

THE STATE OF TEXAS §

COUNTY OF CAMERON §

BE IT REMEMBERED on the 28th day of March, 2014, there was conducted a Special Meeting of the Cameron County Regional Mobility Authority, at the Dancy Courthouse, 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

DIRECTOR

DAVID N. GARZA
DIRECTOR

DIRECTOR

DIRECTOR

HORACIO BARRERA
DIRECTOR

MARK ESPARZA
DIRECTOR

Secretary

MICHAEL SCAIEF
ABSENT

RUBEN GALLEGOS, JR.
ABSENT

NAT LOPEZ
ABSENT

=====

The Meeting was called to order by Chairman David E. Allex, at 12:00 Noon. At this time, the Board considered the following matters as per RMA Agenda posted and filed for Record in the Office of the County Clerk on this 25th day of March 2014 at 9:11 A.M.



AGENDA

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

**Dancy Courthouse
1100 E. Monroe
Brownsville, TX 78521**

Friday, March 28, 2014

12:00 Noon

FILED AND RECORDED
OFFICIAL PUBLIC RECORDS
On: Mar 25, 2014 at 09:11A

PUBLIC COMMENTS:

1. Public Comments

Joe G Rivera
County Clerk
By
Lamar Cantu, Deputy
Cameron County

CONSENT ITEMS:

2. All Item(s) under the Consent RMA Agenda are heard collectively unless opposition is presented, in which case the contested Item will be considered, discussed, and appropriate action taken separately
 - A. Consideration and Approval of the Minutes for:

March 13, 2014 – Regular Meeting
 - B. Consideration and Approval of the Financials for the Month of February 2014
 - C. Consideration and Approval of a Financial Assistance Agreement between the Cameron County Regional Mobility Authority and the Texas Department of Transportation for the SPI 2nd Access Project

ITEMS FOR DISCUSSION AND ACTION:


3. Action Items

A. Approval of Claims

B. Discussion and Possible Action regarding request from the Rio South Texas Economic Council

ADJOURNMENT:

Signed this 25th day of March 2014



David E. Allex
Chairman

NOTE:

Participation by Telephone Conference Call – One or more members of the CCRMA Board of Directors may participate in this meeting through a telephone conference call, as authorized by Sec. 370.262, Texas Transportation Code. Each part of the telephone conference call meeting that by law must be open to the public shall be audible to the public at the meeting location and will be recorded. On conclusion of the meeting, the recording will be made available to the public.

PUBLIC COMMENTS

1 PUBLIC COMMENTS

Mr. Pete Sepulveda, Jr., RMA Executive Director made comments regarding meetings with the U.S. Fish & Wildlife Service and property owners.

CONSENT ITEMS

ALL ITEM(S) UNDER THE CONSENT RMA AGENDA ARE HEARD COLLECTIVELY UNLESS OPPOSITION IS PRESENTED, IN WHICH CASE THE CONTESTED ITEM WILL BE CONSIDERED, DISCUSSED AND APPROPRIATE ACTION TAKEN SEPARATELY

Director Garza moved to approve Items 2A through 2C. The motion was seconded by Vice Chariman Barrera and carried unanimously.

2-A Consideration and Approval of the Minutes for:

March 13, 2014 – Regular Meeting

2-B Consideration and Approval of the Financials for the Month of February 2014

The Financials are as follows:

2-C Consideration and Approval of a Financial Assistance Agreement between the Cameron County Regional Mobility Authority and the Texas Department of Transportation for the SPI 2nd Access Project

The Agreement is as follows:

ACTION ITEMS

3-A Approval of Claims

The attached claims were presented to the Board of Directors for approval.

Mr. Pete Sepulveda, Jr., RMA Executive Director introduced the Claims into the record and recommended approval of the Claims.

Vice Chairman Barrera moved to approve the Claims as presented. The motion was seconded by Director Esparza and carried unanimously.

The Claims are as follows:

3-B Discussion and Possible Action regarding request from the Rio South Texas Economic Council

Director Esparza moved to TABLE the item. The motion was seconded by Director Garza and carried unanimously.

ADJOURNMENT

There being no further business to come before the Board and upon motion by Director Garza seconded by Director Esparza and carried unanimously the meeting was ADJOURNED at 12:19 P.M.

APPROVED this 4th day of April 2014.

ATTESTED:



SECRETARY RUBEN GALLEGOS, JR.



CHAIRMAN DAVID E. ALLEX

**2-B CONSIDERATION AND APPROVAL OF THE FINANCIALS FOR THE
MONTH OF FEBRUARY 2014**

2B

CCRMA

CAMERON COUNTY REGIONAL MOBILITY AUTHORITY

February 2014 Monthly Financial Report

Pete Sepulveda, Jr.
Executive Director

Jesus Adrian Rincones, CPA, CFE
Controller

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CAMERON COUNTY REGIONAL MOBILITY AUTHORITY

Balance Sheet
As of 2/28/2014
(In Whole Numbers)

	<u>Current Year</u>
ASSETS	
Current Assets:	
Cash and cash equivalents	
CCRMA Claims Account	16,385
CCRMA Operating Fund	4,170,330
TxTag - Replenishment Account	500
CCRMA Bond/Debt Funds	<u>627,670</u>
Total Cash and cash equivalents	4,814,886
Restricted cash accounts - debt service	
CCRMA Toll Revenue Funds	33,557
2010 A & B Pledged Revenue Funds	640
2010 A Debt Reserve	1,038,587
2010 A Debt Service	110,557
2010 B Debt Reserve	1,218,154
2010 B Debt Service	84,181
2012 Bond CAPI funds	2,251,558
2012 Bond Operating Fund	81,355
2012 Bond Project Funds	18,433,780
2012 Bonds Rate Stabilization Fund	<u>800,000</u>
Total Restricted cash accounts - debt service	24,052,370
Accounts receivable	
Accounts Receivable - Customers	4,700
Vehicle Registration Fees - Receivable	<u>941,550</u>
Total Accounts receivable	946,250
Accounts receivable - other agencies	
Accounts Receivable - Other Agencies	2,383,026
Due from Other Agencies	<u>345,755</u>
Total Accounts receivable - other agencies	2,728,781
Prepaid expenses	
Prepaid Other Expense	<u>8,419</u>
Total Prepaid expenses	8,419
Total Current Assets:	<u>32,550,706</u>
Non Current Assets:	
Long-term receivables	
TxDot - SH550 PTT	<u>16,829,540</u>
Total Long-term receivables	16,829,540
Capital assets, net	
Furnishings & Equipment	3,920,804
Accumulated Depreciation-Furnishings & Equipment	(316,723)
Infrastructure & Utilities	13,444,832
Accumulated Depreciation-Infrastructure	<u>(323,956)</u>
Total Capital assets, net	16,724,958
Capital projects in progress	
CIP - Planning & Coordination	79,382
CIP - Preliminary Engineering & Design	3,123,645
CIP - Environmental Studies	10,136,418
CIP - Mitigation	12,025
CIP - Right of Way	322,658
CIP - Construction	26,855,560
CIP - Construction Engineering	17,481
CIP - Construction Management	1,508,543
CIP - Direct Legal Costs	9,952

CAMERON COUNTY REGIONAL MOBILITY AUTHORITY

Balance Sheet
As of 2/28/2014
(In Whole Numbers)

	<u>Current Year</u>
CIP - Capitalized Interest	1,428,587
CIP - Indirect Administration and Overhead	<u>30</u>
Total Capital projects in progress	43,494,281
Other assets	
Other Assets	<u>39,392,799</u>
Total Other assets	39,392,799
Unamortized bond issue costs	
2010A Unamortized Bond Discount	226,797
2010B Unamortized Bond Discount	249,681
2012 Unamortized Discount	<u>842,754</u>
Total Unamortized bond issue costs	<u>1,319,232</u>
Total Non Current Assets:	<u>117,760,810</u>
Total ASSETS	<u><u>150,311,515</u></u>
LIABILITIES	
Current Liabilities	
Accounts payable	
Accounts Payable	<u>3,979,114</u>
Total Accounts payable	3,979,114
Payroll liabilities	
Federal Tax Withholding	254
Payroll Tax Payable	<u>367</u>
Total Payroll liabilities	621
Deferred revenue	
Deferred Revenue	123,544
Deferred SH550 PTT	<u>16,829,540</u>
Total Deferred revenue	<u>16,953,083</u>
Total Current Liabilities	20,932,818
Non Current Liabilities	
Due to other agencies	
Cameron County	250,000
Due to other Govts	<u>2,014,428</u>
Total Due to other agencies	2,264,428
Due to TxDot	
Union Pacific - West Rail Project	25,767,727
Union Pacific - Olmito Switchyard	9,028,321
TxDot FAA - South Padre Island	6,055,871
TxDot FAA - West Parkway	<u>2,244,589</u>
Total Due to TxDot	43,096,508
Long term bond payable	
2010A Bonds Payable	12,245,000
2010A Unamortized Premium	70,327
2010B Bonds Payable	15,535,000
2012 Bonds Payable	40,000,000
2012 Unamortized Premium	<u>4,309,435</u>
Total Long term bond payable	<u>72,159,762</u>
Total Non Current Liabilities	<u>117,520,698</u>
Total LIABILITIES	<u><u>138,453,516</u></u>
NET POSITION	
Beginning net position	<u>8,938,942</u>
Total Beginning net position	8,938,942

CAMERON COUNTY REGIONAL MOBILITY AUTHORITY

Balance Sheet

As of 2/28/2014

(In Whole Numbers)

	<u>Current Year</u>
Changes in net position	
	<u>2,919,057</u>
Total Changes in net position	<u>2,919,057</u>
Total NET POSITION	<u>11,857,999</u>
TOTAL LIABILITIES AND NET POSITION	<u><u>150,311,515</u></u>

CAMERON COUNTY REGIONAL MOBILITY AUTHORITY

Statement of Revenues, Expenditures And Changes in Net Assets - Unposted Transactions Included In Report
From 2/1/2014 Through 2/28/2014
(In Whole Numbers)

	<u>Current Period Actual</u>	<u>Current Year Actual</u>	<u>Total Budget - Original</u>	<u>Total Budget Variance - Original</u>
Operating Revenues				
Vehicle registration fees	285,840	1,128,700	2,800,000	(1,671,300)
Toll revenues	24,072	103,920	200,000	(96,080)
TRZ revenue	0	0	300,000	(300,000)
Other revenue	439	4,012,656	0	4,012,656
Total Operating Revenues	<u>310,351</u>	<u>5,245,276</u>	<u>3,300,000</u>	<u>1,945,276</u>
Operating Expenses				
Personnel costs	2,584	110,023	571,800	461,777
Professional services	0	0	25,000	25,000
Contractual services	50,646	104,389	204,000	99,611
Debt interest	2,044,079	2,044,079	4,061,700	2,017,621
Project expenses	0	0	138,200	138,200
Advertising & marketing	2,232	2,232	40,000	37,768
Data processing	402	3,017	10,000	6,983
Dues & memberships	0	3,220	9,500	6,280
Education & training	695	1,499	11,000	9,501
Fiscal agent fees	0	0	15,000	15,000
Insurance	0	7,364	31,800	24,436
Office supplies	37	7,020	10,000	2,980
Road maintenance	0	4,674	150,000	145,326
Rent	0	3,016	11,000	7,984
Toll services	10,692	21,633	50,000	28,367
Travel	3,011	13,974	40,000	26,026
Utilities	511	3,105	15,000	11,895
Total Operating Expenses	<u>2,114,890</u>	<u>2,329,247</u>	<u>5,394,000</u>	<u>3,064,753</u>
Non Operating Revenue				
Interest income	465	3,379	0	3,379
Total Non Operating Revenue	<u>465</u>	<u>3,379</u>	<u>0</u>	<u>3,379</u>
Changes in Net Assets	<u>(1,804,074)</u>	<u>2,919,408</u>	<u>(2,094,000)</u>	<u>5,013,408</u>
Net Assets Beginning of Year				
	<u>13,662,424</u>	<u>8,938,942</u>	<u>0</u>	<u>8,938,942</u>
Net Assets End of Year	<u>11,858,351</u>	<u>11,871,141</u>	<u>(2,094,000)</u>	<u>13,965,141</u>

CAMERON COUNTY REGIONAL MOBILITY AUTHORITY
Statement of Cash Flows
As of 2/28/2014

	Current Period
Cash Flows from Operating Activities	
Receipts from Vehicle Registration Fees	(345,755.05)
Receipts from Toll Revenues	24,071.77
Receipts from Grants and other Income	1,301,650.41
Payments to Vendors	201,348.10
Payments to Employees	(2,474.52)
Total Cash Flows from Operating Activities	1,178,840.71
Cash Flows from Capital and related Financing Activities	
Acquisitions of Property and Equipment	(6,054.15)
Payments on Interest	(2,044,079.34)
Acquisitions of Construction in Progress	(3,453,022.93)
Principal Payments on Bonds	0.00
Proceeds from TxDot FAA	125,666.86
Proceeds from Other Governments	345,755.05
Total Cash Flows from Capital and related Financing Activities	(5,031,734.51)
Net Increase (Decrease) in Cash & Cash Equivalents	(3,852,893.80)
Beginning Cash & Cash Equivalents	32,720,148.99
Ending Cash & Cash Equivalents	28,867,255.19

CAMERON COUNTY REGIONAL MOBILITY AUTHORITY
Capital Projects in Progress - Unposted Transactions Included In Report
From 2/1/2014 Through 2/28/2014
(In Whole Numbers)

	<u>Current Period Actual</u>	<u>Current Year Actual</u>	<u>Total Budget - Original</u>	<u>Total Budget Variance - Original</u>
Capital Projects				
Indirect	0	0	75,000	75,000
South Padre Island 2nd Access	354,560	936,519	5,200,000	4,263,481
West Parkway Project	0	980	0	(980)
Outer Parkway	24,700	24,700	2,500,000	2,475,300
West Rail Relocation	36,090	1,315,011	5,000,000	3,684,989
SH 550	2,996,672	13,192,768	34,450,000	21,257,232
SH 32 (East Loop)	29,682	41,864	225,000	183,136
FM 803	11,319	33,051	35,000	1,949
General Brant	0	1,976	50,000	48,024
Port Isabel Access Rd	0	0	300,000	300,000
Total Capital Projects	<u>3,453,023</u>	<u>15,546,869</u>	<u>47,835,000</u>	<u>32,288,131</u>

CAMERON COUNTY REGIONAL MOBILITY AUTHORITY

Capital Projects in Progress - Unposted Transactions Included In Report
From 2/1/2014 Through 2/28/2014
(In Whole Numbers)

		Current Period Actual	Current Year Actual	Total Budget - Original	Total Budget Variance - Original
Capital Projects					
South Padre Island 2nd Access	2000				
CAPITALIZED PROJECT COSTS					
	01CAP				
CIP - Preliminary Engineering & Design	15110	0	68,798	1,500,000	1,431,202
CIP - Environmental Studies	15120	354,560	865,451	3,500,000	2,634,549
CIP - Direct Legal Costs	15300	0	2,240	50,000	47,760
CIP - Direct Administration	15320	0	0	75,000	75,000
CIP - Indirect Administration and Overhead	15330	0	30	75,000	74,970
Total South Padre Island 2nd Access		354,560	936,519	5,200,000	4,263,481
West Parkway Project	2025				
CAPITALIZED PROJECT COSTS					
	01CAP				
CIP - Direct Legal Costs	15300	0	980	0	(980)
Total West Parkway Project		0	980	0	(980)
Outer Parkway	2050				
CAPITALIZED PROJECT COSTS					
	01CAP				
CIP - Planning & Coordination	15100	24,700	24,700	0	(24,700)
CIP - Preliminary Engineering & Design	15110	0	0	1,000,000	1,000,000
CIP - Environmental Studies	15120	0	0	1,400,000	1,400,000
CIP - Direct Legal Costs	15300	0	0	20,000	20,000
CIP - Direct Administration	15320	0	0	40,000	40,000
CIP - Indirect Administration and Overhead	15330	0	0	40,000	40,000
Total Outer Parkway		24,700	24,700	2,500,000	2,475,300
West Rail Relocation	2100				
CAPITALIZED PROJECT COSTS					
	01CAP				
CIP - Planning & Coordination	15100	12,500	12,500	0	(12,500)
CIP - Mitigation	15130	0	706	250,000	249,294
CIP - Right of Way	15200	11,022	322,658	250,000	(72,658)
CIP - Utilities	15210	0	0	350,000	350,000
CIP - Construction	15220	0	836,760	3,500,000	2,663,240
CIP - Construction Engineering	15230	0	17,481	0	(17,481)
CIP - Construction Management	15240	12,568	124,905	500,000	375,095
CIP - Direct Legal Costs	15300	0	0	50,000	50,000
CIP - Direct Administration	15320	0	0	50,000	50,000
CIP - Indirect Administration and Overhead	15330	0	0	50,000	50,000
Total West Rail Relocation		36,090	1,315,011	5,000,000	3,684,989
SH 550	2200				
CAPITALIZED PROJECT COSTS					
	01CAP				
CIP - Planning & Coordination	15100	12,500	12,500	0	(12,500)
CIP - Utilities	15210	0	0	500,000	500,000
CIP - Construction	15220	2,859,700	12,608,304	32,500,000	19,891,696
CIP - Construction Management	15240	124,472	565,232	1,300,000	734,768
CIP - Direct Legal Costs	15300	0	6,732	75,000	68,268
CIP - Direct Administration	15320	0	0	50,000	50,000
CIP - Indirect Administration and Overhead	15330	0	0	25,000	25,000
Total SH 550		2,996,672	13,192,768	34,450,000	21,257,232
SH 32 (East Loop)	2250				
CAPITALIZED PROJECT COSTS					
	01CAP				
CIP - Planning & Coordination	15100	23,591	29,682	0	(29,682)
CIP - Preliminary Engineering & Design	15110	0	0	75,000	75,000
CIP - Environmental Studies	15120	6,091	12,182	100,000	87,818

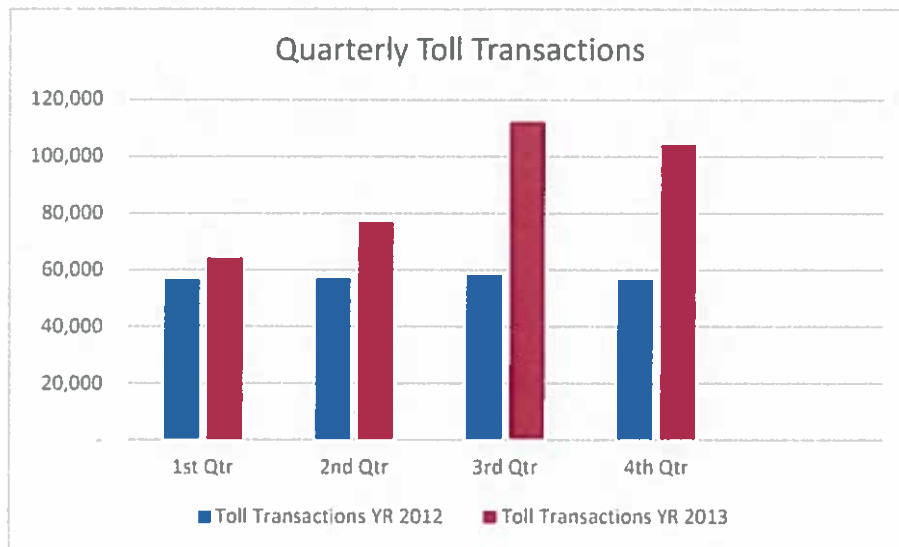
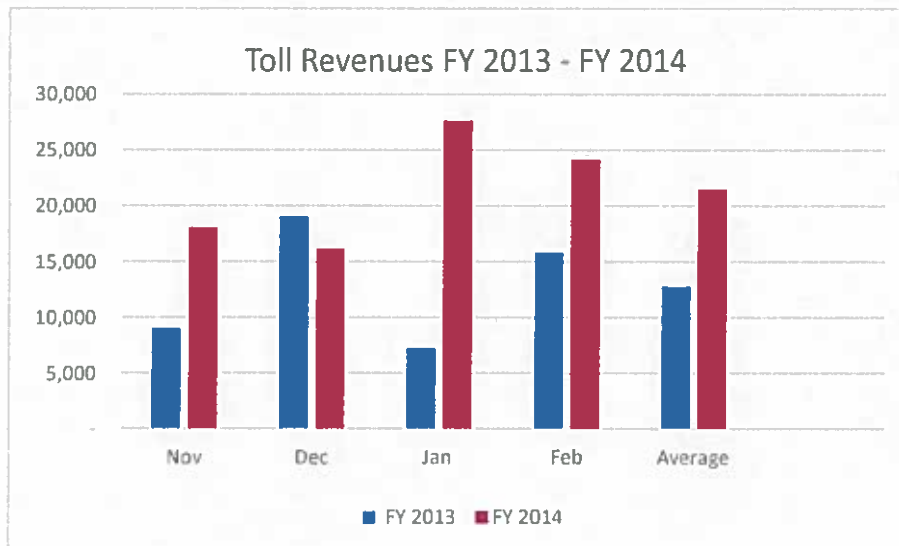
CAMERON COUNTY REGIONAL MOBILITY AUTHORITY

Capital Projects in Progress - Unposted Transactions Included In Report
From 2/1/2014 Through 2/28/2014
(In Whole Numbers)

		Current Period Actual	Current Year Actual	Total Budget - Original	Total Budget Variance - Original
CIP - Direct Legal Costs	15300	0	0	15,000	15,000
CIP - Direct Administration	15320	0	0	17,500	17,500
CIP - Indirect Administration and Overhead	15330	0	0	17,500	17,500
Total SH 32 (East Loop)		29,682	41,864	225,000	183,136
FM 803	2300				
CAPITALIZED PROJECT COSTS	01CAP				
CIP - Preliminary Engineering & Design	15110	0	21,732	10,000	(11,732)
CIP - Mitigation	15130	11,319	11,319	0	(11,319)
CIP - Direct Legal Costs	15300	0	0	5,000	5,000
CIP - Direct Administration	15320	0	0	10,000	10,000
CIP - Indirect Administration and Overhead	15330	0	0	10,000	10,000
Total FM 803		11,319	33,051	35,000	1,949
General Brant	2350				
CAPITALIZED PROJECT COSTS	01CAP				
CIP - Preliminary Engineering & Design	15110	0	1,976	12,500	10,524
CIP - Environmental Studies	15120	0	0	12,500	12,500
CIP - Direct Legal Costs	15300	0	0	5,000	5,000
CIP - Direct Administration	15320	0	0	10,000	10,000
CIP - Indirect Administration and Overhead	15330	0	0	10,000	10,000
Total General Brant		0	1,976	50,000	48,024
Port Isabel Access Rd	2400				
CAPITALIZED PROJECT COSTS	01CAP				
CIP - Preliminary Engineering & Design	15110	0	0	100,000	100,000
CIP - Environmental Studies	15120	0	0	150,000	150,000
CIP - Direct Legal Costs	15300	0	0	10,000	10,000
CIP - Direct Administration	15320	0	0	20,000	20,000
CIP - Indirect Administration and Overhead	15330	0	0	20,000	20,000
Total Port Isabel Access Rd		0	0	300,000	300,000
Indirect	1000				
NON CAPITALIZED PROJECT COSTS	02EXP				
Direct Administrative Costs	70320	0	0	75,000	75,000
Total Indirect		0	0	75,000	75,000
Total Capital Projects		3,453,023	15,546,869	47,835,000	32,288,131

CAMERON COUNTY REGIONAL MOBILITY AUTHORITY
Toll Revenues and Expenditures
From 2/1/2014 Through 2/28/2014

	<u>Current Period Actual</u>	<u>Current Year Actual</u>	<u>YTD Budget - Original</u>	<u>YTD Budget Variance - Original</u>
Toll Revenues				
Toll Revenue	<u>24,071.77</u>	<u>103,920.00</u>	<u>200,000.00</u>	<u>(96,080.00)</u>
Total Toll Revenues	<u>24,071.77</u>	<u>103,920.00</u>	<u>200,000.00</u>	<u>(96,080.00)</u>
Toll Expenditures				
Toll services				
Toll Services	<u>10,692.31</u>	<u>21,633.26</u>	<u>50,000.00</u>	<u>28,366.74</u>
Total Toll services	<u>10,692.31</u>	<u>21,633.26</u>	<u>50,000.00</u>	<u>28,366.74</u>
Toll maintenance				
Maintenance - SH 550	<u>0.00</u>	<u>4,674.33</u>	<u>150,000.00</u>	<u>145,325.67</u>
Total Toll maintenance	<u>0.00</u>	<u>4,674.33</u>	<u>150,000.00</u>	<u>145,325.67</u>
Total Toll Expenditures	<u>10,692.31</u>	<u>26,307.59</u>	<u>200,000.00</u>	<u>173,692.41</u>
Net Change in Toll Services	<u>13,379.46</u>	<u>77,612.41</u>	<u>0.00</u>	<u>77,612.41</u>



2-C CONSIDERATION AND APPROVAL OF A FINANCIAL ASSISTANCE AGREEMENT BETWEEN THE CAMERON COUNTY REGIONAL MOBILITY AUTHORITY AND THE TEXAS DEPARTMENT OF TRANSPORTATION FOR THE SPI 2ND ACCESS PROJECT

FINANCIAL ASSISTANCE AGREEMENT
SOUTH PADRE ISLAND 2ND ACCESS
TOLL PROJECT

This financial assistance agreement ("Agreement") is made by and between the Texas Department of Transportation, an agency of the State of Texas ("TxDOT"), and the Cameron County Regional Mobility Authority, a political subdivision ("Authority"), for the purpose of providing financial assistance in connection with the further study and development of the South Padre Island 2nd Access project.

RECITALS

The parties acknowledge the following:

A. The Authority is a regional mobility authority formed pursuant to Chapter 370 of the Transportation Code (the "Code") and 43 Tex. Admin. Code § 26.1 *et seq.*

B. The Authority's goals are to improve mobility by implementing projects within the entire geographic area of Cameron County, Texas, including the construction of a second access route connecting South Padre Island with the mainland ("Project"). The Project includes a tolled bridge across the Laguna Madre with termini at SH 100 on the mainland and Park Road 100 on South Padre Island.

C. TxDOT, pursuant to Article III, Section 52-b of the Texas Constitution and Section 222.103 of the Code, is authorized to participate, through the expenditure of money from any source, in the acquisition, construction, maintenance, or operation of a toll facility.

D. TxDOT has adopted rules at 43 Tex. Admin. Code Chapter 27, Subchapter E ("Toll Equity Rules") setting forth the policies and procedures by which it will participate in the financing of a toll facility.

E. In Minute Order 110568, dated June 29, 2006, the Texas Transportation Commission ("Commission") granted final approval of financial assistance to the Authority for two distinct projects. This assistance included a loan in the amount of \$9.2 million to pay for the further study and development of the Project. It also included assistance, also in the form of a loan, for a second project, the West Loop Project (the Project and the West Loop Project, collectively, the "Initial Projects").

F. On August 15, 2006, the Authority and TxDOT entered into a Financial Assistance Agreement (the "Initial FAA") governing the terms of the loans for the Initial Projects.

G. Due to a decline in support for the West Loop Project, the Brownsville Metropolitan Planning Organization voted to remove the West Loop Project from the metropolitan transportation plan. Consequently, further development of the West Loop Project was terminated.

H. On October 7, 2013, the Authority, pursuant to the Toll Equity Rules, submitted a request for additional financial assistance in the amount of \$5.1 million to fund the continuation of the study and development of the Project, including environmental studies, traffic and revenue studies, design and engineering services, legal and financial advisory services, marketing, and public education and outreach related activities.

I. On October 31, 2013, and November 21, 2013, the Commission, pursuant to its constitutional and statutory authority and the Toll Equity Rules, gave preliminary and final approval to the request for additional financial assistance in an amount not to exceed \$5.1 million, in the form of a loan. In Minute Order 113775, dated November 21, 2013, the Commission authorized the Executive Director of TxDOT to enter into a financial assistance agreement with the Authority.

J. On December 12, 2013, the Board of Directors of the Authority accepted the award of financial assistance and authorized the Chairman to enter into a financial assistance agreement with TxDOT.

AGREEMENT

In light of the foregoing recitals, and for good and other valuable consideration, the parties agree as follows:

1. Definitions. As used in this Agreement:

(a) "Budget" means an annual budget of costs payable from the financial assistance for the upcoming Fiscal Year that includes monthly estimates of expenditures, such budget and cash flows to be in a form and in sufficient detail as may be reasonably requested by TxDOT.

(b) "Effective Date" means the date on which the last party to execute this Agreement does so.

(c) "Fiscal Year" means the Authority's fiscal year starting on October 1 and ending on September 30 of each year.

(d) "IFDMO" means TxDOT's Innovative Financing/Debt Management Office or any office or division of TxDOT that assumes the responsibilities of the IFDMO.

(e) "Net Revenues" means the toll revenue received from operation of the Project in any Fiscal Year that is in excess of the actual operation and maintenance costs incurred in the same Fiscal Year and required reserve fund deposits, if any, in the same Fiscal Year.

2. Development Loan.

(a) TxDOT will provide financial assistance to the Authority, in the form of a loan, in an amount not to exceed \$5.1 million, to be used for the further study and development of the Project, including environmental studies, traffic and revenue

studies, design and engineering services, legal and financial advisory services, marketing, incidental administrative and other expenses of the indirect overhead of the Authority as provided in subparagraph (b), and public education and outreach related activities.

(b) Expenditures made by the Authority from funds disbursed under this Agreement must be made in strict compliance with Attachment A to this Agreement, which is attached hereto and incorporated herein for all purposes. Costs payable through the financial assistance are limited to the salaries and other direct costs described in Attachment A that are incurred during the course of Project related work performed by Authority staff and legal, financial, engineering, and other consultants, as well as incidental administrative and other expenses of the indirect overhead of the Authority, provided that (i) only those direct and indirect costs determined to be reasonable and allowable under OMB Circular A-87 may be reimbursed, (ii) the amount of indirect costs to be reimbursed in a month will be determined by multiplying the percentage of direct costs on the Project to total costs in that month by the amount of indirect costs, and (iii) in the event the Authority subsequently receives additional financial assistance from TxDOT related to other projects the aggregate of incidental expenses and indirect overhead allocations may not exceed 100% of those expenses.

3. Loan Disbursements.

(a) Funds to be made available pursuant to this Agreement shall be disbursed within thirty (30) days of receipt and formal acceptance by IFDMO of a request from the Authority complying with the invoice requirements prescribed in Attachment A to this Agreement, and which shall also include the following:

- (i) the amount requested;
- (ii) a description of the use of the funds requested; and
- (iii) copies of proposals, invoices, fee statements, or other documentation showing the intended use of the funds requested.

(b) IFDMO shall have the right to deny all or part of a request for funds proposed to be used for purposes not authorized by this Agreement or due to a lack of adequate documentation. In either event, the Authority will have the right to submit additional information to clarify the use of funds requested or to provide any missing documentation. The parties will use their best efforts to resolve any disputes over the requested use of funds in a manner which recognizes the need for the Authority to advance the Project and meet obligations to bondholders and contractors.

(c) If the Authority determines that it will incur costs that were not included in the Budget, the Authority shall provide a revised Budget to IFDMO and the Pharr District.

(d) IFDMO has thirty (30) calendar days from receipt of a revised Budget to notify the Authority in writing of IFDMO's approval of the revised Budget. Failure to notify the Authority of

approval or disapproval of the Budget within thirty (30) calendar days shall be considered deemed approval of the Budget. Once approved by IFDMO, the remaining loan disbursements will be made in accordance with this Section 3.

(e) If IFDMO disapproves the revised Budget it shall specify, in writing (issued within the initial thirty (30) calendar day review period) the reasons for disapproval. The Authority may resubmit the revised Budget in a manner which addresses the issues raised by IFDMO. IFDMO shall have ten (10) business days from receipt of the resubmittal to review and approve, or disapprove, of the resubmittal. If IFDMO disapproves the resubmittal, it shall specify, in writing (issued within the ten (10) business day review period) the reasons for disapproval. Additional resubmittals will be processed in the same manner.

(f) To the extent funds disbursed hereunder are utilized to procure tangible work product consistent with the authorized purposes under this Agreement, TxDOT shall have the right to review such work product as a condition to making a requested disbursement.

4. Repayment of the Loan.

The financial assistance shall be repaid by the Authority to TxDOT in annual installments. Payment shall be made annually on each December 1 until the full amount of the loan is repaid. The obligation to begin making repayments shall accrue upon the occurrence of either of the following:

(a) the Authority can issue bonds secured by revenue of the Project that, when combined with other funding sources, is sufficient to complete the Project and repay all or a portion of the financial assistance provided by TxDOT under this agreement, in which case such portion of the total amount of funds advanced which can be accommodated in the bond sale shall be repaid from bond proceeds, with the remainder to be repaid pursuant to subparagraph (b) below; or

(b) the Project is opened for normal and continuous operations and use by the traveling public, provided that the Authority shall not be obligated to pay to TxDOT more than ten percent (10%) of the Net Revenues received in the previous Fiscal Year.

5. Reporting Requirements.

The Authority shall provide the following information to the IFDMO, with a copy to the Pharr District, within the time frames prescribed in this Section 5:

(a) a Budget, no later than July 1 of each year;

(b) the Authority's annual audited financial statements, no later than thirty (30) days after acceptance of the statements by the Authority's Board of Directors;

(c) if applicable, any other annual financial information and notices of material events disclosed under Rule 15c2-12 of the United States Securities and Exchange Commission relating to any publicly-offered financing for the Project, no later than ten (10) days after disclosure; and

(d) a written report detailing specific expenditures made or reimbursed with loan disbursements during the previous Fiscal Year, no later than thirty (30) days after the end of the Fiscal Year.

6. Notices and Communications.

(a) All notices and other communications to either party under this Agreement shall be delivered personally, sent by email followed by a hard copy sent by U.S. mail, sent by overnight mail or courier service, or sent by certified U.S. mail, to the addresses set forth in subsections (b) and (c) of this section.

(b) All notices or other communications to TxDOT shall be delivered to the following address or as otherwise directed by TxDOT:

Texas Department of Transportation
Innovative Finance and Debt Management Office
125 E. 11th Street
Austin, TX 78701
Attn: Benjamin Asher
Email: Benjamin.Asher@txdot.gov

(c) All notices or other communications to the Authority shall be delivered to the following address or as otherwise directed by the Authority:

Cameron County Regional Mobility Authority
RMA Coordinator
1100 E. Monroe
Brownville, TX 78521
Attn: Pete Sepulveda, Jr.
Email: psepulveda@co.cameron.tx.us

(d) All personally delivered notices or other communications shall be deemed received on the date so delivered. Any notice or other communication by email shall be deemed received on the date of confirmation of receipt of the email, provided such communication is also deposited in the U.S. mail. All notices or other communications delivered by overnight mail or courier service shall be deemed received on the date shown on the receipt of private carrier or courier service.

7. Miscellaneous Provisions.

(a) Each party will comply with applicable state and federal law in the performance of their obligations under this Agreement and any other agreements executed by the parties in relation to the Project, and the Authority will comply with any other applicable provision of the Toll Equity Rules relating to performance of work. The Authority shall not begin development of a schematic or perform any other design work until a project development agreement for the Project is executed by TxDOT and the Authority, provided that this shall not preclude design work necessary to advance the environmental review process.

(b) TxDOT or the Texas State Auditor may conduct an audit or investigation of any aspect of the loan. The Authority must provide TxDOT or the Texas State Auditor with access to any information TxDOT or the Texas State Auditor consider relevant to the investigation or audit. An audit by either TxDOT or the Texas State Auditor can include, but is not limited to, any contract for the performance of work authorized by this Agreement. Additionally, the Authority will maintain its books and records relating to the Project and the financial assistance provided under this Agreement in accordance with the requirements of 43 Tex. Admin. Code § 27.55(b)(2), and will comply with the audit, retention, and other requirements relating to records regarding the Project in 43 Tex. Admin. Code § 27.55(b). Generally Accepted Accounting Principles (GAAP) will be followed. "GAAP" means those principles of accounting promulgated by the Financial Accounting Standards Board, the Governmental Accounting Standards Board or the standards of the Office of Management and Budget Circular A-133, Audits of States, Local Government and Non-profit Organizations, as applicable, or which have other substantial authoritative support and are applicable in the circumstances as of the date of a report, as such principles are from time to time supplemented and amended.

(c) In the event the Project is not developed and constructed by the Authority, all work product associated with the Project and procured with funds disbursed under this Agreement shall, at TxDOT's request, be transferred to TxDOT, along with all right, title and interest in and to such work product, and the transfer of the work product shall constitute repayment of the loan.

(d) If either party defaults in the performance of any obligation described in this Agreement, the other party may exercise any rights and remedies granted by law or this Agreement. Any default by the Authority in making repayments of financial assistance provided under this Agreement which remains uncured after sixty (60) days prior written notice provided by TxDOT shall result in an obligation on the part of the Authority to transfer the Project to TxDOT, along with all right, title and interest in and to any and all work product associated with the Project. Any transfer of the facility would be subject to the rights of holders of any outstanding senior debt.

(e) The Authority shall comply with all environmental permits, issues and commitments necessary for development, construction, operation, or maintenance of the Project.


(f) No provision of this Agreement shall be construed against or interpreted to the disadvantage of any party by any court or other governmental or judicial authority by reason of such party having or being deemed to have drafted, prepared, structured, or dictated such provision.

(g) The signatories to this Agreement warrant that each has the authority to enter into this Agreement on behalf of the party represented.

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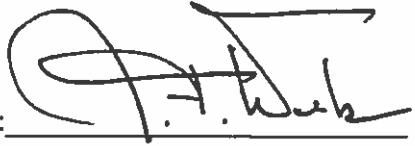
IN WITNESS WHEREOF, TxDOT and the Authority have executed this Agreement in four multiple counterparts on the dates shown herein below, effective on the Effective Date.

**CAMERON COUNTY REGIONAL MOBILITY
AUTHORITY**

By: 
David E. Alex
Chairman

Date: 3.28.14

**TEXAS DEPARTMENT OF
TRANSPORTATION**

By: 
LtGen J.F. Weber, USMC (Ret)
Executive Director

Date: 5/7/2014

ATTACHMENT A

INVOICES AND ALLOWABLE EXPENSES

Independent Advisors: Invoices from any independent advisors engaged by the Authority pursuant to the Agreement shall clearly identify each employee name, title, hours worked, date of performance, task or project description, rate per hour and/or cost, and office/company location.

Transportation Costs and Reimbursable Limits: Efforts must be made to secure a reasonable and/or lowest rate available in the marketplace.

Airline Costs: Airline costs incurred by the CCRMA pursuant to this Agreement shall be only for economy or coach class rate. Extra insurance and luggage costs are not allowed. Airline ticket "reissue fees" are allowable only if the fee is due to TxDOT's request or otherwise required by the acts or omissions of TxDOT.

Personal Automobile Mileage: Up to the State approved rate of **0.56 cents per mile** or the current State rate applicable at the time the cost is incurred. Records of such expenses must clearly identify the departure/arrival time, to/from destinations and the purpose of the trip.

Automobile Rentals: Expenses shall not exceed **\$50.00 per day**, plus applicable taxes and fees. Extra, optional insurance or rental company gasoline costs are not allowed expenses. Weekly or monthly rates should be used when applicable. Upgrades beyond economy-sized vehicles require full documentation and may not be an allowed expense. Use of any rental vehicle for purposes other than specifically related to the services required by the Agreement is not permitted. Records of all vehicle rental expenses are required.

Other Transportation Services (Taxi, Bus, Shuttle, etc.): Only reasonable and prudent costs (with back-up documentation) are permitted expenses. Tips are not permitted.

Hotel Rates: Weekly and monthly rates are encouraged and expected, when applicable. Hotel rates shall not exceed **\$85.00 per day**, plus applicable city/state/county taxes and fees, or the current State rate applicable at the time the expenses is incurred.

Meals (Food Costs): Meal receipts are not required, but may be requested by TxDOT. However, the maximum per diem allowance of **\$36.00 per day**, or the current State rate applicable at the time the expenses is incurred, shall be a permitted expense. Tips and alcohol are not allowed expenses.

Entertainment Costs: Entertainment Costs (e.g. movies, "pay per view" or otherwise, alcohol, etc.) are not permitted expenses.

Communication Costs: Long distance telephone calls are permitted expenses, only when such expenses accrue in relation to the services contemplated pursuant to this Financial Assistance Agreement. Back-up documentation shall include a log identifying the date, identity of person called and purpose of call.

(END OF ATTACHMENT)

3-A APPROVAL OF CLAIMS

CAMERON COUNTY REGIONAL MOBILITY AUTHORITY

Invoices Selected for Payment - Claims to be Paid

Vendor ID	Vendor Name	Invoice Number	Cash Required	Invoice/Credit Description
Adrian	Adrian Rincones	1001	918.75	Membership and Advertising expenses
Adrian	Adrian Rincones	AR-Mar	973.84	Controller's Conference & Texas Ethics for CPE - San Antonio
Adrian	Adrian Rincones	Cell-FEB AR	100.00	Feb Phone Expenses for Controller & Marketing Director
Anderson Columbia	Anderson Columbia Co., Inc	3622-01-003-12	2,859,699.90	Direct Connector Construction Feb 2014
Blanca C. Betanco...	Blanca C. Betancourt	Blanca - Mar 2014	3,775.00	Administrative Services for the month of March
DYLBIA L. VEGA	DYLBIA L JEFFERIES VEGA	001	557.70	Dylbia travel for Eminent Domain training
Emp. Liz Ponce	Lizabeth J. Ponce	Payroll 3-20	981.42	Payroll for period 3-7 to 3-20
HNTB	HNTB CORPORATION	100-40619-PL-017	327,621.45	Engineering Services for SPI 2nd Access
HNTB	HNTB CORPORATION	HNTB-Mar-Jun Rent	1,050.00	Office space lease with HNTB
Locke Lord	Locke Lord LLP	1060400	3,732.00	Legal Services for the month of Jan 2014
Locke Lord	Locke Lord LLP	1060403	732.00	Legal Services for the month of Jan 2014
Locke Lord	Locke Lord LLP	1060404	10,220.00	Legal Services for the month of Jan 2014
Locke Lord	Locke Lord LLP	1060405	297.76	Legal Services for the month of Jan 2014
Mcallen Mediation	Mcallen Mediation Center	Med-01	500.00	Mediation Services on Condemnation Proceeding West Rail
McCarthy	McCarthy Building Companies, Inc	022	815,122.14	McCarthy Construction Services for West Rail
Michelle Lopez	Michelle Lopez	Cell-FEB ML	100.00	Feb Phone Expenses for Controller & Marketing Director
Michelle Lopez	Michelle Lopez	Mileage - ML Feb	151.42	Marketing Director Mileage Reimbursement Feb 2014
PUB	Public Utilities Board	PUB-Mar 2014	211.50	Utilities on the SH550
RAM	RODS Aerial Mapping, LLC	007-2014-001	78,700.00	Aerial Mapping of Several Projects
ROBINSON DUFF...	ROBINSON DUFFY & BARNARD, LLP	C2012-294	3,437.50	Appraisal services on West Rail Project
TXU	TXU Energy	055376209873	349.07	Utilities on SH550
Report Total			4,109,231.45	