savings
  - Standard call feature is 10 years
  - Price of short call feature will be evaluated closer to the sale
- Annual disclosure of appropriate data required and disclosure of material events

## Project Requirements

Shown below is the approximate use of bond proceeds as identified by CCRMA staff and HNTB.

|                     |                      |
|---------------------|----------------------|
| I - 69              | \$ 3,000,000         |
| SH 550              | 5,000,000            |
| FM 1847             | 3,300,000            |
| East Loop           | 3,000,000            |
| North Rail/Olmito   | 2,000,000            |
| West Rail           | 2,400,000            |
| Port Entrance Road  | 2,700,000            |
| 281 Connector       | 500,000              |
| Outer Parkway       | 500,000              |
| Port Isabel Road    | 1,000,000            |
| General Brandt Road | 200,000              |
| Marketing           | 250,000              |
| Overhead            | 150,000              |
| TOTAL               | <u>\$ 24,000,000</u> |

# Cameron County Regional Mobility Authority

## Draft - For Discussion Purposes Only

### Motor Vehicle Registration Fee - Public Securities Offering

Current Insured Market Rates +/- 50 bps; No Growth in MVR

### Vehicle Registration Fee Revenue Bonds, Series 2010

Dated Date: 4/1/2010

Par Amount<sup>(2)</sup>: \$ 26,845,000

Project Funds: \$ 24,000,000

TIC<sup>(3)(4)</sup>: 4.91%

#### Calculation of Net Revenue Available for Debt Service

| Year | [A]<br>Est. Total Number of Vehicles Registered <sup>(1)</sup> | [B]<br>Registration Fee | [C]=[A]*[B]<br>Est. Total Motor Vehicle Registration Revenue | [D]<br>Target Max DS with 1.5X Coverage | [E]<br>Principal | [F]<br>Interest | [G]=sum([E:F])<br>Debt Service | [H]=[C] - [G]<br>Residual Revenue | [I]=[C] / [G]<br>D/S Coverage | Year |
|------|----------------------------------------------------------------|-------------------------|--------------------------------------------------------------|-----------------------------------------|------------------|-----------------|--------------------------------|-----------------------------------|-------------------------------|------|
| 2010 | 261,453                                                        | \$ 10                   | \$ 2,614,530                                                 | 1,743,020                               | \$ -             | \$ 459,179      | \$ 459,179                     | \$ 2,155,351                      | 5.69                          | 2010 |
| 2011 | 261,453                                                        | 10                      | 2,614,530                                                    | 1,743,020                               | -                | 1,233,615       | 1,233,615                      | 1,380,915                         | 2.12                          | 2011 |
| 2012 | 261,453                                                        | 10                      | 2,614,530                                                    | 1,743,020                               | 555,000          | 1,225,290       | 1,780,290                      | 834,240                           | 1.47                          | 2012 |
| 2013 | 261,453                                                        | 10                      | 2,614,530                                                    | 1,743,020                               | 625,000          | 1,207,590       | 1,832,590                      | 781,940                           | 1.43                          | 2013 |
| 2014 | 261,453                                                        | 10                      | 2,614,530                                                    | 1,743,020                               | 725,000          | 1,187,340       | 1,912,340                      | 702,190                           | 1.37                          | 2014 |
| 2015 | 261,453                                                        | 10                      | 2,614,530                                                    | 1,743,020                               | 745,000          | 1,165,290       | 1,910,290                      | 704,240                           | 1.37                          | 2015 |
| 2016 | 261,453                                                        | 10                      | 2,614,530                                                    | 1,743,020                               | 770,000          | 1,140,640       | 1,910,640                      | 703,890                           | 1.37                          | 2016 |
| 2017 | 261,453                                                        | 10                      | 2,614,530                                                    | 1,743,020                               | 795,000          | 1,113,253       | 1,908,253                      | 706,278                           | 1.37                          | 2017 |
| 2018 | 261,453                                                        | 10                      | 2,614,530                                                    | 1,743,020                               | 825,000          | 1,082,840       | 1,907,840                      | 706,690                           | 1.37                          | 2018 |
| 2019 | 261,453                                                        | 10                      | 2,614,530                                                    | 1,743,020                               | 860,000          | 1,049,140       | 1,909,140                      | 705,390                           | 1.37                          | 2019 |
| 2020 | 261,453                                                        | 10                      | 2,614,530                                                    | 1,743,020                               | 900,000          | 1,011,690       | 1,911,690                      | 702,840                           | 1.37                          | 2020 |
| 2021 | 261,453                                                        | 10                      | 2,614,530                                                    | 1,743,020                               | 940,000          | 970,290         | 1,910,290                      | 704,240                           | 1.37                          | 2021 |
| 2022 | 261,453                                                        | 10                      | 2,614,530                                                    | 1,743,020                               | 980,000          | 927,090         | 1,907,090                      | 707,440                           | 1.37                          | 2022 |
| 2023 | 261,453                                                        | 10                      | 2,614,530                                                    | 1,743,020                               | 1,025,000        | 881,978         | 1,906,978                      | 707,553                           | 1.37                          | 2023 |
| 2024 | 261,453                                                        | 10                      | 2,614,530                                                    | 1,743,020                               | 1,075,000        | 834,728         | 1,909,728                      | 704,803                           | 1.37                          | 2024 |
| 2025 | 261,453                                                        | 10                      | 2,614,530                                                    | 1,743,020                               | 1,125,000        | 785,228         | 1,910,228                      | 704,303                           | 1.37                          | 2025 |
| 2026 | 261,453                                                        | 10                      | 2,614,530                                                    | 1,743,020                               | 1,175,000        | 732,009         | 1,907,009                      | 707,521                           | 1.37                          | 2026 |
| 2027 | 261,453                                                        | 10                      | 2,614,530                                                    | 1,743,020                               | 1,235,000        | 674,154         | 1,909,154                      | 705,376                           | 1.37                          | 2027 |
| 2028 | 261,453                                                        | 10                      | 2,614,530                                                    | 1,743,020                               | 1,295,000        | 612,478         | 1,907,478                      | 707,053                           | 1.37                          | 2028 |
| 2029 | 261,453                                                        | 10                      | 2,614,530                                                    | 1,743,020                               | 1,365,000        | 546,625         | 1,911,625                      | 702,905                           | 1.37                          | 2029 |
| 2030 | 261,453                                                        | 10                      | 2,614,530                                                    | 1,743,020                               | 1,430,000        | 476,750         | 1,906,750                      | 707,780                           | 1.37                          | 2030 |
| 2031 | 261,453                                                        | 10                      | 2,614,530                                                    | 1,743,020                               | 1,510,000        | 401,363         | 1,911,363                      | 703,168                           | 1.37                          | 2031 |
| 2032 | 261,453                                                        | 10                      | 2,614,530                                                    | 1,743,020                               | 1,590,000        | 319,988         | 1,909,988                      | 704,543                           | 1.37                          | 2032 |
| 2033 | 261,453                                                        | 10                      | 2,614,530                                                    | 1,743,020                               | 1,675,000        | 234,281         | 1,909,281                      | 705,249                           | 1.37                          | 2033 |
| 2034 | 261,453                                                        | 10                      | 2,614,530                                                    | 1,743,020                               | 1,765,000        | 143,981         | 1,908,981                      | 705,549                           | 1.37                          | 2034 |
| 2035 | 261,453                                                        | 10                      | 2,614,530                                                    | 1,743,020                               | 1,860,000        | 48,825          | 1,908,825                      | 705,705                           | 1.37                          | 2035 |
| 2036 | 261,453                                                        | 10                      | 2,614,530                                                    | 1,743,020                               | -                | -               | -                              | 2,614,530                         | n/a                           | 2036 |
| 2037 | 261,453                                                        | 10                      | 2,614,530                                                    | 1,743,020                               | -                | -               | -                              | 2,614,530                         | n/a                           | 2037 |
| 2038 | 261,453                                                        | 10                      | 2,614,530                                                    | 1,743,020                               | -                | -               | -                              | 2,614,530                         | n/a                           | 2038 |
| 2039 | 261,453                                                        | 10                      | 2,614,530                                                    | 1,743,020                               | -                | -               | -                              | 2,614,530                         | n/a                           | 2039 |
|      | \$ 7,843,590                                                   |                         | \$ 78,435,900                                                | \$ 52,290,600                           | \$ 26,845,000    | \$ 20,465,631   | \$ 47,310,631                  | \$ 31,125,269                     |                               |      |

<sup>(1)</sup> Assumes no growth in number of vehicles registered using 2009 total

<sup>(2)</sup> Issuance costs estimated at approximately 1.0% of total par amount and Underwriter's Discount of \$7/bond.

<sup>(3)</sup> Shown using Insured Rates plus about 50 basis points. Availability of insurance would affect pricing. Assumes minimum of A underlying rating.

<sup>(4)</sup> Short call provisions might impact pricing.



# Cameron County Regional Mobility Authority

## Draft - For Discussion Purposes Only

### Motor Vehicle Registration Fee - Public Securities Offering

Current Insured Market Rates +/- 50 bps; **MVRF Growth Assumed at 3.79% <sup>(1)</sup>**

### Vehicle Registration Fee Revenue Bonds, Series 2010

Dated Date: 4/1/2010

Par Amount<sup>(2)</sup>: \$ 26,845,000

Project Funds: \$ 24,000,000

TIC<sup>(3)(4)</sup>: 4.91%

#### Calculation of Net Revenue Available for Debt Service

| Year | [A]<br>Est. Total Number of<br>Vehicles Registered <sup>(1)</sup> | [B]<br>Registration<br>Fee | [C]=[A]*[B]<br>Est. Total Motor Vehicle<br>Registration Revenue | [D]<br>Target Max DS with<br>1.5X Coverage | [E]<br>Principal | [F]<br>Interest | [G]=sum([E:F])<br>Debt Service | [H]=[C] - [G]<br>Residual<br>Revenue | [I]=[C] / [G]<br>D/S<br>Coverage | Year |
|------|-------------------------------------------------------------------|----------------------------|-----------------------------------------------------------------|--------------------------------------------|------------------|-----------------|--------------------------------|--------------------------------------|----------------------------------|------|
| 2010 | 271,362                                                           | \$ 10                      | \$ 2,713,620                                                    | \$ 1,809,080                               | \$ -             | \$ 459,179      | \$ 459,179                     | \$ 2,254,441                         | 5.91                             | 2010 |
| 2011 | 281,647                                                           | 10                         | 2,816,466                                                       | 1,877,644                                  | -                | 1,233,615       | 1,233,615                      | 1,582,851                            | 2.28                             | 2011 |
| 2012 | 292,321                                                           | 10                         | 2,923,210                                                       | 1,948,807                                  | 555,000          | 1,225,290       | 1,780,290                      | 1,142,920                            | 1.64                             | 2012 |
| 2013 | 303,400                                                           | 10                         | 3,034,000                                                       | 2,022,667                                  | 625,000          | 1,207,590       | 1,832,590                      | 1,201,410                            | 1.66                             | 2013 |
| 2014 | 314,899                                                           | 10                         | 3,148,989                                                       | 2,099,326                                  | 725,000          | 1,187,340       | 1,912,340                      | 1,236,649                            | 1.65                             | 2014 |
| 2015 | 326,834                                                           | 10                         | 3,268,335                                                       | 2,178,890                                  | 745,000          | 1,165,290       | 1,910,290                      | 1,358,045                            | 1.71                             | 2015 |
| 2016 | 339,221                                                           | 10                         | 3,392,205                                                       | 2,261,470                                  | 770,000          | 1,140,640       | 1,910,640                      | 1,481,565                            | 1.78                             | 2016 |
| 2017 | 352,077                                                           | 10                         | 3,520,770                                                       | 2,347,180                                  | 795,000          | 1,113,253       | 1,908,253                      | 1,612,517                            | 1.85                             | 2017 |
| 2018 | 365,421                                                           | 10                         | 3,654,207                                                       | 2,436,138                                  | 825,000          | 1,082,840       | 1,907,840                      | 1,746,367                            | 1.92                             | 2018 |
| 2019 | 379,270                                                           | 10                         | 3,792,701                                                       | 2,528,468                                  | 860,000          | 1,049,140       | 1,909,140                      | 1,883,561                            | 1.99                             | 2019 |
| 2020 | 393,644                                                           | 10                         | 3,936,445                                                       | 2,624,296                                  | 900,000          | 1,011,690       | 1,911,690                      | 2,024,755                            | 2.06                             | 2020 |
| 2021 | 408,564                                                           | 10                         | 4,085,636                                                       | 2,723,757                                  | 940,000          | 970,290         | 1,910,290                      | 2,175,346                            | 2.14                             | 2021 |
| 2022 | 424,048                                                           | 10                         | 4,240,482                                                       | 2,826,988                                  | 980,000          | 927,090         | 1,907,090                      | 2,333,392                            | 2.22                             | 2022 |
| 2023 | 440,120                                                           | 10                         | 4,401,196                                                       | 2,934,131                                  | 1,025,000        | 881,978         | 1,906,978                      | 2,494,218                            | 2.31                             | 2023 |
| 2024 | 456,800                                                           | 10                         | 4,568,001                                                       | 3,045,334                                  | 1,075,000        | 834,728         | 1,909,728                      | 2,658,274                            | 2.39                             | 2024 |
| 2025 | 474,113                                                           | 10                         | 4,741,128                                                       | 3,160,752                                  | 1,125,000        | 785,228         | 1,910,228                      | 2,830,901                            | 2.48                             | 2025 |
| 2026 | 492,082                                                           | 10                         | 4,920,817                                                       | 3,280,545                                  | 1,175,000        | 732,009         | 1,907,009                      | 3,013,808                            | 2.58                             | 2026 |
| 2027 | 510,732                                                           | 10                         | 5,107,316                                                       | 3,404,877                                  | 1,235,000        | 674,154         | 1,909,154                      | 3,198,162                            | 2.68                             | 2027 |
| 2028 | 530,088                                                           | 10                         | 5,300,883                                                       | 3,533,922                                  | 1,295,000        | 612,478         | 1,907,478                      | 3,393,406                            | 2.78                             | 2028 |
| 2029 | 550,179                                                           | 10                         | 5,501,787                                                       | 3,667,858                                  | 1,365,000        | 546,625         | 1,911,625                      | 3,590,162                            | 2.88                             | 2029 |
| 2030 | 571,030                                                           | 10                         | 5,710,305                                                       | 3,806,870                                  | 1,430,000        | 476,750         | 1,906,750                      | 3,803,555                            | 2.99                             | 2030 |
| 2031 | 592,673                                                           | 10                         | 5,926,725                                                       | 3,951,150                                  | 1,510,000        | 401,363         | 1,911,363                      | 4,015,363                            | 3.10                             | 2031 |
| 2032 | 615,135                                                           | 10                         | 6,151,348                                                       | 4,100,899                                  | 1,590,000        | 319,988         | 1,909,988                      | 4,241,360                            | 3.22                             | 2032 |
| 2033 | 638,448                                                           | 10                         | 6,384,484                                                       | 4,256,323                                  | 1,675,000        | 234,281         | 1,909,281                      | 4,475,203                            | 3.34                             | 2033 |
| 2034 | 662,646                                                           | 10                         | 6,626,456                                                       | 4,417,637                                  | 1,765,000        | 143,981         | 1,908,981                      | 4,717,475                            | 3.47                             | 2034 |
| 2035 | 687,760                                                           | 10                         | 6,877,599                                                       | 4,585,066                                  | 1,860,000        | 48,825          | 1,908,825                      | 4,968,774                            | 3.60                             | 2035 |
| 2036 | 713,826                                                           | 10                         | 7,138,260                                                       | 4,758,840                                  | -                | -               | -                              | 7,138,260                            | n/a                              | 2036 |
| 2037 | 740,880                                                           | 10                         | 7,408,800                                                       | 4,939,200                                  | -                | -               | -                              | 7,408,800                            | n/a                              | 2037 |
| 2038 | 768,959                                                           | 10                         | 7,689,593                                                       | 5,126,395                                  | -                | -               | -                              | 7,689,593                            | n/a                              | 2038 |
| 2039 | 798,103                                                           | 10                         | 7,981,029                                                       | 5,320,686                                  | -                | -               | -                              | 7,981,029                            | n/a                              | 2039 |
|      | \$ 14,696,279                                                     |                            | \$ 146,962,791                                                  | \$ 97,975,194                              | \$ 26,845,000    | \$ 20,465,631   | \$ 47,310,631                  | \$ 99,652,160                        |                                  |      |

<sup>(1)</sup> Estimate taken from applying the average annual growth rate of 3.79% from 2000-2009 starting with the 2009 total of 271,362 vehicles registered.

<sup>(2)</sup> Issuance costs estimated at approximately 1.0% of total par amount and Underwriter's Discount of \$7/bond.

<sup>(3)</sup> Shown using Insured Rates plus about 50 basis points. Availability of insurance would affect pricing. Assumes minimum of A underlying rating.

<sup>(4)</sup> Short call provisions might impact pricing.



**Cameron County Regional Mobility Authority**  
**\$26,845,000\* Vehicle Registration Fee Revenue Bonds, Series 2010**

**Timetable**

| FEBRUARY |    |    |    |    |    |    | MARCH |    |    |    |    |    |    | APRIL |    |    |    |    |    |    | MAY   |       |    |    |    |    |    |    |
|----------|----|----|----|----|----|----|-------|----|----|----|----|----|----|-------|----|----|----|----|----|----|-------|-------|----|----|----|----|----|----|
| S        | M  | T  | W  | T  | F  | S  | S     | M  | T  | W  | T  | F  | S  | S     | M  | T  | W  | T  | F  | S  | S     | M     | T  | W  | T  | F  | S  |    |
|          | 1  | 2  | 3  | 4  | 5  | 6  |       | 1  | 2  | 3  | 4  | 5  | 6  |       |    |    |    |    | 1  | 2  | 3     |       |    |    |    |    | 1  |    |
| 7        | 8  | 9  | 10 | 11 | 12 | 13 | 7     | 8  | 9  | 10 | 11 | 12 | 13 | 4     | 5  | 6  | 7  | 8  | 9  | 10 |       | 2     | 3  | 4  | 5  | 6  | 7  | 8  |
| 14       | 15 | 16 | 17 | 18 | 19 | 20 | 14    | 15 | 16 | 17 | 18 | 19 | 20 | 11    | 12 | 13 | 14 | 15 | 16 | 17 |       | 9     | 10 | 11 | 12 | 13 | 14 | 15 |
| 21       | 22 | 23 | 24 | 25 | 26 | 27 | 21    | 22 | 23 | 24 | 25 | 26 | 27 | 18    | 19 | 20 | 21 | 22 | 23 | 24 |       | 16    | 17 | 18 | 19 | 20 | 21 | 22 |
| 28       |    |    |    |    |    |    | 28    | 29 | 30 | 31 |    |    |    | 25    | 26 | 27 | 28 | 29 | 30 |    | 23/30 | 24/31 | 25 | 26 | 27 | 28 | 29 |    |

| <u>Date</u>       | <u>Day</u>  | <u>Event</u>                                                                                                                                           | <u>Responsibility</u> |
|-------------------|-------------|--------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|
| February 3, 2010  | (Wednesday) | Draft interlocal agreement with County distributed                                                                                                     | BC                    |
| February 12, 2010 | (Friday)    | Bond Counsel distributes draft of interlocal agreement to Attorney General                                                                             | BC                    |
| February 19, 2010 | (Friday)    | <b>Present plan of finance to Board at special meeting</b>                                                                                             | FA                    |
| February 19, 2010 | (Friday)    | Board passes resolution authorizing FA and BC to take appropriate actions to issue the Vehicle Registration Fee Revenue Bonds, Series 2010 (the Bonds) | RMA, BC               |
| February 19, 2010 | (Friday)    | RMA approves interlocal agreement with the County at a special meeting                                                                                 | RMA, BC               |
| February 22, 2010 | (Monday)    | Send first draft of Preliminary Official Statement to working group                                                                                    | FA                    |
| February 25, 2010 | (Thursday)  | Send first draft of Bond Resolution and Trust Indenture to working group                                                                               | BC                    |
| March 1, 2010     | (Monday)    | Receive comments on first draft of Preliminary Official Statement                                                                                      | Working Group         |
| March 3, 2010     | (Wednesday) | Receive comments on first draft of the Bond Resolution and Trust Indenture                                                                             | Working Group         |
| March 3, 2010     | (Wednesday) | Select Underwriters and Underwriters' Counsel                                                                                                          | RMA, FA               |
| March 3, 2010     | (Wednesday) | Send second draft of Preliminary Official Statement to working group                                                                                   | FA                    |
| March 4, 2010     | (Thursday)  | Send second draft of Bond Resolution and Trust Indenture to working group                                                                              | BC                    |
| March 4, 2010     | (Thursday)  | Commissioners Court approves interlocal agreement with RMA at a regular meeting                                                                        | County, BC            |
| March 8, 2010     | (Monday)    | Receive comments on second draft of Preliminary Official Statement                                                                                     | Working Group         |
| March 8, 2010     | (Monday)    | Receive comments on second draft of the Bond Resolution and Trust Indenture                                                                            | Working Group         |
| March 8, 2010     | (Monday)    | Submit information to rating agency(ies)                                                                                                               | FA                    |
| March 8, 2010     | (Monday)    | Submit information to bond insurance company                                                                                                           | FA                    |
| March 19, 2010    | (Friday)    | Conference call(s) with rating agency(ies)                                                                                                             | RMA, FA, Rating A     |
| March 24, 2010    | (Wednesday) | Receive rating(s)                                                                                                                                      | Rating Agency(ies)    |
| March 24, 2010    | (Wednesday) | Receive commitment for bond insurance                                                                                                                  | Bond Insurer          |
| March 31, 2010    | (Wednesday) | Send Preliminary Official Statement to printer                                                                                                         | FA                    |
| April 7, 2010     | (Wednesday) | <b>Price the Bonds</b>                                                                                                                                 | UW, FA                |
| April 8, 2010     | (Thursday)  | <b>Board approves sale of the Bonds at a regular meeting</b>                                                                                           | RMA, BC, FA           |
| April 9, 2010     | (Friday)    | Submit Bond documents to Attorney General                                                                                                              | BC                    |
| April 29, 2010    | (Thursday)  | Obtain Attorney General approval of Bonds                                                                                                              | AG, BC                |
| May 4, 2010       | (Tuesday)   | <b>Deliver Bonds and receive funds</b>                                                                                                                 | UW, FA                |

\* Preliminary, subject to change.

FA: Estrada Hinojosa  
 BC: Vinson & Elkins  
 UW: TBD  
 UC: TBD

**III. CONSIDERATION ON APPROVAL OF RESOLUTION  
AUTHORIZING STAFF AND ADVISORS TO TAKE  
NECESSARY STEPS IN PREPARATION FOR THE  
ISSUANCE OF THE CAMERON COUNTY REGIONAL  
MOBILITY AUTHORITY VEHICLE REGISTRATION FEE  
REVENUE BONDS, SERIES 2010 INCLUDING THE  
PREPARATION OF A PRELIMINARY OFFICIAL  
STATEMENT AND OTHER NECESSARY DOCUMENTS;  
SELECTION OF UNDERWRITERS; SELECTION OF A  
TRUSTEE AND PAYING AGENT; SOLICITATION OF  
RATING(S); SOLICITATION OF BOND INSURANCE  
BID(S); AND OTHER ACTIONS IN PREPARATION OF  
THE SALE**

**RESOLUTION AUTHORIZING STAFF AND ADVISORS TO TAKE NECESSARY STEPS IN PREPARATION FOR THE ISSUANCE OF CAMERON COUNTY REGIONAL MOBILITY AUTHORITY PLEDGED VEHICLE REGISTRATION FEE REVENUE BONDS, SERIES 2010, INCLUDING THE PREPARATION OF A PRELIMINARY OFFICIAL STATEMENT AND OTHER NECESSARY DOCUMENTS, SELECTION OF UNDERWRITERS AND PAYING AGENT, SOLICITATION OF RATINGS AND BOND INSURANCE; APPROVING OTHER MATTERS INCIDENTAL AND RELATED THERETO**

WHEREAS, Cameron County Regional Mobility Authority (the "*Authority*") is a political subdivision of the State of Texas authorized to finance certain transportation costs by issuing obligations pursuant to the laws of the State of Texas, including but not limited to Chapter 370, Texas Transportation Code; and

WHEREAS, Cameron County, Texas (the "*County*"), pursuant to Section 502.1725, Texas Transportation Code, adopted an order authorizing the adoption and implementation of an Optional Vehicle Registration Fee initially in the amount of \$5.00, subsequently increased to \$10.00 effective January 1, 2009 (the "*Vehicle Fee*"); and

WHEREAS, pursuant to Section 502.1725, Texas Transportation Code, the County is required to remit the Vehicle Fee to the Authority and the Authority is required to use the Vehicle Fee for long-term transportation projects; and

WHEREAS, on January 20, 2010, the Authority adopted that certain resolution expressing intent to finance expenditures to be incurred and listed the projects intended to be financed by the Authority and secured by the Vehicle Fee; and

WHEREAS, the Authority desires to issue the Cameron County Regional Mobility Authority Pledged Vehicle Registration Fee Revenue Bonds, Series 2010 (the "*Bonds*") and believes it to be in the Authority's best interest to authorize the Authority's staff and advisors of the Authority (the "*Advisors*") to prepare and distribute certain documents related to the issuance of the Bonds, including but not limited to a preliminary official statement and to take other actions consistent with preparing to issue the Bonds;

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE CAMERON COUNTY REGIONAL MOBILITY AUTHORITY THAT:

Section 1. The findings, definitions and recitations set out in the preamble to this Resolution are found to be true and correct and are hereby adopted by the Board of Directors of the Authority (the "*Board*") and made a part hereof for all purposes.

Section 2. The Chairman, the Authority's staff and the Advisors (collectively, the "*Working Group*") are directed to prepare and distribute a preliminary official statement for the Bonds. The Working Group is authorized to take all necessary steps to distribute the preliminary official statement, along with revisions, deletions, or insertions of information as may be necessary to finalize the preliminary official statement, prior to distribution and/or mailing of

such. The Working Group is also authorized to distribute the final preliminary official statement by electronic or other means.

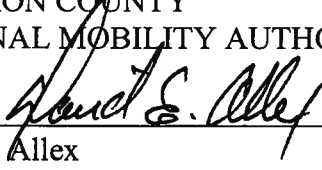
Section 3. The Executive Director is authorized to select an underwriter or a group of underwriters for the Bonds that the Executive Director may remove or add firms to if it is determined that it is in the best interest of the Authority to add or remove such firms. Additionally, the Executive Director is authorized to select a Paying Agent for the Bonds.

Section 4. The Working Group is authorized to solicit one or more ratings related to the Bonds and to take any actions required to be taken to secure such ratings. Additionally, the Working Group is further authorized to solicit bids for bond insurance for the Bonds and review such bids to determine if securing such insurance would be economically advantageous for the Authority.

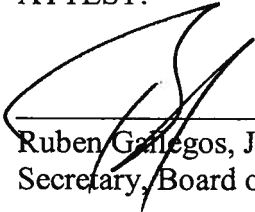
Section 5. The Working Group is hereby authorized to take such further actions and provide such certifications as they determine is necessary and consistent with the intent of the Board as expressed in this Resolution.

ADOPTED THIS 19TH DAY OF FEBRUARY, 2010.

CAMERON COUNTY  
REGIONAL MOBILITY AUTHORITY

  
\_\_\_\_\_  
David E. Allex  
Chairman, Board of Directors

ATTEST:

  
\_\_\_\_\_  
Ruben Gallegos, Jr.  
Secretary, Board of Directors

*Execution Page to Resolution*

**IV. CONSIDERATION AND APPROVAL OF A  
TRANSPORTATION AND PROJECT PLEDGE  
AGREEMENT BETWEEN CAMERON COUNTY AND  
THE CAMERON COUNTY REGIONAL MOBILITY  
AUTHORITY WHEREBY THE COUNTY AGREES TO  
NOT LOWER OR ELIMINATE THE PLEDGED VEHICLE  
REGISTRATION FEE WHILE THE CAMERON COUNTY  
REGIONAL MOBILITY AUTHORITY VEHICLE  
REGISTRATION FEE REVENUE BONDS, SERIES 2010  
OR ANY OTHER PARITY OBLIGATIONS REMAIN  
OUTSTANDING.**

**RESOLUTION AUTHORIZING AND APPROVING A TRANSPORTATION PROJECT AND PLEDGE AGREEMENT BETWEEN THE CAMERON COUNTY REGIONAL MOBILITY AUTHORITY AND CAMERON COUNTY, TEXAS; AND AUTHORIZING AND APPROVING OTHER MATTERS IN CONNECTION THEREWITH**

WHEREAS, Cameron County, Texas (the "*County*"), a political subdivision of the State of Texas, petitioned the Texas Transportation Commission (the "*Commission*") for authorization to form the Cameron County Regional Mobility Authority (the "*Authority*") pursuant to the provisions of the Texas Transportation Code; and

WHEREAS, the Authority now operates pursuant to, among other statutory provisions, Chapters 370 and 502, Texas Transportation Code, and the corresponding Commission regulations, policies and procedures, as amended from time to time (collectively, the "*Authorizing Law*"); and

WHEREAS, the County, pursuant to Section 502.1725, Texas Transportation Code, adopted an order authorizing the adoption and implementation of an Optional Vehicle Registration Fee initially in the amount of \$5.00, subsequently increased to \$10.00 effective January 1, 2009 (the "*Vehicle Fee*"); and

WHEREAS, the Authorizing Law requires that the County remit the revenue from the Vehicle Fee to the Authority to fund long-term transportation projects in the County; and

WHEREAS, the County and Authority now wish to enter into that Transportation Project and Pledge Agreement, in substantially the form attached hereto as Exhibit A (the "*Agreement*"), in order to ensure the County continues to collect the Vehicle Fee through the maturity of any bonds issued by the Authority and secured by the Vehicle Fee; and

WHEREAS, the Board, after careful consideration, has reviewed the Agreement, and has determined that the Agreement is in the best interest of the Authority;

NOW THEREFORE, BE IT RESOLVED BY the Board of Directors of the Cameron County Regional Mobility Authority that:

Section 1. The findings, definitions and recitations set out in the preamble to this Resolution are found to be true and correct and are hereby adopted by the Board of Directors of the Authority (the "*Board*") and made a part hereof for all purposes.

Section 2. The Agreement is hereby approved and adopted in substantially the form attached hereto as Exhibit A.

Section 3. The Agreement upon being duly executed and delivered by the Authority and the County in accordance with its terms will be in full force and effect and will constitute a legal, valid and binding obligation of the Authority.

Section 4. The Chairman, Secretary and any other officer of the Board are hereby expressly authorized, empowered and directed from time to time and at any time to do and perform all other acts and things and to approve ministerial changes or other changes required by the County or other agencies of the State of Texas, and to execute, acknowledge and/or deliver, in the name and on behalf of the Authority, any and all documents, certificates, and other instruments, whether or not herein mentioned, including, but not limited to, any covenants, remedies or restrictions, as they may determine to be necessary or desirable in order to carry out the intent of the Board as expressed in this Resolution and the terms and provisions of the Agreement.

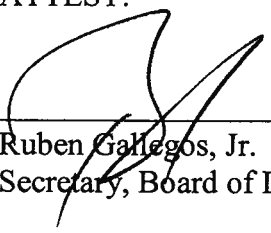


ADOPTED THIS 19TH DAY OF FEBRUARY, 2010.

CAMERON COUNTY  
REGIONAL MOBILITY AUTHORITY

  
\_\_\_\_\_  
David E. Alley  
Chairman, Board of Directors

ATTEST:

  
\_\_\_\_\_  
Ruben Gallegos, Jr.  
Secretary, Board of Directors

*Execution Page to Resolution*

**Exhibit A**

**TRANSPORTATION PROJECT AND PLEDGE AGREEMENT**

## TRANSPORTATION PROJECT AND PLEDGE AGREEMENT

STATE OF TEXAS

§

COUNTY OF CAMERON

§

§

This Transportation Project and Pledge Agreement (this "*Agreement*") is entered into as of the [ ] day of [ ], 2010, between CAMERON COUNTY, TEXAS (the "*County*"), a political subdivision of the State of Texas, and the CAMERON COUNTY REGIONAL MOBILITY AUTHORITY (the "*Authority*"), a regional mobility authority existing under Chapter 370 of the Texas Transportation Code and political subdivision of the State of Texas.

### RECITALS

WHEREAS, the County petitioned the Texas Transportation Commission (the "*Commission*") for authorization to form the Authority pursuant to the provisions of the Texas Transportation Code; and

WHEREAS, the Commission authorized the creation of the Authority on September 30, 2004; and

WHEREAS, the Authority now operates pursuant to, among other statutory provisions, Chapters 370 and 502, Texas Transportation Code, and the corresponding Commission regulations, policies and procedures, as amended from time to time (collectively, the "*Authorizing Law*"); and

WHEREAS, on [ ], 20[ ], the County, pursuant to Section 502.1725, Texas Transportation Code, adopted an order authorizing the adoption and implementation of an Optional Vehicle Registration Fee initially in the amount of \$5.00, subsequently increased to \$10.00 effective January 1, 2009 (the "*Vehicle Fee*"); and

WHEREAS, the Authorizing Law requires that the County remit the revenue from the Vehicle Fee to the Authority to fund long-term transportation projects in the County; and

WHEREAS, it has been determined that such long-term transportation projects (the "*Projects*"), as further described herein, will benefit the County and its residents through improved mobility, increased safety, enhanced economic development, and expansion of the tax base which will result in increased revenues to support the County and the provision of services to residents; and

WHEREAS, the Authority, on its own or through an entity created by the Authority, intends to issue debt with a maximum repayment term of no more than 40 years in one or more lawful forms, including but not limited to bonds or other obligations, to obtain financing necessary to develop the Projects;

WHEREAS, pursuant to the Authorizing Law, the County is authorized to enter into this Agreement with the Authority to acquire, construct and maintain the Projects;

NOW, THEREFORE, for and in consideration of the respective promises and mutual covenants and benefits hereinafter set forth, the Authority and the County agree as follows:

## **ARTICLE I**

### **DEFINITIONS**

Section 1.01. Definitions. Throughout this Agreement, the following terms and expressions as used herein shall have the meanings set forth below, unless the context clearly indicates otherwise:

“Bonds” shall mean the Authority’s Pledged Revenue Vehicle Fee Bonds, Series 2010 issued pursuant to the Resolution, and any refunding bonds issued thereby and any future obligations issued by the Authority.

“Pledged Vehicle Fee Revenues” shall mean 100% of the funds collected by the County and the State of Texas from the levy of the Vehicle Fee, pursuant to Authorizing Law, without deduction, offset, or credit for any administrative charges or expenses incurred by the County or the Authority in connection with the levy and collection of the Vehicle Fee.

“Project” shall mean the acquisition, construction and maintenance of any Authority Project, as approved by the Authority from time to time, and related improvements.

“Resolution” shall mean the resolution authorizing the issuance of the Bonds.

Section 1.02. Interpretations. All terms defined herein and all pronouns used in this Agreement shall be deemed to apply equally to singular and plural and to all gender. The titles and headings of the articles and sections of this Agreement have been inserted for convenience and shall not in any way modify or restrict any of the terms and provisions hereof. This Agreement and all the terms and provisions hereof shall be liberally construed to effectuate the purposes set forth herein.

## **ARTICLE II**

### **SERVICES TO BE PROVIDED**

Section 2.01. Construction of the Project. The Authority agrees to develop all engineering plans, specifications, and details required for the implementation of the Project. The Authority further agrees to contract with all individuals or entities necessary to complete the Project in accordance with the engineering plans, specifications and other construction documents.

Section 2.02. Maintenance of the Project. Upon full and final completion of the Project, the Authority agrees to maintain the Project in a reasonably prudent manner. Pursuant to this Agreement and notwithstanding any other provision herein, the County shall not have any

obligation to maintain the Project and all obligations and liabilities with respect to the Project shall be the responsibility of the Authority.

Section 2.03. Issuance of the Bonds. The Authority agrees to sell the Bonds at the earliest, most feasible date. The Authority agrees to use a portion of the proceeds of the sale of the Bonds to finance the costs of the Project and to pay the costs associated with issuing the Bonds. The Resolution shall provide that the Bonds may be secured by a pledge of the Pledged Vehicle Fee Revenues and any interest earned thereon.

### **ARTICLE III**

#### **OBLIGATIONS OF THE COUNTY AND THE AUTHORITY**

Section 3.01. Imposition, Collection and Remittance of Vehicle Fee by the County. In accordance with Section 502.1725 of the Texas Transportation Code and in consideration of the construction of the Project by the Authority, the County covenants and agrees to take all steps necessary and authorized under the Authorizing Law and other applicable laws to continuously impose, collect and remit the Vehicle Fee during the term of this Agreement in the manner and to the maximum extent permitted by applicable law. The County also covenants and agrees that it will not cause a reduction, abatement, or exemption in the Vehicle Fee or in the amount in which it is authorized to be collected. The County further covenants and agrees that, during the term of this Agreement, within [5] days of receipt of the portion of the Pledged Vehicle Fee Revenues the County collects, it will pay to the Authority 100% of the Pledged Vehicle Fee Revenues the County collects, without demand, notice, counterclaim, or offset, including any administrative charges or expenses incurred by the County in connection with the levy and collection of the Vehicle Fee or the Pledged Vehicle Fee Revenues.

Section 3.02. Obligations of County to be Absolute. The obligation of the County to make the payments set forth in this Agreement shall be absolute and unconditional, and until such time as the Bonds and the paying agent/registrar's fees, if any, have been fully paid or provision for payment thereof shall have been made in accordance with the Resolution, the County will not suspend or discontinue any payments provided for in this Agreement and will not terminate this Agreement for any cause, including, without limiting the generality of the foregoing, failure of the Authority to implement the Project at the cost estimated or in accordance with the final plans and specifications; any acts or circumstances that might constitute failure of consideration, eviction, or constructive eviction; destruction of or damage to the Project; commercial frustration of purpose; or any failure of the Authority to perform and observe any agreement, whether express or implied, or any duty, liability, or obligation arising out of or connected with this Agreement. Nothing contained in this Section shall be construed to release the Authority from performance of any of the agreements on its part contained in this Agreement, and in the event the Authority shall fail to perform any such agreement on its part, the County may institute such action against the Authority as the County may deem necessary to compel performance so long as this action does not abrogate the County's obligations to make the payments set forth in this Agreement.

## ARTICLE IV

### MISCELLANEOUS PROVISIONS

Section 4.01. Term. This Agreement shall be in force and effect from the date of execution hereof to the maturity of the Bonds or the redemption or defeasance thereof, but at a maximum maturity not longer than 40 years from the date hereof.

Section 4.02. Amendments and Supplements. This Agreement may be amended, supplemented or extended by mutual agreement of the parties hereto, but not in such manner as to impair the rights of the holders of the Bonds.

Section 4.03. Merger. This Agreement embodies the entire understanding between the parties hereto and there are no prior effective representation, warranties, or agreements between the parties hereto.

Section 4.04. Severability. The provisions of this Agreement are severable, and if any provision or part of this Agreement or the application hereof to any person or circumstance shall ever be held by any court of competent jurisdiction to be invalid or unconstitutional for any reason, the remainder of this Agreement and the application of such provision or part of this Agreement to other persons or circumstances shall not be affected thereby.

*[Signature page follows.]*

EXECUTED in multiple counterparts as of the date first written above.

CAMERON COUNTY, TEXAS

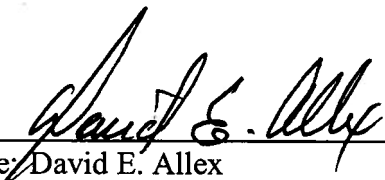
By: \_\_\_\_\_  
Name: Carlos H. Cascos  
Title: County Judge

ATTEST:

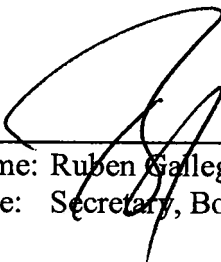
By: \_\_\_\_\_  
Name: Joe G Rivera  
Title: County Clerk

(SEAL)

CAMERON COUNTY  
REGIONAL MOBILITY AUTHORITY

By:   
Name: David E. Allex  
Title: Chairman, Board of Directors

ATTEST:

By:   
Name: Ruben Gallegos, Jr.  
Title: Secretary, Board of Directors



**V. CONSIDERATION AND APPROVAL OF INTERLOCAL  
AGREEMENT BETWEEN CAMERON REGIONAL  
MOBILITY AUTHORITY AND CAMERON COUNTY**

STATE OF TEXAS            )  
                                      )  
CAMERON COUNTY         )

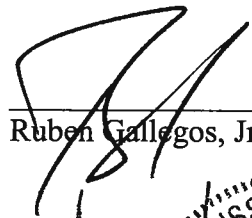
**INTERLOCAL COOPERATION AGREEMENT**

THIS AGREEMENT is entered into between the CAMERON COUNTY REGIONAL MOBILITY AUTHORITY, hereinafter referred to as "CCRMA" and COUNTY OF CAMERON, hereinafter referred to as "COUNTY" pursuant to V.T.C.A., Government Code, Chapter 791, cited as the Interlocal Cooperation Act


1. LOCATION OF PROJECT: Cameron County, Texas
2. PROJECT TO BE COMPLETED: To provide Engineering and Design Services for the Olmito Switchyard Expansion Project.
3. The funds for the above-mentioned work will be provided by Cameron County. Cameron County through the Texas Department of Transportation (TxDOT) will provide funding for this Scope of Services. CCRMA will have its GEC perform the above-mentioned tasks.
4. COUNTY will keep a current Advance Funding Agreement with TxDOT throughout the project.
5. The Scope of Services and a Fee Schedule is attached to this Interlocal Agreement. Contract amount is \$183,763.00.
6. The Rules, Regulations and Orders of CCRMA shall govern this Agreement and the parties agree the CCRMA shall supervise the performance of this Agreement. It is also agreed that the CCRMA has the authority to employ personnel to engage in other Administrative Services necessary to fulfill the terms of this Agreement.
7. The Agreement shall have no legal force or effect until such time as it is properly Adopted and Approved by the CCRMA and the CAMERON COUNTY COMMISSIONERS COURT.


EXECUTED ON February 16, 2010.

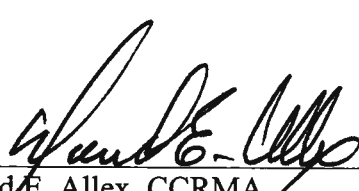
Attested by:

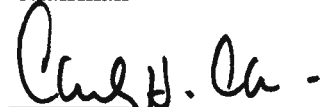
  
\_\_\_\_\_  
Ruben Gallegos, Jr., Secretary

Attested by:

  
\_\_\_\_\_  
Joe G. Rivera, County Clerk

  
The seal is circular with a five-pointed star in the center. The words "COMMISSIONERS COURT" are written in a circle around the star, and "CAMERON COUNTY, TEXAS" is written in a larger circle at the bottom.

  
\_\_\_\_\_  
David E. Allex, CCRMA  
Chairman

  
\_\_\_\_\_  
Carlos H. Cascos, CPA, County Judge  
Cameron County