THE STATE OF TEXAS

8

COUNTY OF CAMERON

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BE IT REMEMBERED on the 12th day of May 2016, there was conducted a Regular Meeting of the Cameron County Regional Mobility Authority, at the Joe G. Rivera and Aurora de la Garza County Annex thereof, in San Benito, Texas, for the purpose of transacting any and all business that may lawfully be brought before the same.

THE BOARD MET AT:	PRESENT:
12:00 Noon	FRANK PARKER, JR.
	CHAIRPERSON
	DIRECTOR
	DAVID N. GARZA
	DIRECTOR
	MICHAEL F. SCAIEF
	DIRECTOR
	MARK ESPARZA
	DIRECTOR
	NAT LOPEZ
	DIRECTOR
	DIRECTOR
	RUBEN GALLEGOS, JR.
	ABSENT
	HORACIO BARRERA
	ABSENT
	ABSENT

The Meeting was called to order by Chairman Frank Parker, Jr., 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 9th day of May 2016 at 10:42 A.M.



AGENDA

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

Joe G. Rivera and Aurora de la Garza County Annex 1390 West I69E San Benito, Texas 78586

Thursday, May 12, 2016

12:00 Noon

FILED AND RECORDED
OFFICIAL PUBLIC RECORDS
On: May 09,2016 at 10:42A

Document Humber:

Salv a Garza Perez Counta Clerk

Hilda Perez, Deputy Cameron County 00000194

PUBLIC COMMENTS:

1. Public Comments

PRESENTATIONS, RESOLUTIONS AND/OR PROCLAMATION ITEMS:

- 2. Presentations/Resolutions/Proclamations
 - A. Presentation of the 2015 Annual Audited Financial Report
 - B. Presentation of the GEC Report for the month of April 2016
 - C. Presentation of the Marketing Efforts for the Month of April 2016
 - D. Presentation of the Cameron County Regional Mobility Authority Quarterly Investment Report

CONSENT ITEMS:

- 3. 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:

April 28, 2016 - Special Meeting

ITEMS FOR DISCUSSION AND ACTION:

- 4. Action Items
 - A. Approval of Claims
 - B. Consideration and Approval of the Financial Statements and Budget Amendments for the month of April 2016

- C. Consideration and Approval of an Advanced Funding Agreement between the Cameron County Regional Mobility Authority and the Texas Department of Transportation for the SH 550 Gap 1 Project
- D. Consideration and Approval of Coastal Surface Lease No. SL 20160027 and Lease No. SL 20160029 in the Laguna Madre area with the Texas General Land Office
- E. Consideration and Approval of an Agreement with TollPlus, Inc. for Back Office Operations
- F. Consideration and Approval authorizing Staff to reinvest the Certificate of Deposits at Texas Regional Bank
- G. Consideration and Approval of Supplemental Work Authorization No. 5 to Work Authorization No. 2 with HNTB for the SPI 2nd Access project

ADJOURNMENT:

Signed this 9th day of May 2016

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

None were presented.

PRESENTATIONS, RESOLUTIONS AND/OR PROCLAMATION ITEMS

2-A Presentation of the 2015 Annual Audited Financial Report

Mr. Adrian Rincones, RMA Controller and Financial Officer introduced the item in detail to the Board and Mr. Carlos Barrera with Long Chilton presented the 2015 Annual Audited Financial Report providing a summary of the audit.

Director Scalef moved to acknowledge the 2015 Annual Audited Financial Report. The motion was seconded by Secretary Garza and carried unanimously.

The Annual Audited Financial Report is as follows:

2-B Presentation of the GEC Report for the month of April 2016

Mr. Richard Ridings with HNTB went over the status of the Projects.

Secretary Garza moved to acknowledge the GEC Report for the month of April 2016. The motion was seconded by Director Esparza and carried unanimously.

The Report is as follows:

2-C Presentation of the Marketing Efforts for the Month of April 2016

Mrs. Michelle Lopez, RMA Marketing and Communications Director went over a status report for the month of April 2016. After some discussion the Board requested a strategic plan for marketing and for the use of the Toll Road. The report is attached.

Secretary Garza moved to acknowledge the Marketing Report for April 2016. The motion was seconded by Director Esparza and carried unanimously.

The Report is as follows:		

2-D Presentation of the Cameron County Regional Mobility Authority Quarterly Investment Report

Mr. Adrian Rincones, RMA Controller and Financial Officer went over the Cameron County Regional Mobility Authority Quarterly Investment Report.

Secretary Garza moved to acknowledge the Cameron County Regional Mobility Authority Quarterly Investment Report as presented. The motion was seconded by Director Lopez.

AYE: Chairman Parker, Secretary Garza and Director Lopez

NAY: None

ABSTAINED: Director Scalef and Director Esparza

NOTE: Directors Scalef and Esparza abstained from the vote and discussion. Both Directors filed an Affidavit of Conflict and the Affidavit is filed in the CCRMA's records.

The Report is as follows:

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

3-A Consideration and Approval of the Minutes for:

April 28, 2016 – Special Meeting

Secretary Garza moved to approve the minutes of April 28, 2016 Special Meeting. The motion was seconded by Director Esparza and carried unanimously.

ACTION ITEMS

4-A Approval of Claims

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

Mr. Adrian Rincones, RMA Controller and Financial Officer, introduced the claims into the record and recommended approval of the Claims.

Director Scalef moved to approve the Claims. The motion was seconded by Director Esparza and carried unanimously.

The Claims are as follows:

4-B	Consideration	and	Approval	of	the	Financial	Statements	and	Budget	Amendments	for	the
	month of April								~			

Mr. Adrian Rincones, RMA Controller and Financial Officer went over the attached Financial Statements for the month of April 2016.

Director Esparza moved to approve the monthly Financial Statements for the month of April 2016. The motion was seconded by Secretary Garza and carried unanimously.

The Financial Statements are as follows:

4-C Consideration and Approval of an Advance Funding Agreement between the Cameron County Regional Mobility Authority and the Texas Department of Transportation for the SH 550 Gap 1 Project

Mr. Pete Sepulveda, Jr., RMA Executive Director went over the Advance Funding Agreement and the Resolution detailing the project responsibilities by both the Cameron County Regional Mobility Authority and the Texas Department of Transportation for the SH 550 Gap 1 Project.

Director Esparza moved to approve the Advanced Funding Agreement and the Resolution between the Cameron County Regional Mobility Authority and the Texas Department of Transportation for the SH 550 Gap 1 Project. The motion was seconded by Secretary Garza and carried unanimously.

The Agreement is as follows:

4-D Consideration and Approval of Coastal Surface Lease No. SL 20160027 and Lease No. SL 20160029 in the Laguna Madre area with the Texas General Land Office

Mr. Pete Sepulveda, Jr., RMA Executive Director introduced the item to the Board and went over the need for approval of the leases with the Texas General Land Office. Legal Counsel went over changes to each lease.

Director Scaief moved to approve Coastal Surface Lease No. SL 20160027 and Lease No. SL 20160029 in the Laguna Madre area with the Texas General Land Office subject to changes brought up by Legal Counsel. The motion was seconded by Director Esparza and carried unanimously.

The Leases are as follows:	
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4-E Consideration and Approval of an Agreement with TollPlus, Inc. for Back Office Operations

Mr. Adrian Rincones, RMA Controller and Financial Officer presented a summary of the contract negotiations. Mr. Brian Cassidy with Locke Lord also provided comments regarding the contract and a discussion with the Board took place.

Director Esparza moved to approve the Agreement with TollPlus, Inc. for Back Office Operations. The motion was seconded by Secretary Garza and carried unanimously.

The Agreement is as follows:

4-F Consideration and Approval authorizing Staff to reinvest the Certificate of Deposits at Texas Regional Bank

Mr. Adrian Rincones, RMA Controller and Financial Officer introduced the item and requested authorization to reinvest the Certificate of Deposits.

Secretary Garza moved to authorize Staff to reinvest the Certificate of Deposits at Texas Regional Bank. The motion was seconded by Director Lopez.

AYE: Chairman Parker, Secretary Garza and Director Lopez

NAY: None

ABSTAINED: Director Scaief and Director Esparza

NOTE: Directors Scalef and Esparza abstained from the vote and discussion. Both Directors filed an Affidavit of Conflict and the Affidavit is filed in the CCRMA's records.

4-G Consideration and Approval of Supplemental Work Authorization No. 5 to Work Authorization No. 2 with HNTB for the SPI 2nd Access Project

Mr. Richard Ridings with HNTB introduced the item and the need for the Work Authorization.

Director Scalef moved to approve Supplemental Work Authorization No. 5 to Work Authorization No. 2 with HNTB for the SPI 2nd Access Project. The motion was seconded by Director Esparza and carried unanimously.

The Supplemental Work Authorization is as follows:

ADJOURNMENT

There being no further business to come before the Board and upon motion by Secretary Garza and seconded by Director Lopez and carried unanimously the meeting was **ADJOURNED** at 1:10 P.M.

APPROVED this 16 may of Une

CHAIRMAN FRANK PARKER, JR.

ATTESTED:

SECRETARY DAVID N. GARZA

2-A PRESENTATION OF THE 2015 ANNUAL AUDITED FINANCIAL REPORT



Cameron County Regional Mobility Authority (A component unit of Cameron County, Texas)

Financial Report April 1, 2016





CAMERON COUNTY REGIONAL MOBILITY AUTHORITY (A Component Unit of Cameron County, Texas)

FINANCIAL REPORT

SEPTEMBER 30, 2015

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September 30, 2015

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors Cameron County Regional Mobility Authority Brownsville, Texas

Report on the Financial Statements

We have audited the accompanying financial statements of the business-type activities of Cameron County Regional Mobility Authority (the RMA), a component unit of Cameron County, Texas, as of and for the year ended September 30, 2015 and 2014, and the related notes to the financial statements, which collectively comprise the RMA's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities of the RMA as of September 30, 2015 and 2014, and the respective changes in financial position, and cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As described in Note 1 to the financial statements, in 2015 the RMA adopted new accounting guidance, Governmental Accounting Standards Board ("GASB") Statement No. 68, Accounting and Financial Reporting for Pensions and GASB Statement No. 71, Pension Transition for Contributions Made Subsequent to the Measurement Date. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the schedule of changes in net pension liability and related ratios and schedule of employer contributions on pages 4-9 and 36-40 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the RMA's basic financial statements. The schedule of expenditures of

federal/state awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations and State of Texas Single Audit Circular*, and is not a required part of the basic financial statements.

The schedule of expenditures of federal/state awards is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion the schedule of expenditures of federal/state awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 31, 2016, on our consideration of the RMA's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering RMA's internal control over financial reporting and compliance.

LONG CHILTON, LLP Certified Public Accountants

Long Chiltonico

Brownsville, Texas March 31, 2016

(A Component Unit of Cameron County, Texas)

Management's Discussion and Analysis

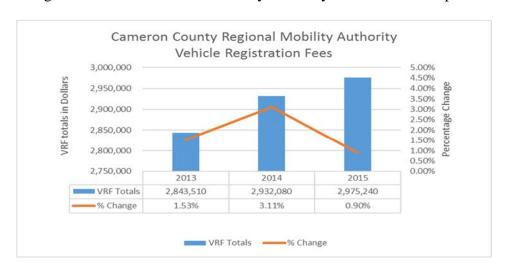
September 30, 2015

The following is management's discussion and analysis of the financial performance and activity of the Cameron County Regional Mobility Authority (the RMA), and is designed to provide an overview that users may use to interpret the basic financial statements for the year ending September 30, 2015. This discussion and analysis has been prepared by management and should be used in conjunction with the basic financial statements and notes thereafter.

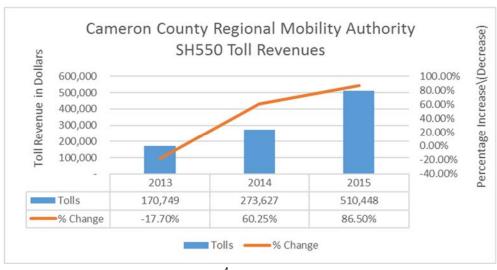
The RMA is governed by a board of directors consisting of seven members with operations overseen by an Executive Director. The RMA operates with a handful of staff members with many of its services contracted through local area professionals.

2015 Financial Highlights

• Vehicle registration fees revenue increased year over year in line with expectations



• Toll revenues experienced a significant increase for the fiscal year, primarily due to the opening of the final toll gantry at the Direct Connector location on July 4, 2015.

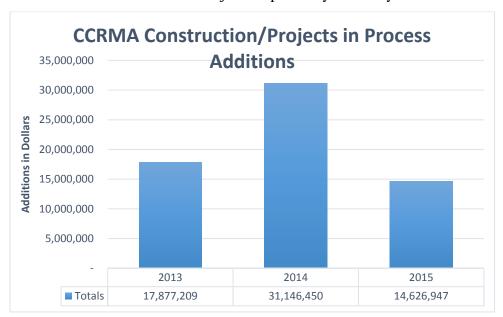


(A Component Unit of Cameron County, Texas)

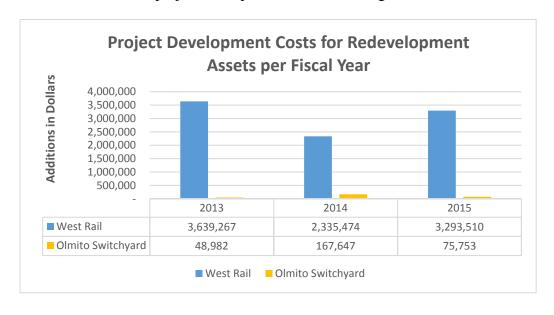
Management's Discussion and Analysis

September 30, 2015

• The RMA wrapped up the construction of the Direct Connector during the fiscal year which caused the decrease in Construction/Projects in process year over year.



• The Brownsville/Matamoros West Rail Relocation (West Rail) and Olmito Switchyard are projects in which the RMA leads in developing and will not retain ownership of them at completion, they are herein referred to as redevelopment assets. The RMA receives funds from Federal, State, and Local Government sources for the development of these projects. The West Rail relocation project was opened to traffic in August of 2015.



(A Component Unit of Cameron County, Texas)

Management's Discussion and Analysis

September 30, 2015

Overview of Basic Financial Statements

The RMA reports its business-type activities in a single enterprise fund in which its operations and activities are reported similar to a private-sector business. The financial statements include comparative Statements of Net Position, Statements of Revenues, Expenses, and Changes in Net Position, and the Statements of Cash Flows. These basic financial statements are prepared in accordance with accounting principles generally accepted in the United States of America as promulgated by the Governmental Accounting Standards Board also known as GASB.

The Statement of Net Position reports the net position of the RMA as of the end of each fiscal year presented. Net position represents the residual difference of all other elements of the statement of net position for all years presented in three component categories: net investment in capital assets, restricted, and unrestricted.

The Statement of Revenues, Expenses, and Changes in Net Position presents the results of the business activities of the RMA over the course of the fiscal years presented and how ultimately those results affected the change in net position. As an enterprise fund, the RMA reports its operations using the economic resource measurement focus in which all revenues and expenses are recognized in the period which incurred with the difference reported as change in net position.

The Statement of Cash Flows, unlike the Statement of Revenues, Expenses and Changes in Net Position, reflects only the results of business activities as they affect cash over the course of the fiscal years presented. The results are reported in three categories of operating, capital and related financing, and investing activities with the net change in cash as the residual.

The notes to the financial statements provide required disclosures and other information that are essential to a full understanding of the data found in these financial statements, and should be read in conjunction with management's discussion and analysis and the basic financial statements.

FINANCIAL ANALYSIS

Summary of Net Position

The RMA's net position includes the total assets minus the total liabilities with the residual difference of net position. The RMA's net position for the years ending September 30, 2015, 2014 and 2013 were approximately \$13.2 million, \$12.7 million, and \$7.8 million, respectively. The largest component of total assets for all three years was the non-current assets. Which accounts for approximately 96%, 94%, and 95% for the years 2015, 2014 and 2013, respectively. These assets consist of unexpended bond funds, capital assets, construction in process, and redevelopment assets.

(A Component Unit of Cameron County, Texas)

Management's Discussion and Analysis

September 30, 2015

Summary of Net Position – Continued

Total liabilities as of September 30, 2015, 2014 and 2013 were approximately \$136.1 million, \$129.4 million, and \$120.4 million, respectively. Non-current liabilities account for the majority of the total liabilities and consist of Financial Assistance Agreements with TxDOT, amounts due to other agencies, and long term bond payables. A more detailed description is provided in the notes to the financial statements.

Summary of Net Position							
		<u>2015</u>		<u>2014</u>		<u>2013</u>	
Assets:							
Current assets	\$	5,276,416	\$	8,385,030	\$	6,409,117	
Capital assets, net		70,106,680		15,822,623		16,223,404	
Construction and work in process		19,663,812		59,555,495		28,409,045	
Other non-current		54,225,627		58,388,710		77,164,353	
Total Assets		149,272,535		142,151,858		128,205,919	
Deferred outflows of resources		29,870		5,654		-	
Total assets and deferred outflows of							
resources	\$	149,302,405	\$	142,157,512	\$	128,205,919	
Liabilities:							
Current liabilities	\$	2,648,534	\$	5,439,982	\$	6,017,391	
Non-Current liabilities		133,408,934		123,980,559		114,376,006	
Total liabilities		136,057,468		129,420,541		120,393,397	
Deferred inflows of resources		37,456		-			
Total liabilities and deferred inflows of							
resources		136,094,924		129,420,541		120,393,397	
Net position:							
Capital Assets, net of related debt		931,229		6,075,314		8,761,616	

Capital & Other Non-Current Assets

Restricted

Unrestricted

Total net position

Capital assets of the RMA include the infrastructure portion of the SH550 toll road placed in service, toll equipment, and buildings net of accumulated depreciation. The projects undergoing construction, traffic studies, environmental, and preliminary engineering studies are recorded as construction in process. As of September 30, 2015, 2014, and 2013, the RMA had approximately \$19.7 million, \$59.6 million, and \$28.4 million in construction in process.

9.274.689

3,001,563

13,207,481

4,513,260

2,148,397

12,736,971

1,661,207

(2,610,301)

7,812,522

(A Component Unit of Cameron County, Texas)

Management's Discussion and Analysis

September 30, 2015

<u>Capital & Other Non-Current Assets</u> – Continued

Capital & Other Non-Current Assets

	<u>2015</u>	<u>2014</u>		<u>2013</u>
Capital Assets:				
Capital Assets, net	\$ 70,106,680	\$ 15,822,623	\$	16,223,404
Non-Current Assets				
Restricted Assets	8,898,693	16,364,428		37,651,010
Construction in Process	19,663,812	59,555,495		28,409,045
Redevelopment and other non-current asset	45,326,934	 42,024,282		39,513,343
Totals	\$ 143,996,119	\$ 133,766,828	\$	121,796,802

Non-Current Liabilities

Due to other agencies, as of September 30, 2015, 2014, and 2013 were approximately \$13.3 million, \$11.1 million, and \$7.9 million, respectively. These amounts include financial assistance agreements with TxDOT. Liabilities related to redevelopment assets include funds provided to the RMA from federal, state, and local sources for redevelopment assets. In the totals for long-term bonds payable, the RMA has both tax exempt and non-tax exempt issuances. A more detailed description to these bond issuances can be found in the notes to the financial statements.

Non-Current Liabilities

	<u>2015</u>	<u>2014</u>	<u>2013</u>
Non-Current Liabilities:			
Due to Other Governments	\$ 13,305,416	\$ 11,062,796	\$ 7,885,913
Liabilities related to redevelopment assets	40,848,309	37,302,720	35,095,331
Long Term Bond Payable	79,250,062	75,615,043	71,394,762
Net pension liability	5,147	 <u>-</u>	
Totals	\$ 133,408,934	\$ 123,980,559	\$ 114,376,006

Changes in Net Position

The RMA's total revenues for the year ending September 30, 2015, 2014, and 2013 were approximately \$4.4 million, \$7.7 million, and \$9.8 million, respectively.

(A Component Unit of Cameron County, Texas)

Management's Discussion and Analysis

September 30, 2015

Changes in Net Position – Continued

Total expenses for the year ending September 30, 2015, 2014, and 2013 were approximately \$3.9 million, \$2.7 million, and \$6.3 million, respectively.

Changes in Net Position

	<u>2015</u>	<u>2014</u>	2013
Revenues:			
Vehicle registration fees	\$ 2,975,240	\$ 2,932,080	\$ 2,843,510
Toll revenue	510,448	273,627	170,749
Transportation reinvestment zone	378,840	295,907	-
Other operating revenue	495,514	166,602	120,000
Non-operating revenue	8,106	4,019,461	6,690,376
Total Revenues	4,368,148	7,687,677	9,824,635
Expenses:			
Operating	2,198,909	1,143,583	4,703,014
Non-operating	1,698,729	1,625,299	1,628,640
Total Expenses	3,897,638	2,768,882	6,331,654
Change in Net Position	\$ 470,510	\$ 4,918,795	\$ 3,492,981

Contacting the RMA's Financial Management

The financial report is designed to provide customers, investors, and creditors with a general overview of the RMA's finances and to demonstrate the RMA's accountability for all inflows and outflows of resources. If you have any questions about this report or need additional financial information, contact the Cameron County Regional Mobility Authority located at 3461 Carmen Avenue, Rancho Viejo, Texas 78575 or visit www.ccrma.org for more information.

(A Component Unit of Cameron County, Texas)

Statements of Net Position

September 30, 2015 and 2014

	2015	2014
ASSETS:		
Current Assets:		
Cash and cash equivalents	\$ 2,958,483	\$ 6,056,636
Accounts receivable	578,611	757,670
Due from other agencies Total Current Assets	1,739,322	1,570,724
Total Current Assets	5,276,416	8,385,030
Non-Current Assets:		
Restricted Assets:		
Cash-trustee funds	5,492,899	10,885,656
Cash-debt reserve	2,256,741	2,256,741
Cash-debt service	1,149,053	3,222,031
Total Restricted Assets	8,898,693	16,364,428
Capital assets, net	70,106,680	15,822,623
Construction and work in process	19,663,812	59,555,495
Redevelopment assets	45,203,258	41,895,820
Prepaid bond insurance	123,676	128,462
Total Non-Current Assets	143,996,119	133,766,828
Total Assets	149,272,535	142,151,858
Deferred outflows related to pension	29,870	5,654
T. 14 1D.6 . 10 . 9	£ 140.202.405	0 140 157 510
Total Assets and Deferred Outflows	\$ 149,302,405	\$ 142,157,512
LIABILITIES		
Current Liabilities:		
Accounts payable	\$ 1,176,543	\$ 4,014,987
Accrued interest payable	454,491	477,495
Due to other governments	167,500	167,500
Current maturities of bonds	850,000	780,000
Total Current Liabilities	2,648,534	5,439,982
Non-Current Liabilities:		
Due to other agencies	13,305,416	11,062,796
Liabilities related to redevelopment assets	40,848,309	37,302,720
Long-term bond payable	79,250,062	75,615,043
Net pension liability	5,147	-
Total Non-Current Liabilities	133,408,934	123,980,559
Total Liabilities	136,057,468	129,420,541
Deferred inflows of resources	37,456	-
Total Liabilities and Deferred Inflows	136,094,924	129,420,541
NET POSITION		
Net investment in capital assets	931,229	6,075,314
Restricted	9,274,689	4,513,260
Unrestricted	3,001,563	2,148,397
Total Net Position	13,207,481	12,736,971
Total Liabilities, Deferred Inflows, and Net Position	\$ 149,302,405	\$ 142,157,512
See Accompanying Notes to the Financial Statements		

(A Component Unit of Cameron County, Texas)

Statements of Revenues, Expenses And Changes in Net Position Years Ended September 30, 2015 and 2014

	2015	2014
Operating Revenues Vehicle registration fee	\$ 2,975,240	\$ 2,932,080
Toll revenue	510,448	273,627
Transportation reinvestment zone	378,840	295,907
Other operating revenue	495,514	166,602
Total Operating Revenues	4,360,042	3,668,216
Operating Expenses		
Advertising	61,610	2,076
Salaries and contractual services	895,350	371,591
Insurance	41,587	22,283
Miscellaneous	63,670	18,504
Office expenses	31,130	7,103
Professional services	41,238	42,610
Travel	32,770	37,081
Toll services	232,179	107,904
Utilities	22,939	10,023
Depreciation	776,436	524,408
Total Operating Expenses	2,198,909	1,143,583
Operating Income (Loss)	2,161,133	2,524,633
Non-Operating Revenues (Expenses)		
Bond issuance costs	(307,269)	(159,265)
Interest expense	(1,391,460)	(1,466,034)
Interest income	8,106	8,234
Other revenue		11,227
Total Non-Operating Revenue (Expenses)	(1,690,623)	(1,605,838)
Income (Loss) before capital contributions and special item	470,510	918,795
Special item-settlement proceeds		4,000,000
Change in Net Position	470,510	4,918,795
Net Position-beginning of year	12,736,971	7,812,522
Prior Period Adjustment		5,654
Net Position as restated-beginning of year	12,736,971	7,818,176
Net Position-end of year	\$ 13,207,481	\$ 12,736,971

See Accompanying Notes to the Financial Statements

(A Component Unit of Cameron County, Texas)

Statements of Cash Flows

Years Ended September 30, 2015 and 2014

		2015		2014
CASH FLOWS FROM OPERATING ACTIVITIES:				
Receipts from vehicle registration fees	\$	2,933,830	\$	2,899,320
Receipts from toll revenues		475,297		265,121
Receipts from other operating sources		735,124		298,529
Payments to vendors		(782,957)		(208,087)
Payments to employees		(614,540)		(243,286)
Net cash provided by (used in) operating activities		2,746,755		3,011,597
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:				
Acquisitions of property and equipment		(551,206)		(579,013)
Payments on interest		(1,606,854)		(1,456,589)
Acquisitions of construction in progress		(20,735,131)		(34,115,960)
Payments on bond principal		(780,000)		(765,000)
Bond and grant proceeds		4,566,232		6,832,449
Advances from TxDot FAA and other project agreements		5,788,210		9,723,157
Net cash provided by (used in) capital and related financing activities		(13,318,749)		(20,360,956)
CASH FLOWS FROM INVESTING ACTIVITIES:				
Receipts from interest income		8,106		8,232
Not increase (documents) in each and each agriculants		(10,563,888)		(17,341,127)
Net increase (decrease) in cash and cash equivalents		22,421,064		
Cash and cash equivalents at beginning of year		22,421,004		39,762,191
Prior period adjustment affecting cash	•	11 057 176	•	22 421 064
Cash and cash equivalents at end of year	\$	11,857,176	\$	22,421,064
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH				
PROVIDED BY (USED) BY OPERATING ACTIVITIES:				
Operating income (Loss)	\$	2,161,134	\$	2,524,633
Adjustments to reconcile operating income to net cash provided by				
operating activities:				
Net prior period adjustment affecting operations		-		-
Depreciation expense		776,436		524,408
Changes in assets and liabilities:				
(Increase) decrease in prepaid expenses and other assets				8,420
(Increase) decrease in due from other agencies		(215,791)		(306,728)
(Decrease) increase in accounts payable		24,976		260,712
(Decrease) increase in other liabilities		-		152
Net cash flows provided by operating activities	\$	2,746,755	\$	3,011,597
See Accompanying Notes to the Financial Statements				(continued)

(A Component Unit of Cameron County, Texas)

Statements of Cash Flows - Continued

Years Ended September 30, 2015 and 2014

	2015	2014
RECONCILIATION OF ENDING CASH AND CASH EQUIVALENTS TO THE		
STATEMENT OF NET POSITION		
Ending cash - Statement of Cash Flows	\$ 11,857,176	\$ 22,421,064
Less: amount reported in restricted assets	8,898,693	16,364,428
Ending cash - Statement of Net Position	\$ 2,958,483	\$ 6,056,636

See Accompanying Notes to the Financial Statements

(A Component Unit of Cameron County, Texas)

Notes to Financial Statements

September 30, 2015

Note 1 – Organization and Summary of Significant Accounting Policies

The financial statements of the RMA have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The most significant of the RMA's accounting policies are described below:

A. Reporting Entity

The Cameron County Regional Mobility Authority (the RMA) was authorized for creation in September 30, 2004, by the Texas Transportation Commission to promote and improve regional mobility within Cameron County. Since its creation, the RMA has committed itself to an ambitious series of economically sustainable projects to improve the quality of life for area residents and enable quality economic development. The RMA receives funds from Vehicle Registration Fees in Cameron County as well as toll revenues and grant funds for projects. The RMA is governed by a board of directors consisting of seven members with operations overseen by an Executive Director. The RMA operates with a small staff and contracts many of its services with local area professionals.

In evaluating how to define the RMA, for financial reporting purposes, management has determined that there are no entities over which the RMA exercises significant influence. Significant influence or accountability is based primarily on operational or financial relationships with the RMA. Since the RMA does not exercise significant influence or accountability over other entities, it has no component units.

B. Basis of Accounting

The operations of the RMA are accounted for as an enterprise fund on an accrual basis in order to recognize the flow of economic resources. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned, expenses are recognized in the period in which they are incurred, depreciation of assets is recognized and all assets and liabilities associated with the operation of the RMA are included in the Statement of Net Position.

C. Estimates

The preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

(A Component Unit of Cameron County, Texas)

Notes to Financial Statements

September 30, 2015

Note 1 – Organization and Summary of Significant Accounting Policies – Continued

D. Cash & Cash Equivalents

Cash and cash equivalents include cash on hand and demand deposits. These deposits are fully collateralized or covered by federal deposit insurance.

E. Capital Assets

Capital assets, which include property, equipment, and infrastructure assets, are reported at cost. Depreciation is computed on the straight-line method over the following estimated useful lives:

Road and bridges, 40 years Improvements, 5-20 years Buildings, 20-30 years Equipment, 3-20 years

A full month's depreciation is taken in the month an asset is placed in service. When property and equipment are disposed, depreciation is removed from the respective accounts and the resulting gain or loss, if any, is recorded in operations.

F. Capital Contributions

Capital Contributions are comprised of federal, state, and local grants. The portion of the grants and reimbursements used for capital purposes are reflected as capital contributions in the Statements of Revenues, Expenses, and Changes in Net Position. The funds are reimbursable contributions, whereas the RMA first pays for the project and then the granting agency reimburses the RMA for its eligible expenses. The RMA considers all grants and contributions to be 100% collectible in accordance with contract terms.

G. Income Taxes

The RMA is a political subdivision of the State of Texas. As such, income earned in the exercise of its essential government functions is exempt from state or federal income taxes. Bond obligations issued by state and local governments are tax-exempt only if the issuers pay rebate to the federal government of the earnings on the investment of the proceeds of a tax-exempt issue in excess of the yield on such obligations and any income earned on such excess.

(A Component Unit of Cameron County, Texas)

Notes to Financial Statements

September 30, 2015

Note 1 – Organization and Summary of Significant Accounting Policies – Continued

H. Classification of Operating and Non-Operating Revenues and Expenses

The RMA defines operating revenues and expenses as those revenues and expenses generated by a specified program offering either a good or service. This definition is consistent with GASB Statement No. 9 which defines operating receipts as cash receipts from customers and other cash receipts that do not result from transactions defined as capital and related financing, non-capital financing, or investing activities. Operating expenses for the RMA include the costs of administrative expenses, indirect administrative costs, and costs for contractual services associated with operations or project studies. Revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

I. Net Position

In June 2011, GASB issued its Statement No. 63, Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position, which became effective for periods beginning after December 15, 2011. This statement provides guidance to financial reporting of deferred outflows and inflows of resources and identifies net position as the residual of all other elements presented in a statement of financial position. Based on the implementation of GASB Statement No. 63, the RMA's net position comprises the following components:

- Net investment in capital assets consists of capital assets net of accumulated depreciation, outstanding balances on borrowings attributable to the acquisition of capital assets, and deferred outflows and inflows of resources attributable to the acquisition of capital assets.
- Restricted consists of restricted assets reduced by liabilities and deferred inflows
 of resources related to those assets.
- *Unrestricted* net amount of assets, deferred outflows, liabilities, and deferred inflows not included in the determination of net investment in capital assets or the restricted component of net position.

(A Component Unit of Cameron County, Texas)

Notes to Financial Statements

September 30, 2015

Note 1 – Organization and Summary of Significant Accounting Policies – Continued

J. Deferred Outflows and Inflows of Resources

The RMA has classified as deferred outflows and inflows of resources certain items that represent a consumption or acquisition of resources that apply to a future period.

K. Reclassifications

Certain amounts reported in previous periods have been reclassified to conform to the current year presentation.

L. Subsequent Events

Management has evaluated subsequent events through March 31, 2016, which is the date the financial statements were available to be issued.

M. Restricted Assets

Certain proceeds of the RMA's bonds and grants, as well as certain other resources are classified as restricted assets in the statements of net position because their use is limited by applicable bond covenants, contractual terms and grant agreements. It is the RMA's policy to first apply restricted resources when an expense is incurred for purposes in which both restricted and unrestricted net assets are available.

N. Bond Premiums, Discounts, and Issuance Costs

The RMA amortizes premiums and discounts over the estimated life of the bonds as an adjustment to capitalized interest. Bond issuance costs are expensed as incurred, in accordance with GASB Statement No. 65 "Items Previously Reported as Assets and Liabilities".

O. Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Texas County and District Retirement System (TCDRS) and additions to/deductions from TCDRS's fiduciary net position have been determined on the same basis as they are reported by TCDRS. For this purpose, plan contributions are recognized in the period that compensation is reported for the employee, which is when contributions are legally due. Benefit payments and refunds are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

(A Component Unit of Cameron County, Texas)

Notes to Financial Statements

September 30, 2015

Note 1 – Organization and Summary of Significant Accounting Policies – Continued

P. Current Year GASB Statement Implementation

In the current fiscal year, the RMA implemented the following GASB statements:

GASB Statement No. 68, Accounting and Financial Reporting for Pensions - an amendment of GASB Statement No. 27, became effective for the RMA beginning with the year ending September 30, 2015. This Statement establishes standards for measuring and recognizing liabilities, deferred outflows of resources, and deferred inflows of resources, and expense related to pensions. For defined benefit pensions, this Statement identifies the methods and assumptions that should be used to project benefit payments, discount projected benefit payments to their actuarial present value, and attribute that present value to periods of employee service. The impact for the RMA is as follows:

- Net pension liability The net pension liability reported under GASB Statement
 No. 68 is the difference between the actuarial present value of projected pension
 benefit payments attributable to employees' past service and the Plan's fiduciary
 net position. Prior to this new guidance, a liability was recognized only to the
 extent that contributions made to the plan were exceeded by the actuarially
 calculated contributions.
- Deferred outflows of resources and deferred inflows of resources GASB Statement No. 68 requires recognition of deferred outflows and inflows of resources associated with the difference between projected and actual earning on Plan investments, to be amortized to pension expense over a closed five-year period. Also to be recognized as deferred outflows and inflows of resources are differences between expected and actual experience with regard to economic or demographic factors in the measurement of total pension liability, to be amortized to pension expense over a closed period equal to the average of the expected remaining service lives of all employees receiving pension benefits. Employer contributions to the pension made between the net pension liability measurement date and the employer's fiscal year end are recognized as deferred outflows of resources, to be included in pension expense in the subsequent fiscal year.

GASB Statement No. 71, Pension Transition for Contributions Made Subsequent to the Measurement Date, an amendment of GASB Statement No. 68, became effective for the RMA beginning with the year ending September 30, 2015. GASB Statement No. 71, provides guidance for amounts associated with contributions, if any, made by a contributing entity to a defined benefit pension plan after the measurement date of the government's beginning net pension liability.

(A Component Unit of Cameron County, Texas)

Notes to Financial Statements

September 30, 2015

Note 1 – Organization and Summary of Significant Accounting Policies – Continued

P. Current Year GASB Statement Implementation - Continued

A beginning deferred outflow of resources is required for pension contributions made subsequent to the measurement date of the beginning net pension liability. The effect of this guidance on the RMA resulted in the recognition of a deferred outflow of resources for contributions made subsequent to the measurement date of the RMA's beginning net pension liability.

Note 2 – Deposits and Investments

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the RMA will not be able to recover its deposits or will not be able to recover its collateral securities that are in the possession of an outside party. The RMA complies with its investment policy for all its cash and cash equivalent accounts, which calls for safety of principal as the first priority in its deposit accounts. As of September 30, 2015, the carrying amount of the RMA's cash, cash equivalents, and restricted cash was \$11,857,176. Of this total, \$8,898,693 was restricted and held in various bond trustee accounts in the BNY Mellon in accordance with bond indenture agreements. The remainder \$2,958,483 was held in business interest checking accounts. There is no limit on the amount the RMA may deposit in any one institution. However, the Federal Deposit Insurance Corporation only insures up to \$250,000 per institution. The RMA is fully collateralized with pledged securities for amounts in excess of the FDIC limit for the year ended September 30, 2015.

Note 3 – Capital Assets

Depreciation expense for 2015 and 2014 was \$776,436 and \$524,408, respectively. The following schedule summarizes the capital assets and Construction in Process of the RMA as of September 30, 2015:

(A Component Unit of Cameron County, Texas)

Notes to Financial Statements

September 30, 2015

Note 3 - Capital Assets - Continued

Capital Assets	 October 1, 2014	Additions		Deletions		Reclassifications		September 30, 2015	
Depreciable									
Buildings	\$ -	\$	202,803	\$	-	\$	-	\$	202,803
Improvements	-		7,791		-		-		7,791
Software	19,792		-		-		-		19,792
Infrastructure	12,958,232		-		-		51,242,117		64,200,349
Equipment	 4,012,284				-	_	3,509,032		7,521,316
Total	\$ 16,990,308	\$	210,594	\$	-	\$	54,751,149	\$	71,952,051
Accumulated Depreciation									
Buildings	\$ -	\$	(5,070)	\$	-	\$	-	\$	(5,070)
Improvements	-		(87)		-		-		(87)
Software	(3,958)	\$	(3,959)		-		-		(7,917)
Infrastructure	(647,912)		(537,465)		-		-		(1,185,377)
Equipment	(515,816)		(229,856)		-		-		(745,670)
Total	\$ (1,167,686)	\$	(776,436)	\$	-	\$	-	\$	(1,944,121)
Net Depreciable Assets	 15,822,622		(565,843)		-	_	54,751,149		70,007,930
Non-Depreciable									
Land	\$ -	\$	98,750	\$	-	\$	-	\$	98,750
Construction in process	59,555,495		14,626,947		-		(54,751,149)	\$	19,431,293
Work in process			232,519		-		-		232,519
Total Capital Assets	 75,378,117		14,159,854		-				89,770,492

The additions related to Construction in Process for 2015 are as follows:

Project	 Additions					
SH 550 (Direct						
Connector)	\$ 12,117,249					
SPI 2nd Access	1,899,777					
SH 32 (East Loop)	304,330					
Outer Parkway	62,710					
FM1925	70,170					
FM803	89,042					
West Parkway	72,795					
General Brant	 10,874					
Total	\$ 14,626,947					

(A Component Unit of Cameron County, Texas)

Notes to Financial Statements

September 30, 2015

Note 3 – Capital Assets – Continued

The following schedule summarizes the capital assets and Construction in Process of the RMA as of September 30, 2014:

-	 October 1, 2013	Additions		Deletions		Reclassifications		September 30, 2014	
Depreciable									
Software	\$ 19,792	\$	_	\$	-	\$	-	\$	19,792
Infrastructure	12,958,232		-		-		-		12,958,232
Equipment	3,888,658		123,626						4,012,284
Total	\$ 16,866,682	\$	123,626	\$	-	\$	-	\$	16,990,308
Accumulated Depreciation									
Software	\$ -	\$	(3,958)	\$	-	\$	-	\$	(3,958)
Infrastructure	(323,956)		(323,956)		-		-		(647,912)
Equipment	 (319,322)		(196,493)		-				(515,816)
Total	\$ (643,278)	\$	(524,408)	\$	-	\$	-	\$	(1,167,686)
Net Capital Assets	 16,223,404		(400,781)	\$					15,822,623
Non-Depreciable									
Construction in process	\$ 28,409,045	\$	31,146,450	\$		\$	-	\$	59,555,495

The additions related to Construction in Process for 2014 are as follows:

Project	Additions					
SH 550 (Direct						
Connector)	\$ 26,682,405					
SPI 2nd Access	3,797,541					
SH 32 (East Loop)	337,029					
Outer Parkway	127,444					
Port Isabel	48,686					
General Brant	27,819					
West Parkway	13,036					
FM803	112,489					
Total	\$ 31,146,449					

(A Component Unit of Cameron County, Texas)

Notes to Financial Statements

September 30, 2015

Note 4 – Redevelopment Assets

The RMA has authorization by the State to participate, develop, and construct projects on behalf of other entities. The RMA has begun work on several projects in which the RMA will not retain ownership when work is completed. These projects are recorded as Redevelopment Assets on the Statement of Net Position. At completion, these redevelopment assets will be removed along with any associated liabilities and any difference will be adjusted through current operations. The following schedules summarize the redevelopment assets shown on the Statement of Net Position as of September 30, 2015 and 2014:

Redevelopment Assets	October 1, 2014		Additions		Deletions		Reclassifications		September 30, 2015	
Brownsville/Matamoros West Rail Relocation Olmito Switchyard	\$	29,265,813 12,630,007	\$	3,243,951 75,753	\$	(12,266)	\$	- -	\$	32,497,498 12,705,760
Total Redevelopment Assets	\$	41,895,820	\$	3,319,704	\$	(12,266)	\$		\$	45,203,258
Redevelopment Assets	October 1, 2013			Additions		Deletions	Reclassifications		September 30, 2014	
Brownsville/Matamoros West Rail Relocation Olmito Switchyard	\$	26,930,439 12,462,359	\$	2,335,374 167,647		- -	\$	- -	\$	29,265,813 12,630,007
Total Redevelopment Assets	\$	39,392,798	\$	2,503,021	\$	-	\$	_	\$	41,895,820

Note 5 – Disaggregation of Receivable and Payable Balances

Of the current receivables, 40% are due from the Cameron County for Vehicle Registration Fees and Transportation Reinvestment Zone revenue outstanding as of September 30, 2015. The Due from other agencies consists of amounts pending reimbursement for construction project expenditures. Payable balances are comprised 33% from operations, contractors, and professional services on September 30, 2015. The remaining 67% of accounts payable represents the construction obligations for Construction in Process outstanding on September 30, 2015.

(A Component Unit of Cameron County, Texas)

Notes to Financial Statements

September 30, 2015

Note 6 – Non-Current Liabilities

Liabilities related to redevelopment assets and due to other agencies is comprised of the following projects:

Liabilities related to redevelopment assets	 October 1, 2014	Additions	Reductions		Se	eptember 30, 2015
Due to other agencies - West Rail Project	\$ 27,458,661	\$ 3,469,836	\$	_	\$	30,928,497
Due to other agencies - Olmito Switch Yard Project	9,844,058	75,753	·	_		9,919,811
,						
Total	\$ 37,302,720	\$ 3,545,589	\$	-	\$	40,848,309
Due to Other Agencies						
TxDOT FAA - South Padre Island						
2nd Access	\$ 8,818,207	\$ 2,242,620	\$	-	\$	11,060,827
TxDOT FAA - West Parkway	2,244,589					2,244,589
Total	\$ 11,062,796	\$ 2,242,620	\$		\$	13,305,416

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(A Component Unit of Cameron County, Texas)

Notes to Financial Statements

September 30, 2015

Note 6 - Non-Current Liabilities - Continued

Liabilities related to									
redevelopment assets	(October 1,					Se	eptember 30,	
		2013		Additions	Reductions			2014	
		_					<u> </u>		
Due to other agencies - West Rail									
Project	\$	26,067,011	\$	1,391,651	\$	-	\$	27,458,662	
Due to other agencies - Olmito									
Switch Yard Project		9,028,321		815,737		-		9,844,058	
		_					<u> </u>		
Total	\$	35,095,332	\$	2,207,388	\$	-	\$	37,302,720	
		_					<u> </u>		
Due to Other Agencies									
TxDOT FAA - South Padre Island									
2nd Access	\$	5,641,324	\$	3,176,883	\$	-	\$	8,818,207	
TxDOT FAA - West Parkway		2,244,589		-		-		2,244,589	
Total	\$	7,885,913	\$	3,176,883	\$	-	\$	11,062,796	

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(A Component Unit of Cameron County, Texas)

Notes to Financial Statements

September 30, 2015

Note 7 – Long-Term Bonds Payable

On April 1, 2010, the RMA issued \$28.7 million of special revenue bonds, consisting of two series of bonds, 2010A and 2010B both secured by vehicle registration fees of Cameron County. The \$13.2 million and \$15.5 million of the 2010A and 2010B bonds were issued as term bonds. The 2010A bonds carry interest rates of 2.0% to 5.0% and mature between February 2012 and February 2026. The 2010B bonds carry an interest rate of 6.5%, maturing on February 2036. All term bonds are subject to mandatory redemption in prescribed amounts before the maturity dates. As of September 30, 2015, \$20 million remains outstanding.

In June 2012, the RMA and Cameron County entered into the SH550 Funding and Development Agreement, for a project titled "SH550 Direct Connector Transportation Project." Cameron County issued Revenue and Tax bonds, Series 2012 (State Highway 550 Project) \$40,000,000 dated August 8, 2012 providing funding for this project. As a condition of funding, the RMA is obligated to repay the funding with interest on the unpaid principal balance at the same stated rates the County will pay on the Series 2012 bonds in addition to an administrative fee also known as a "CAF Fee." The bonds carry interest rates of 2.125% to 5.0% and mature between February 2017 and February 2032. As of September 30, 2015 \$40 million remains outstanding.

With the purpose of continuing the funding for the "SH550 Direct Connector Transportation Project" and in accordance with the SH550 Funding and Development agreement entered into on June 2012 and amended on January 29, 2014, Cameron County issued \$5,000,000 Revenue and Tax Bonds, Series 2014 (State Highway 550 Project) dated March 1, 2014. As a condition of such funding, the RMA is obligated to repay the funding with interest on the unpaid principal balance at the same stated rates of interest the County will pay on the Series 2014 bonds. Similarly to the Series 2012 Bonds, the RMA is obligated to continue payment of the annual CAF Fee as calculated on the original issuance of the Series 2012 bonds. Series 2014 bonds carry interest rates of 2.0% to 4.5% and mature between February 2018 and February 2034. The amount that remains outstanding as of September 30, 2015 is \$5 million.

On October 9, 2014, the RMA issued \$6.3 million in special revenue bonds with an average interest rate of 2.1 percent to advance refund \$6.2 million of outstanding 2010A Series Bonds with an average interest rate of 3.7 percent. The net proceeds of \$6.3 million (after payment of \$164,405 in underwriting fees and other issuance costs) plus an additional \$33,581 in monies were used to purchase U.S. government securities. Those securities were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the 2010A bonds refunded. As a result, the refunded bonds are considered to be defeased and the liability for those bonds has been removed from the statement of net assets. The advanced refunding resulted in a difference between the reacquisition price and the net carrying amount of the old debt of \$37,456. This difference, reported in the accompanying financial statements as a deferred inflow of resources, is being charged to operations through the year 2022 using the effective-interest method.

(A Component Unit of Cameron County, Texas)

Notes to Financial Statements

September 30, 2015

Note 7 – Long-Term Bonds Payable - Continued

The RMA completed the advance refunding to reduce its total debt service payments over the next seven years by \$356,269 and to obtain an economic gain (difference between the present values of the old and new debt service payments) of \$335,506. As of September 30, 2015, 6.3 million remain outstanding.

In March, 2015, the RMA issued \$4,500,000 Revenue and Tax Bonds, Series 2015 (State Highway 550 Project) to further provide funds for the "SH550 Direct Connector Transportation Project." The RMA is responsible for repaying the principal and interest amounts as well as the annual CAF Fee on the bonds. Principal of the bonds and any interest payable are secured by Pledged Revenues, which consist of Net Toll Revenues, Subordinated Vehicle Registration Fees, and the Pass-Through Payments; as well as by Tax Revenues, an annual ad valorem tax on property located within the County. The bonds have maturities between February 2020 and February 2025, and they carry interest rates of 2.5% to 3.0%. As of September 30, 2015, \$4.5 million remain outstanding.

Long-Term Bonds Payable for 2015 and 2014 are summarized as follows:

					В	salance as of		
	F	Balance as of			Se	eptember 30,	Due	e within one
Bonds Payable	Oc	etober 1, 2014	 Additions	 Reductions		2015		year
2010 Revenue Bonds	\$	27,015,000	\$ -	\$ (7,000,000)	\$	20,015,000	\$	-
Plus: Premium on Refunding		64,212	-	(48,922)		15,290		-
2012 Revenue & Tax Bonds		40,000,000	-	-		40,000,000		-
Plus: Premium on Refunding		4,160,407	-	(149,028)		4,011,379		-
2014 Revenue & Tax Bonds		5,000,000	-	-		5,000,000		-
Plus: Premium on Refunding		155,424	-	(770)		154,654		-
2014 Refunding Revenue Bonds		-	6,325,000	-		6,325,000		(850,000)
Plus: Premium on Refunding		-	137,092	(19,585)		117,507		-
2015 Revenue & Tax Bonds		-	4,500,000	-		4,500,000		-
Plus: Premium on Refunding			 (39,559)	791		(38,768)		-
	\$	76,395,043	\$ 10,922,533	\$ (7,217,514)	\$	80,100,062	\$	(850,000)

(A Component Unit of Cameron County, Texas)

Notes to Financial Statements

September 30, 2015

Note 7 - Long-Term Bonds Payable - Continued

_	diameter dis or		Additions	R	eductions			Due	e within one year
\$	27,780,000		-	\$	(765,000)	\$	27,015,000	\$	(780,000)
	70,327		-		(6,115)		64,212		-
	40,000,000		-		-		40,000,000		-
	4,309,435		-		(149,028)		4,160,407		-
	-		5,000,000		-		5,000,000		-
	-		155,424		-		155,424		-
\$	72,159,762	\$	5,155,424	\$	(920,143)	\$	76,395,043	\$	(780,000)
	Oc	70,327 40,000,000 4,309,435	October 1, 2013 \$ 27,780,000	October 1, 2013 Additions \$ 27,780,000 -	October 1, 2013 Additions R \$ 27,780,000 - \$ 70,327 - - 40,000,000 - - 4,309,435 - - - 5,000,000 - 155,424	October 1, 2013 Additions Reductions \$ 27,780,000 - \$ (765,000) 70,327 - (6,115) 40,000,000 - - 4,309,435 - (149,028) - 5,000,000 - - 155,424 -	Balance as of October 1, 2013 Additions Reductions \$ 27,780,000 - \$ (765,000) \$ 70,327 - (6,115) 40,000,000 4,309,435 - (149,028) - 5,000,000 155,424 -	October 1, 2013 Additions Reductions 2014 \$ 27,780,000 - \$ (765,000) \$ 27,015,000 70,327 - (6,115) 64,212 40,000,000 - - 40,000,000 4,309,435 - (149,028) 4,160,407 - 5,000,000 - 5,000,000 - 155,424 - 155,424	Balance as of October 1, 2013 Additions Reductions September 30, 2014 Due 2014 \$ 27,780,000 - \$ (765,000) \$ 27,015,000 \$ 70,327 - (6,115) 64,212 40,000,000 - - 40,000,000 4,309,435 - (149,028) 4,160,407 - 5,000,000 - 5,000,000 - 155,424 - 155,424 - 155,424 - - 155,424 - <t< td=""></t<>

The annual requirements to retire the revenue bonds outstanding on September 30, 2015 are as follows:

2010A Bonds					2010B Bonds	i
	Principal	Interest	Total	Principal	Interest	Total
2016	-	224,000	224,000	-	1,017,853	1,017,853
2017	-	224,000	224,000	-	1,017,853	1,017,853
2018	-	224,000	224,000	-	1,017,853	1,017,853
2019	-	224,000	224,000	-	1,017,853	1,017,853
2020	-	224,000	224,000	-	1,017,853	1,017,853
2021-2025	3,275,000	879,625	4,154,625	-	5,089,265	5,089,265
2026-2030	1,205,000	30,125	1,235,125	5,430,000	4,396,719	9,826,719
2031-2035	-	-	-	8,235,000	2,007,369	10,242,369
2036				1,870,000	61,261	1,931,261
	\$ 4,480,000	\$ 2,029,750	\$ 6,509,750	\$ 15,535,000	\$ 16,643,879	\$ 32,178,879

(A Component Unit of Cameron County, Texas)

Notes to Financial Statements

September 30, 2015

Note 7 - Long-Term Bonds Payable - Continued

201	12	Reveni	10 87	Tov	Rande

2014	Revenue	& Tox	Randa
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	Principal	Interest	Total	Principal	Interest	Total
2016	-	1,911,700	1,911,700	-	198,300	198,300
2017	840,000	1,899,100	2,739,100	-	198,300	198,300
2018	860,000	1,876,288	2,736,288	50,000	197,800	247,800
2019	880,000	1,856,725	2,736,725	150,000	195,800	345,800
2020	900,000	1,836,688	2,736,688	240,000	188,300	428,300
2021-2025	5,175,000	8,508,875	13,683,875	1,360,000	783,226	2,143,226
2026-2030	6,645,000	7,038,875	13,683,875	1,630,000	512,125	2,142,125
2031-2035	8,530,000	5,151,250	13,681,250	1,570,000	144,438	1,714,438
2036-2040	10,960,000	2,727,000	13,687,000	\$ 5,000,000	\$ 2,418,289	\$ 7,418,289
2041-2042	5,210,000	263,750	5,473,750			
	\$ 40,000,000	\$ 33,070,251	\$ 73,070,251			

2015 Revenue & Tax Bonds

	Principal		Interest		Total
2016	-		152,813		152,813
2017	-		152,813		152,813
2018	-		152,813		152,813
2019	-		152,813		152,813
2020	100,000		151,562		251,562
2021-2025	825,000		697,537		1,522,537
2026-2030	990,000		558,584		1,548,584
2031-2035	1,175,000		371,465		1,546,465
2036-2040	1,410,000		136,500		1,546,500
2041-2042			-		-
	\$ 4,500,000	\$;	2,526,900	_	\$ 7,026,900

(A Component Unit of Cameron County, Texas)

Notes to Financial Statements

September 30, 2015

Note 8 – Interest Capitalization/Expense

The RMA capitalized a total of \$2,110,620 of debt interest to Construction in Process projects. The interest capitalized is from the 2010, 2012, 2014, and 2015 Bond Series. The detailed capitalization is outlined in the schedule presented on the following page. The remaining interest was expensed in the total amount of \$1,391,460 for the year ending September 30, 2015.

Project	201	0 Bonds	2	012 Bonds	20	014 Bonds	20	15 Bonds
West Parkway Project	\$	2,818	\$	-	\$	-	\$	-
Outer Parkway Project		4,964		-		-		-
SH 32 (East Loop)		13,461		-		-		-
FM 803		4,146		-		-		-
General Brant		1,324		-		-		-
State Highway 550 Project				1,766,853		270,844		46,210
Total Interest Capitalized	\$	26,713	\$	1,766,853	\$	270,844	\$	46,210

Capitalized interest as of September 30, 2014 is shown in the following schedule.

Project	20	10 Bonds	2012 Bonds		2014 Bonds	
West Parkway Project	\$	514	\$	-	\$	-
Outer Parkway Project		5,024		-		-
SH 32 (East Loop)		13,286		-		-
FM 803		4,434		-		-
General Brant		1,097		-		-
Port Isabel Access Rd		1,919				
State Highway 550 Project				1,766,853		42,965
Total Interest Capitalized	\$	26,274	\$	1,766,853	\$	42,965

Note 9 – Employee Retirement System

A. Plan Description

The RMA participates as one of 677 nontraditional defined benefit pension plans administered by the Texas County and District Retirement System (TCDRS). The TCDRS is an agency created by the Texas Legislature and administered in accordance with the TCDRS Act as an agent multiple-employer retirement system for county and district employees in the State of Texas. The TCDRS Act places the general administration and management of the TCDRS with an independent, nine-member Board of Trustees. Although the governor, with the advice and consent of the Senate, appoints the Board, TCDRS is not fiscally dependent on the State of Texas. TCDRS's defined benefit pension plan is a tax-qaulified plan under Section 401(a) of the Internal Revenue Code. TCDRS issues a publicly available comprehensive annual financial report (CAFR) that can be obtained at www.tcdrs.org

(A Component Unit of Cameron County, Texas)
Notes to Financial Statements

September 30, 2015

Note 9 – Employee Retirement System - Continued

All eligible employees of the RMA are required to participate in TCDRS.

B. Benefits Provided

TCDRS provides retirement, disability, and death benefits. Benefit provisions are adopted by the governing body of the employer, within the options available in the Texas state statutes governing TCDRS (TCDRS Act).

Benefit amounts are determined by the sum of the employees contributions to the plan, with interest, and employer-financed monetary credits. The level of these monetary credits is adopted by the governing body of the employer within the actuarial constraints imposed by the TCDRS Act so that the resulting benefits can be expected to be adequately financed by the employer's commitment to contribute. At retirement, death, or disability, the benefit is calculated by converting the sum of the employee's accumulated contributions and the employer-financed monetary credits to a monthly annuity using annuity purchase rates prescribed by the TCDRS Act. The plan provisions are adopted by the governing body of the employer within the options available in the TCDRS Act.

Members can retire at ages 60 and above with 8 or more years of service, with 20 years of service regardless of age, or when the sum of their age and years of service equals 75 or greater. Members are vested after 8 years of service but must leave their accumulated contributions in the plan to receive any employer-financed benefit. Members who withdraw their personal contributions in a lump sum are not entitled to any amounts contributed by their employer.

Employees covered by benefit terms

At the December 31, 2014 valuation and measurement date, the following employees were covered by the benefit terms:

	Number of
	Employees
Inactive employees or beneficiaries currently receiving benefits	0
Inactive employees entitiled to but not yet receiving benefits	0
Active employees	3
	3

(A Component Unit of Cameron County, Texas)

Notes to Financial Statements

September 30, 2015

Note 9 - Employee Retirement System - Continued

C. Contributions

The plan is funded by monthly contributions from both employee members and the employer based on the covered payroll of employee members. The deposit rate for employees is 4%, 5%, 6%, or 7% of compensation, as adopted by the employer's governing body. The employee contribution rate may be changed by the governing body of the employer within the options available in the TCDRS Act. Under the TCDRS Act, the contributions rate of the employer is actuarially determined annually using the Entry Age Normal (EAN) actuarial cost method.

Employees for the RMA were required to contribute 7% of their annual gross earnings during the fiscal year. The contribution rates for the RMA was 10.13% in both calender years 2014 and 2015. The RMA's contributions for the year ended September 30, 2015, were \$33,736, and were equal to the required contributions.

D. Net Pension Liability

The RMA's net pension liability (NPL) was measured as of December 31, 2014, and the total pension liability used to calculate the net pension liability was determined by an annual actuarial valuation as of that date.

Actuarial assumptions

The total pension liability in the December 31, 2014, actuarial valuation was determined using the following actuarial assumptions:

Inflation	3%
Salary increases	4.9%, average, including inflation
Investment rate of return	8.1%, net of pension plan investment expense

(A Component Unit of Cameron County, Texas)

Notes to Financial Statements

September 30, 2015

Note 9 – Employee Retirement System - Continued

Mortality rates were based on the following:

Depositing members	The RP-2000 Active Employee Mortality Table for males
	with a two-year set-forward and the RP-2000 Active
	Employee Mortality Table for females with a four-year
	setback, both with the projection scale AA.
Service retirees, beneficiaries	The RP-2000 Combined Mortality Table with the projection
and non-depositing members	scale AA, with a one-year set-forward for males and no age
	adjustment for females.
Disabled retirees	RP-2000 Disabled Mortality Table for males with no age
	adjustment and RP-2000 Disabled Mortality Table for
	females with a two-year set-forward, both with the projection
	scale AA.

The actuarial assumptions used in the December 31, 2014, valuation were based on the results of an actuarial experience study for the period January 1, 2009 – December 31, 2012 except where required to be different by GASB 68.

Long-term expected rate of return

The long-term expected rate of return on TCDRS assets is 8.10%. The long-term expected rate of return is determined by adding expected inflation to expected long-term real returns, and reflecting expected volatility and correlation. The capital market assumptions and information shown below are provided by TCDRS' investment consultant, Cliffwater LLC. The numbers shown are based on January 2015 information for a 7-10 year time horizon.

Note that the valuation assumption for long-term expected return is re-assessed at a minimum of every four years, and is set based on a 30-year time horizon; the most recent analysis was performed in 2013. See Milliman's TCDRS Investigation of Experience report for the period January 1, 2009 – December 31, 2013 for more details.

(A Component Unit of Cameron County, Texas)

Notes to Financial Statements

September 30, 2015

Note 9 - Employee Retirement System - Continued

Asset Class	Benchmark	Target	Geometric Real
		Allocation	Rate of Return
		(*1)	(Expected minus
			inflation) (*2)
US Equities	Dow Jones U.S. Total Stock Market Index	16.5%	5.35%
Private Equity	Cambridge Associates Global Private Equity	12.00%	8.35%
	& Venture Capital Index (*3)		
Global Equities	MSCI World (net) Index	1.50%	5.65%
International Equities –	50% MSCI World Ex USA (net) + 50%	11.00%	5.35%
Developed	MSCI World Ex USA 100% Hedged to USD		
	(net) Index		
International Equities –	50% MSCI EM Standard (net) Index + 50%	9.00%	6.35%
Emerging	MSCI EM 100% Hedged to USD (net) Index		
Investment – Grade Bonds	Barclays Capital Aggregate Bond Index	3.00%	0.55%
High -Yield Bonds	Citigroup High-Yield Cash-Pay Capped Index	3.00%	3.75%
Opportunistic Credit	Citigroup High-Yield Cash-Pay Capped Index	5.00%	5.54%
Direct Lending	Citigroup High-Yield Cash-Pay Capped Index	2.00%	5.80%
Distressed Debt	Citigroup High-Yield Cash-Pay Capped Index	3.00%	6.75%
REIT Equities	67% FTSE NAREIT Equity REITs Index +	2.00%	4.00%
	33% FRSE EPRA/NAREIT Global Real		
	Estate Index		
Commodities	Bloomberg Commodities Index	2.00%	-0.20%
Master Limited Partnerships	Alerian MLP Index	2.00%	5.30%
(MLPS)			
Private Real Estate	Cambridge Associates Real Estate Index (*4)	3.00%	7.20%
Partnerships			
Hedge Funds	Hedge Fund Research, Inc. (HFRI) Fund of	25.00%	5.15%
	Funds Composit Index		

^(*1) Target asset allocation adopted at the April 2015 TCDRS Board meeting.

^(*2) Geometric real rates of return in addition to assumed inflation of 1.7%, per Cliffwater's 2015 capital market assumptions.

^(*3) Includes vintage years 2006-present of Quarter Pooled Horizon IRRs.

^(*4) Includes vintage years 2007-present of Quarter Pooled Horizon IRRs.

(A Component Unit of Cameron County, Texas)

Notes to Financial Statements

September 30, 2015

Note 9 – Employee Retirement System - Continued

Discount rate

The discount rate used to measure the total pension liability was 8.10%. The rate reflects the long-term rate of return funding valuation assumption of 8.00%, plus a 0.10% adjustment to be gross of administrative expenses as required by GASB 68. The method used to determine the discount rate reflects the following funding requirements under the employer's funding policy and the legal requirements under the TCDRS Act:

- TCDRS has a funding policy where the Unfunded Actuarial Accrued Liability (UAAL) shall be amortized as a level percent of pay over 20-year closed layer periods.
- Under the TCDRS Act, the employer is legally required to make the contribution specified in the funding policy.
- The employer's assets are projected to exceed its accrued liabilities in 20 years or less.
 When this point is reached, the employer is still required to contribute at least the normal cost.
- Any increased cost due to the adoption of a COLA is required to be funded over a period of 15 years, if applicable.

The plan's fiduciary net position is projected to be available to make all projected future benefit payments of current active, inactive, and retired members. Since the projected fiduciary net position is projected to be sufficient to pay projected benefit payments in all future years, the discount rate for purposes of calculating the total pension liability and the net pension liability of the employer is equal to the long-term assumed rate of return on investments.

(A Component Unit of Cameron County, Texas)

Notes to Financial Statements

September 30, 2015

Note 9 - Employee Retirement System - Continued

Changes in the net pension liability

The RMA's changes in net pension liability were as follows:

		Increase	(Decrease)		
	Pension pility (a)		iduciary sition (b)	Liabi	Pension lity (a) - (b)
Balances as of December 31, 2013	\$ -	\$	-	\$	-
Changes for the year:					
Service Cost	26,781		-		26,781
Interest on total pension liability (*1)	1,063		-		1,063
Effect of plan changes	_		-		-
Effect of economic/demographic gains			-		-
or losses	26		-		26
Effect of assumptions changes or inputs	_		-		-
Refund of contributions	-		-		-
Benefit payments	_		-		-
Administrative expenses	-		(9)		9
Member contributions	-		9,253		(9,253)
Net investment income	-		89		(89)
Employer contributions	_		13,390		(13,390)
Other (*2)	-		-		-
Balances as of December 31, 2014	\$ 27,870	\$	22,723	\$	5,147

^(*1) Reflects the change in the liability due to the time value of money. TCDRS does not charge fees or interest.

^(*2) Relates to allocation of system-wide items.

(A Component Unit of Cameron County, Texas)

Notes to Financial Statements

September 30, 2015

Note 9 – Employee Retirement System - Continued

Sensitivity analysis

The following presents the net pension liability/(asset) of the RMA, calculated using the discount rate of 8.10%, as well as what the RMA's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (7.10%) or 1 percentage point higher (9.10%) than the current rate:

				Current		
	1%	Decrease	Dis	scount Rate	19	% Increase
		7.10%		8.10%		9.10%
	_					
Total pension liability	\$	29,838	\$	27,870	\$	25,145
Fiduciary net position		22,723		22,723		22,723
Net pension liability/(asset)	\$	7,115	\$	5,147	\$	2,422

Pension plan fiduciary net position

Detailed information about the pension plan's fiduciary net position is available in the separately issued TCDRS financial report. That report may be obtained at www.tcdrs.org

E. <u>Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions</u>

For the year ended September 30, 2015, the RMA recognized pension expense of \$17,858.

On September 30, 2015, the RMA reported deferred inflows and outflows of resources related to pensions from the following sources located on the next page:

(A Component Unit of Cameron County, Texas)

Notes to Financial Statements

September 30, 2015

Note 9 – Employee Retirement System - Continued

	Deferred Inflows of Resources			Deferred Outflows of Resources	
Differences between expected and actual					
experience	\$	-	\$	25	
Net difference between projected and					
actual earnings		-		655	
Contributions made subsequent to					
measurement date (*1)		N/A		29,190	
Total deferred inflows/outflows of			·		
resources related to pensions	\$		\$	29,870	

^(*1) Reflects employer contributions made subsequent to the measurement date through the employer's fiscal year end. This amount will be recognized as a reduction in Net Pension liability for the year ending September 30, 2016.

The total of \$29,190 reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of net pension liability for the year ending September 30, 2016. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended December 31,

2016	\$ 165
2017	165
2018	165
2019	165
2020	1
Thereafter (*1)	20

^(*1) Total remaining balance to be recognized in future years. Note that additional future deferred inflows and outflows of resources may impact these numbers

(A Component Unit of Cameron County, Texas)

Notes to Financial Statements

September 30, 2015

Note 10 – Due to Other Governments

Cameron County

On April 11, 2006, Cameron County (County) entered into an agreement with the RMA whereby the County would provide a loan of \$250,000 for the purpose of assisting the RMA in its organizational efforts. The balance outstanding as of September 30, 2015 and 2014 was \$167,500.

Note 11 – Advertising

The RMA incurs advertising expenditures to promote community awareness of existing and ongoing projects. These expenditures include public relation events, website and social media marketing of toll operations, and other general advertising-related activities. These expenditures are expensed in the year incurred.

Note 12 – Prior Period Adjustment

A prior period adjustment of \$5,654 was recorded as deferred outflows for contributions after the measurement date for the year ended September 30, 2014, in accordance with GASB Statements 68 and 71.

(A Component Unit of Cameron County, Texas)

Required Supplementary Information – Pension Plan September 30, 2015

Schedule of Changes in Net Pension Liability and Related Ratios Year Ended December 31, 2014

Total Pension Liability	
Service cost	\$ 26,781
Interest on total pension liability	1,063
Effect of plan changes	-
Effect of assumption changes or inputs	-
Effect of economic/demographic (gains) or losses	26
Benefit payments/refunds of contributions	
Net change in total pension liability	27,870
Total pension liability, beginning	-
Total pension liability, ending (a)	\$ 27,870
Fiduciary Net Position	
Employer contributions	\$ 13,390
Member contributions	9,253
Investment income net of investment expenses	89
Benefit payments/refunds of contributions	-
Administrative expenses	(9)
Other	 (1)
Net change in fiduciary net position	22,723
Fiduciary net position, beginning	-
Fiduciary net position, ending (b)	\$ 22,723
Net pension liability/(asset), ending = (a) - (b)	\$ 5,147
Fiduciary net position as a % of total pension liability	 81.53%
Pensionable covered payroll	\$ 198,278
Net pension liability as a % of covered payroll	2.60%

The Schedule of Changes in Net Pension Assets and related Ratio disclosure is required for 10 years. The schedule noted above is the only year for which the new GASB Statements have been implemented.

(A Component Unit of Cameron County, Texas)

Required Supplementary Information – Pension Plan September 30, 2015

Schedule of Employer Contributions

Year Ending December 31,	Actuarially Determined Contribution	Actual Employer Contribution	Contribution Deficiency (Excess)	Pensionable Covered Payroll (1)	Actual Contribution as a % of Covered Payroll
2005	Not Available	Not Available	Not Available	Not Available	Not Available
2006	**	**	**	**	**
2007	**	**	**	**	**
2008	**	**	**	**	**
2009	**	**	**	**	**
2010	**	**	**	**	**
2011	**	**	**	**	**
2012	**	**	**	**	**
2013	**	**	**	**	**
2014	13,390	13,390	0	132,185	10.1%

⁽¹⁾ Payroll is calculated based on contributions as reported to TCDRS.

(A Component Unit of Cameron County, Texas)

Required Supplementary Information – Pension Plan September 30, 2015

Notes to Schedule of Employer Contributions and Net Pension Liability

Actuarial Methods and Assumptions Used

Following are the key assumptions and methods used in this GASB analysis.

Valuation Timing	Actuarially determined contribution rates are		
, valuation 1 ming	calculated as of December 31, two years prior to		
	the end of the fiscal year in which the		
	contributions are reported.		
Actuarial Cost Method	Individual entry age normal cost method, as		
	required by GASB Statement No. 68, used for		
	GASB calculations. A slightly different version of		
	the entry age normal cost method is used for the		
	funding actuarial valuation.		
Asset Valuation Method			
Smoothing period	5 years		
Recognition method	Non-asymptotic		
Corridor	None		
Economic Assumptions			
Inflation	3.0%		
Salary Increases	3.5% (made up of 3.0% inflation and 0.5%		
	productivity increase assumptions) and a merit,		
	promotion and longevity component that on		
	average approximates 1.4% per year for a career		
	employee		
	employee		
Investment Rate of Return	8.10%		
COLAs	COLAs for the Cameron County Regional		
	Mobility Authority are not considered to be		
	substantively automatic under GASB Statement		
	No. 68. Therefore, no assumption for the future		
	cost-of-living adjustments is included in the GASB		
	calculations. No assumption for future cost-of-		
	living adjustments is included in the funding		
	valuation.		
	vanation.		

(A Component Unit of Cameron County, Texas)

Required Supplementary Information – Pension Plan September 30, 2015

Retirement Age

Annual Rates of Service Retirement*

Age	Male	Female	Age	Male	Female
40-44	4.50%	4.50%	62	25.0%	25.0%
45-40	9.0	9.0	63	16.0	16.0
50	10.0	10.0	64	16.0	16.0
51	10.0	10.0	65	30.0	30.0
52	10.5	10.5	66	25.0	25.0
53	10.5	10.5	67	24.0	24.0
54	10.5	10.5	68	22.0	22.0
55	11.0	11.0	69	22.0	22.0
56	11.0	11.0	70	22.0	22.0
57	11.0	11.0	71	22.0	22.0
58	12.0	12.0	72	22.0	22.0
59	12.0	12.0	73	22.0	22.0
60	14.0	14.0	74**	22.0	22.0
61	12.0	12.0			

^{*} Deferred Members are assumed to retire (100% probability) at the later of: (a) age 60

<u>Other Terminations of Employment</u> – The rate of assumed future termination from active participation on the plan for reasons other than death, disability or retirement are all set at 0% and the rates vary by length of service, entry-age group (age at hire) and sex. No termination after eligibility for retirement is assumed.

⁽b) earliest retirement eligibility

^{**} For all eligible members ages 75 and later, retirement is assumed to occur immediately

(A Component Unit of Cameron County, Texas)

Required Supplementary Information – Pension Plan September 30, 2015

Withdrawals – Members who terminate may either elect to leave their account with TCDRS or withdraw their funds. The probability that a member elects a withdrawal varies by length of service and vesting schedule. Rates applied to your plan are shown in the table below. For non-depositing members who are not vested, 100% are assumed to elect a withdrawal.

D	Lab:1:4	of 117:41.	dancer al
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Years of Service	Probability	Years of Service	Probability
0	100%	15	40%
1	100	16	38
2	100	17	36
3	100	18	34
4	100	19	32
5	60	20	30
6	60	21	28
7	55	22	26
8	50	23	24
9	49	24	22
10	48	25	20
11	47	26	15
12	46	27	10
13	44	28*	5
14	42		

^{*} Members with more than 28 years of service are not assumed to refund.

Mortality

Depositing members	The RP-2000 Active Employee Mortality Table for males with a two-year set- forward and the RP-2000 Active Employee Mortality Table for females with a four-years setback, both with the projection scale AA.
Service retirees, beneficiaries and non-depositing members	The RP-2000 Combined Mortality Table with the projection scale AA, with a one-year set-forward for males and no age adjustment for females.
Disabled retirees	RP-2000 Disabled Mortality Table for males with no age adjustment and RP-2000 Disabled Mortality Table for females with a two-year set-forward, both with the projection scale AA.



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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the Board of Directors Cameron County Regional Mobility Authority Brownsville, Texas

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities of the Cameron County Regional Mobility Authority (the RMA), a component unit of Cameron County, Texas, as of and for the year ended September 30, 2015, and the related notes to the financial statements, which collectively comprise the RMA's basic financial statements, and have issued our report thereon dated March 31, 2016.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the RMA's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the RMA's internal control. Accordingly, we do not express an opinion on the effectiveness of the RMA's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did

not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the RMA's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

LONG CHILTON, LLP

Brownsville, Texas March 31, 2016



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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133 AND THE STATE OF TEXAS SINGLE AUDIT CIRCULAR

To the Board of Directors Cameron County Regional Mobility Authority Brownsville, Texas

Report on Compliance for Each Major Federal/State Program

We have audited the Cameron County Regional Mobility Authority's (the RMA) compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement and the State of Texas Single Audit Circular* that could have a direct and material effect on each of the RMA's major federal/state programs for the year ended September 30, 2015. The RMA's major federal/state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal/state programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the RMA's major federal/state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit* and State of Texas Single Audit Circular. Those standards, OMB Circular A-133, and State of Texas Single Audit Circular require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal/state program occurred. An audit includes examining, on a test basis, evidence about the RMA's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal/state program. However, our audit does not provide a legal determination of the RMA's compliance.

Opinion on Each Major Federal/State Program

In our opinion, the RMA, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal/state programs for the year ended September 30, 2015.

Report on Internal Control Over Compliance

Management of the RMA is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the RMA's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal/state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal/state program and to test and report on internal control over compliance in accordance with OMB Circular A-133 and the State of Texas Single Audit Circular, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the RMA's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal/state program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal/state program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal/state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133 and State of Texas Single Audit Circular. Accordingly, this report is not suitable for any other purpose.

LONG CHILTON, LLP

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Brownsville, Texas March 31, 2016

Cameron County Regional Mobility Authority Schedule of Expenditures of Federal/State Awards For the Year Ended September 30, 2015

Federal/State Grantor & Program or Cluster Title	Federal CFDA Number	Pass-through Grantor and Number	Name of Grant - Grant ID No.	Federal/State Expenditures(\$)
Federal Awards				
Department of Transportation				
Highway Planning and Construction	20.205	Direct	Pass-through Agreement for Payment of Pass-through Tolls SH550 ProjectCSJ-3622-01- 003	6,257,521
			Advance Funding Agreement -	, ,
	20.205	Texas Department of Transportation	West Rail ProjectCSJ 0921- 06-073 & 23	3,009,072
	20.205	Texas Department of Transportation	Switchyard and RIP Facility CSJ 921-06-244	75,753
Total Highway Planning and Construction			_	9,342,346
Total Expenditures of Federal Awards			-	\$ 9,342,346
State Awards				
			South Padre Island Second Causeway Interim Project	
Texas Department of Transportation		Direct	Development AgreementCSJ 0921-06-163	2,087,812
Total Expenditures of State Awards			_ _	\$ 2,087,812

The accompanying notes are an integral part of this schedule

CAMERON COUNTY REGIONAL MOBILITY AUTHORITY (A COMPONENT UNIT OF CAMERON COUNTY, TEXAS)

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL/STATE AWARDS

Year Ended September 30, 2015

NOTE 1 - GENERAL

The accompanying Schedule of Expenditures of Federal/State Awards presents the activity of federal/state expenditures of programs of the Cameron County Regional Mobility Authority (the RMA). The RMA reporting entity is defined in Note 1 to the RMA's basic financial statements.

NOTE 2 - BASIS OF ACCOUNTING

The accompanying schedule of expenditures of federal/state awards is presented using the accrual basis of accounting.

NOTE 3 - RELATIONSHIP TO FINANCIAL STATEMENTS

Federal/state award expenditures as reported in the accompanying schedule of expenditures of federal/state awards are reflected in the RMA's financial statements as expenses or capital asset additions.

NOTE 4 - RELATIONSHIP TO FEDERAL FINANCIAL REPORTS

Amounts reported in the accompanying schedule may not agree with the amounts reported in the related Federal and state financial reports filed with the grantor agencies because of the effect of accruals made in the schedule.

CAMERON COUNTY REGIONAL MOBILITY AUTHORITY (A COMPONENT UNIT OF CAMERON COUNTY, TEXAS)

SCHEDULE OF FINDINGS AND QUESTIONED COSTS – FEDERAL AND STATE AWARDS

For Year Ended September 30, 2015

I. SUMMARY OF INDEPENDENT AUDITOR'S RESULTS

<u>Financial Statements</u>				
Type of auditor's report issued: <u>Unmodified</u>				
Internal control over financial reporting:				
 Material weakness(es) identified? Significant deficiencies identified that are not considered to be material weaknesses? Noncompliance material to financial statements noted? 	YesXNoYesXNone ReportedYesXNo			
<u>Federal/State Awards</u>				
Internal control over major programs:				
 Material weakness(es) identified? Significant deficiencies identified that are not considered to be material weaknesses? 	YesXNoYesXNone Reported			
Type of auditors' report issued on compliance for major programs: <u>Unmodified</u>				
• Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of Circular A-133?	YesXNo			
Identification of major programs:				
CFDA Numbers	Name of Federal/State Program or Cluster			
Federal –				
20.205	Highway Planning and Construction			
State –				
CSJ 0921-06-163	SPI 2 ND Causeway Interim Project Development Agreement			

CAMERON COUNTY REGIONAL MOBILITY AUTHORITY (A COMPONENT UNIT OF CAMERON COUNTY, TEXAS) SCHEDULE OF FINDINGS AND QUESTIONED COSTS – FEDERAL AND STATE AWARDS - CONTINUED

For Year Ended September 30, 2015

I. SUMMARY OF INDEPENDENT AUDITOR'S RESULTS - CONTINUED

II.

III.

Dollar threshold used to distinguish between Type A and Type B Federal programs	Type A \$300,000	Type B \$100,00
Auditee qualified as low-risk auditee?	XYes	No
Dollar threshold used to distinguish between	Type A \$ 300, 000	Type B \$100,000
Type A and Type B State programs	1 y pc A \$ 500, 000	<u>1 ypc D \$100,000</u>
Auditee qualified as low-risk auditee?	X Yes	No
FINANCIAL STATEMENT FINDINGS		
None noted which were required to be reported.		
FINDINGS AND QUESTIONED COSTS OF FEDER	RAL/STATE AWA	RDS
None noted which were required to be reported.		

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CAMERON COUNTY REGIONAL MOBILITY AUTHORITY (A COMPONENT UNIT OF CAMERON COUNTY, TEXAS) SCHEDULE OF FINDINGS AND QUESTIONED COSTS – FEDERAL AND STATE AWARDS – PRIOR YEAR

For Year Ended September 30, 2015

II. FINANCIAL STATEMENT FINDINGS

None noted which required reporting.

III. FINDINGS AND QUESTIONED COSTS OF FEDERAL/STATE AWARDS

None noted which required reporting.

2-B PRESENTATION OF THE GEC REPORT FOR THE MONTH OF APRIL 2016

Pete Sepulveda, Jr.
Executive Director
Cameron County Regional Mobility Authority
3461 Carmen Avenue
Rancho Viejo, Texas 78575



May 6, 2016

Dear Mr. Sepulveda,

The following is a summary of our progress on the subject projects for the month of April 2016.

Project Management:

General GEC

- Prepared & submitted CCRMA GEC Invoice for work performed on various Work Authorizations from Previous Contract (PC) and Current Contract (CC). Updated and submitted March 2016 GEC report.
- On April 14th, Richard Ridings, Debbie Taylor, and Greg Garcia attended the Regular Meeting of the CCRMA Board of Directors.
- On April 28th, Greg Garcia attended the Special Meeting of the CCRMA Board of Directors.
- Assisted CCRMA Controller on activities involving reporting and documentation of invoicing, progress reports and other accounting/billing matters.

South Padre Island Second Access Phase 3A & 3B (PC - Work Authorization No. 17 and CC - Work Authorization No. 2):

This Work Authorization provides engineering and environmental services associated with the development and advancement of the NEPA process for the proposed South Padre Island (SPI) 2nd Access Project in Cameron County. Texas. The proposed Project will provide an alternate route to the Queen Isabella Memorial Causeway; thus, enhancing local and regional mobility, and facilitating effective evacuation of the island in times of disaster, hurricanes, and other emergencies. This Work Authorization continues the environmental and schematic design tasks necessary on the Recommended Preferred Alternative to advance the project to a Record of Decision (ROD).

- HNTB continues to provide assistance and information to CCRMA Board and staff, members of the general public and stakeholders.
- Coordination, including weekly meetings, with TxDOT Pharr District, TxDOT ENV and FHWA
 has been on-going regarding the FEIS tasks.
- Submitted the 100% submittal package (i.e. typical sections, geometric design, preliminary cross sections, preliminary traffic control, 3D modeling, and schematic plan preparation, preliminary construction cost estimate, hydrology, hydraulic studies, drainage design and preliminary bridge layouts) to TxDOT for their review on 11/2. Coordinating with subconsultants to address TxDOT comments.

- Revised master design schedule and submitted to subconsultants for review.
- Continued coordination with subconsultants on geotechnical services.
- Summary report of Context Sensitive Solutions (CSS) workshops and survey results are complete.
- First draft of Final EIS (12/23/2014) has been revised. Backcheck review and comment by CCRMA, TxDOT-ENV and TxDOT-Pharr is complete. FHWA-HQ comments received 11/16/2015 and revisions are complete. Submittal #3 (Resource Agency Review) was submitted 1/21/2016. Comments pending.
- Coordinated with subconsultants on FEIS and permitting tasks. Preliminary Jurisdictional Determination (PJD) submitted 9/29/15. USACE field work completed 2/18/16. Approved PJD received 3/21/16.
- Responses to TxDOT and FHWA comments on the Seagrass/Wetland Delineation/Vegetation
 and Habitat Report, EFH Report and Biological Assessment have been addressed and revised
 documents have been submitted to permitting and/or cooperating agencies. BA and Sea Grass
 Mitigation were submitted to USFWS and NOAA on 8/17/15, respectively. Reviews are in
 progress.
- Continued coordination with NMFS and TxDOT on questions concerning the Essential Fish
 Habitat Assessment (EFH). The EFH has been revised and back check review by TxDOT and
 FHWA completed 9/23/15. Revised EFH submitted to NMFS for review 9/24/15. Review is in
 progress and comments pending.
- Coordination with CCRMA, TxDOT, USFWS and Conservation Fund on potential impacts to
 Migratory Bird Conservation Lands has been completed. Survey and documentation
 requirements necessary to prepare the Section 4(f) Determination Package were prepared and
 submitted to FHWA. A Final 4(f) determination was received from FHWA 11/5/15 and clearance
 was given to proceed with early acquisition of 2.78 acres of property needed for ROW.
 Transaction transferring property to Cameron County was executed and deed recorded 12/18/15.
- Progressed contracting and coordination with the following subconsultants: SWCA completed remaining archeological work and received concurrence from THC. SWCA has revised the BA for TxDOT, TxDOT-ENV and FHWA comments and submitted the revised Draft BA. The revised Draft BA was submitted to TxDOT and FHWA for back-check on 6/25 and 6/30, respectively. Revised BA (terrestrial) submitted to USFWS 8/17. Revised BA (aquatic) submitted to NMFS-PRD 8/17. USFWS comments received 9/18 and internal comment workshop held 10/12 with TxDOT-Pharr, TxDOT-ENV, HNTB and SWCA. BA revisions in progress in preparation for FHWA-HQ review. Joint USFWS/Project team comment resolution meeting held 3/9. Joint Engineering/Environmental Technical Workshop held 3/23 to consider USFWS comments that may require schematic revisions. BA revisions in progress for resubmittal to USFWS. Executive Committee was convened 3/24 to discuss USFWS comments and other issues affecting schedule. Revised BA (aquatic) review in progress at NMFS-PRD. Belaire Environmental has submitted a Draft Sea Grass Mitigation Plan for TxDOT and FHWA review on 7/7. Belaire Environmental has completed modeling necessary to validate plan. TxDOT-Pharr and TxDOT-ENV comments on Seagrass modeling report resolved in workshop 10/20. Revised report received 10/30. Now beginning scoped pilot studies and permit coordination with USACE, TPWD and GLO. TxDOT Comments on pilot studies addressed and revised Seagrass Mitigation plan was presented at December 1 USACE Joint Evaluation Meeting (JEM). Plan being revised per JEM comments. Target date for installation of Pilot Study now 4/30/16. Wetland Mitigation Plan was submitted for agency review 11/9/15 and was also discussed at December 1 JEM. Preliminary Jurisdictional Determination submitted to USACE 9/29/15 and

- USACE review is complete. Approved PJD received 3/21/16. NMFS review of Essential Fish Habitat Assessment currently in progress.
- Nationwide Permit 27 approved on 4/25 by USACE. Working with GLO on lease application and then TPWD will give their approval within 48 hours. Have also sent application in for Coast Guard lighting approval.

Olmito Switch Yard & Repair-In-Place Facility (PC - Work Authorization No. 31)

This work authorization provides engineering services throughout the construction duration of the Olmito Switch Yard and Repair-In-Place (RIP) Facility by providing responses to the contractor's Requests for Information, Shop Drawing Review and As-Built construction plans.

HNTB is assisting with the completion and close out of this project.

West Rail Bypass, CI (PC - Work Authorization No. 33)

This work authorization provides professional services associated with construction inspection phase work for the West Rail Bypass.

HNTB is assisting with the completion and close out of this project.

Outer Parkway Study (CC - Work Authorization No. 3)

This work authorization provides professional services and deliverables associated with a study for the Outer Parkway. The study is to be performed in a three phase effort to deliver a schematic design for the Outer Parkway project. The phases are:

- TxDOT, CCRMA, and HNTB personnel met to discuss the supplemental work authorization for the Environmental Assessment and Route Studies. The meeting was held at the Joe G. Rivera and Aurora de la Garza County Annex on October 8th. HNTB and TxDOT discussions on-going regarding CDA vs. non-CDA scope needed.
- Classification Letter was signed by TxDOT ENV on February 3rd concurring that the project be classified as an EA and that preparation of an EIS is not required.

SH 32 GEC Preliminary Schematic and Environmental Approval (CC - Work Authorization No. 5)
This work authorization provides professional services for oversight, guidance, agency coordination, and issue resolution, necessary to expedite the preliminary development phases of these two SH 32 projects only.
The two projects, which each have logical termini and independent utility, extend from US 77/83 to FM 3068 (herein referred to as SH 32-West) and from FM 3068 to SH 4 (herein referred to SH 32-East). The proposed projects are being developed by two prime subconsultants, (S&B Infrastructure, Ltd. and Traffic Engineers, Inc.) under the oversight of HNTB (GEC).

SH 32 West (Consultant - Traffic Engineers, Inc., or TEI):

- Continued project coordination with TEI.
- Archeological field was completed and report writing is underway.

- Coordinated with TxDOT and USFWS to modify land swap below 40 acres. Exhibit was submitted to TxDOT on 5/26.
- Continued coordination with subconsultant, TxDOT and USFWS to discuss EA and 4(f) requirements for documentation for land swap.
- TxDOT, subconsultants, and HNTB personnel met to discuss IBWC and USFWS coordination next steps, meeting was held via conference call on October 14th.
- Awaiting revised BA and EA from TEI to include impacts to levee relocation and USFWS refuge impacts of approximately 40 acres.
- HNTB is working with subconsultant and TxDOT to revise schedule.
- HNTB coordinated with TEI to identify needs to move project forward and dates deliverables expected.

SH 32 East (Consultant - S&B Infrastructure, Ltd., or S&B):

- Continued project coordination with S&B.
- Biological Assessment was revised per TxDOT comments, reviewed by the GEC and resubmitted to the TxDOT Pharr District for back check.
- Submitted schematic GEC comments to subconsultant on 5/27.
- Submitted EA GEC/TxDOT comments to subconsultant on 5/28.
- HNTB back checked S&B EA revisions and resubmitted for ENV review on 9/30/2015.
- HNTB held conference call on 10/29/15 with ENV to discuss review status of EA review.
- HNTB received additional EA comments from ENV on 12/3, the comments were submitted to the subconsultant on 12/4.
- S&B submitted revised EA for GEC internal review on 3/4/2016. GEC completed back check and provided comments to S&B on 3/15/2016.
- HNTB back checked S&B EA revisions and resubmitted for ENV review on 4/1/2016.
- Biological Evaluation Form was reviewed by HNTB and submitted to ENV for review on 4/13/2016.
- HNTB working with subconsultant and TxDOT to revise schedule.

West Rail Bridge - RFI/Shop Drawings Review and CEI for Security Fencing, Gate, Illumination, and DHS Building Components (US portion of bridge only) (PC - Work Authorization No. 69)

- HNTB attended the "soft opening" held on 8/7 which commemorated UPRR's first train crossing into Mexico using the new bridge. UPRR ran their last train into Mexico on the B&M on 8/6.
- HNTB attended the "grand opening" held on 8/25 which included dignitaries from both the U.S. and Mexico.
- Continue to review and forward contractor's submittals.
- The contractor continues working on the final punch list items.
- Continue to perform site visits to verify completion of final punch list items.

Consultant Management:

• Project was completed and opened to traffic on June 4, 2015 at 4:00 p.m. The 30 day no toll introduction was completed on July 4, 2015.

Agency Coordination:

 Conducted ongoing discussions with CCRMA staff, TxDOT staff and subconsultants for preparation of SPI 2nd Access project (see specifics above), SH 550, Olmito Switch Yard Repair-In-Place Facility construction project, West Rail construction project, SH 32 East Loop EAs and other miscellaneous items.

Best regards,

Auch J. Richard L. Ridings, P.E.

Vice President

cc: Carlos Lopez, P.E.

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- Status Report				*	INIB	
Project Work Authorization	South Padre Island P	hase 3A & 3B	WA Cost	: \$	2,965,831.00	
Supplemental	2 Affected Env & Env C	Consequences	SA Cost		165,885.00	
Supplemental	3 Affected Env & Env C		SA Cost		415,622.00	
Supplemental	Affected Env & Env C		SA Cost		109,870.00	
Supplemental	a Affected Env & Env C	Consequences	SA Cost		166,668.00	
Supplemental	7 Affected Env & Env C	Consequences	SA Cost	5	40.290.00	
Supplemental	Affected Env & Env C	Consequences	SA Cost	_s	59,094.0	
Supplemental	Affected Env & Env C	Consequences	SA Cost	S	37,334.0	
Supplemental	Affected Env & Env C	Consequences	SA Cost	s	4,488,102.00	
Supplemental	Affected Env & Env C	Consequences	SA Cost	\$	118,256.0	
Supplemental	12 Affected Env & Env C	Consequences	. SA Cost	<u></u>	15,827.00	
Supplemental	13 Affected Env & Env C	Consequences	SA Cost	5	244,621.00	
Supplemental	14 Affected Env & Env C	Consequences	SA Cost:		818,241.00	
			Total Cost	\$	9,645,641.00	
	roject management plan, base :		e Recommended Preferred Alterna e drilling, traffic forecasting, traffic			
		Project Act	ivity			
Route and Design Stu	Ongoing					
btaus:	Ongoing					
Recent Activity:	Submitted 100% submittal pac	kage to TxDOT on 11/2	continued to coordinate with sub	consultants on fir	nencial plan	
Upcoming Activity:	Coordination with subconsultar	nt on addressing 100%	submittal comments and financial	plan.		
Outstanding Issues:	None					
Social Environmental	and Economic Studies					
Status:	Orgoing.					
Recent Activity:	archeological surveys are unde anomalies. Coordinated with the	er TxDOT review. Coon ne USACE regarding po	kly meetings with TxDOT and FHV dinated marine archeology work re- stential relocation of the channel. Nes. Coordination with sub-consults	quired to review . leet with GIWW i	additional	
Upcoming Activity:	Continue work on SWA #10 ac	Continue work on SWA #10 activities.				
Outstanding lasues:					3	
Field Surveying and P	hologrammetry Completed					
Recent Activity:	- Aprellad	- 223 24				
Upcoming Activity						
Outstanding Issues:						
	Task		Status	Date of Anticipated Completion	% Complete	
Route and Design Stu			Ongoing	6/30/2016	95%	
Social, Environmental	tal and Economic Studies		Ongoing	6/30/2016	95%	
Field Surveying and Pl	hotogrammetry		Completed	6/30/2016	100%	
1417		Outstanding Invoice				
WA Amount		Number	Days Old		Amount	
Billed To Date:		124-40819-PL-017	53	\$	4,488.10	
Paid To Date: Unpaid Balance:		125-40619-PL-017	21	\$	22,440.51	
Funding Source:	\$ 26,928.61					

April Status Report

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Project		SH 32 GEC		_		
Work Authorization	49	SH 32 GEC		WA Cost:	S	1,961,997.00
Supplemental	1	SH 32 GEC		SA Cost;	\$	18,277.00
Supplemental	2	SH 32 GEC		SA Cost:	\$	243,639.00
				Total Cost:	\$	2,223,913.00
Description: This wor	k author	rization provides professiona	al services for oversight.	guidance, agency coordination, an	d issue resolutio	n, necessary to
expedite the preliminal	ry devel	opment phases of these two	SH 32 projects only. Ti	ne two projects, which each have h	ogical termini and	independent
				om FM 3068 to SH 4 (herein refer		
projects are being dev	eloped I	by two prime subconsultants	(S&B Infrastructure, Ltd	d. and Traffic Engineers, Inc.) unde	er the oversight o	f HNTB (GEC)
Scope: This Work Aut	horizatio	on allows the GEC to overse	e/manage the developm	ent of two environmental assessm	ents being prepa	red for SH 32.
The environmental ass	sessmer	nts are being prepared by ot	her firms.			!
Deliverable: Meeting	notes, s	chedules, document review	s. permittino strategies.			
	1.0		- 110			
			Project Activit	У		
East Loop EA Status:	On-goir	ng. SH 32-West EA prepare	d. SH 32-East EA prepa	ired.	-	
		nitted SH 32 East EA for rev				
· · · · · · · · · · · · · · · · · · ·						
Recent Activity:						
	Continu	ed coordination with subcor	sultants, TxDOT and ag	encies on schematics and environ	mental document	S.
Upcoming Activity:						
The second secon						
Outstanding Issues:	None					
O BLOUDING TO BE SEE.	110.10				5.5	
					Date of Anticipated	
		Task		Status	Completion	% Complete
East Loop EA						,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,
Project Management a	nd Coor	dination		Ongoing	12/31/2015	97.5%
Route and Design Stud				Ongoing	12/31/2015	97.5%
Social, Environmental	and Eco	nomic Studies		Ongoing	12/31/2015	97.5%
WA Amount:	s	2,223,913.00	Outstanding Invoice Number	Days Old	Invelor	Amount
Billed To Date:	\$	2,223,913.00	Number	Days Old	IIIVOICE	Arnount
Paid To Date:	s	2,223,913.00				
Unpaid Balance:	S	2,223,913.00				
Otiparo Daranice:	-P	-				
		-				
Funding Source:						
running Source.				Total	S	12
					-	

April Status Report

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Project	South Padre Island Se	econd Access			
Work Authorization	2 Route Studies and En	vironmental	WA Cost:	\$	26,444,00
Supplemental	t Environmental Proces	s Completion	SA Cost:	\$	225,575,00
Supplemental	2 Environmental Proces	s Completion	SA Cost:	\$	325,212.13
Supplemental	3 Environmental Proces	s Completion	SA Cost:	\$	120,943.02
Supplemental	4 Environmental Proces	s Completion	SA Cost:	s	200,382 02
			Total Cost:	S	898,556 17
and advancement of the an environmental impac	e National Environmental Policy et statement, alternatives develo	Act (NEPA) process. Topment and evaluation,	ering and environmental services a The tasks associated with the proje and related public involvement act Surveying and Photogrammetry st	ct will include the ivities	
· ·					1
approved in Phase 2. typical sections and laye	Preliminary Study Methodolog	y Memorandum. Draft a alternatives. Draft techr ng of initial Chapters of		outs. Draft and fi	nal conceptual
Route and Design Studi	ies.	Project Activ	rty	7-1656 STORE 4.7	
	See 40619-PL-017				
Recent Activity:			— »	200	
Upcoming Activity:	_				
Outstanding Issues:					
Social, Environmental a	nd Economic Studies See 40619-PL-017				
Recent Activity:	See 40018-1-E-017				.w
Upcoming Activity:					
Outstanding Issues:					
Field Surveying and Pho	otogrammetry See 40619-PL-017				
Recent Activity:	GCC 40013-1 E-017				
Upcoming Activity: Outstanding Issues:	37 - 27				
	Task		Status	Date of Anticipated Completion	% Complete
Route and Design Studi			Ongoing	6/30/2016	25%
Social, Environmental a	nd Economic Studies	i	Ongoing	6/30/2016	25%
Field Surveying and Pho	otogrammetry		Completed	8/31/2015	100%
WA Amount		Outstanding Invoice Number	Days Old	Invoice	Amount
Billed To Date:	\$ 447,750.22	124-62837-PL-002	53	\$	25,124.94
Paid To Date:	\$ 364,248.76	125-62837-PL-002	21	\$	58,376.52
Unpaid Balance	\$ 83,501.46	_			
Total Accrued Interest					
Total Acuted Interest					
Funding Source:					
				S	83,501.46
					2-1

April Status Report



- 28					107	
Project		ter Parkway Planni				
Work Authorization	3 Ou	ter Parkway Planni	ng Study		:_\$	
Supplemental				SA Cost	<u>.</u>	
Supplemental			<u> </u>	SA Cost	*	
				Total Cost	: \$	12,200.00
Description: This wor	k authorizati	on provides profes	sional services and deliv	erables associated with a study		
is to be performed in a	three phase	e effort to deliver a	schematic design for the	Outer Parkway project.		
Scope: This Work Au	thorization in	ncludes the develop	ment of an environment	al and engineering constraints a ment of the Outer Parkway	map, environmen	tal constraints
report, and corndor ide	entification re	sport to aid in the e	stablishment of the aligh	ment of the Obter Parkway		
Deliverable: Constrai	nts map, en	vironmental constra	ints/corridor identificatio	n report,		
Duter Parkway Planni	na Chudu		Project Activ	ity		
	Complete.				-	
		ironmental Classifi	cation letter for FHWA co	oncurrence on EA classification		-
1-100 S (40 M)						
Recent Activity						
100	Submit Clas	sification letter to f	HWA.			
Upcoming Activity						
oposiming racetily.						
0.1.1	Mana			i		
Outstanding Issues:	None.					
					Date of	
		Tools		EAnton	Anticipated Completion	N Committee
Outer Parkway Plann	inn Study	Task		Status	Completion	% Complete
Project Management a		ition		Complete	3/1/2011	100%
Data Collection				Complete	3/1/2011	100%
Meetings/Managemen	t	2280		Complete	3/1/2011	100%
The state of the s	Section 1		Outstanding invoice			1500000
WA Amount:	\$	12,200 00	Number	Days Old	Invoice	Amount
Billed To Date:	\$	12,200.00	1-62837-PL-003R	36	S	12,200.00
Paid To Date:	S			53		
Unpaid Balance	\$	12,200.00				
				A STATE OF THE STA		26 22
	100000				100	
Funding Source:	3				22	
				Total	\$	12,200.00

April Status Report

MNTE

Decinet	ei	4.22.CEC			107	
Project		1 32 GEC				
Work Authorization	= -	1 32 GEC		WA Cost:		323,848,00
Supplemental	1 S	NA01 to WA05		SA Cost:		45,874,95
				Total Cost:	\$	369,722.95
expedite the prelimina utility, extend from US	ry developn 77/83 to Fi	nent phases of these two A 3068 (herein referred to	SH 32 projects only. The as SH 32-West) and fro	uidance, agency coordination, ar e two projects, which each have l m FM 3068 to SH 4 (herein refer and Traffic Engineers, Inc.) unde	ogical termini and red to SH 32-Eas	independent The proposed
		illows the GEC to overse are being prepared by otl		ent of two environmental assessm	ents being prepa	red for SH 32.
Deliverable: Meeting	notes, sche	edules, document review	s, permitting strategies.	Mission with the		
			Project Activity			
East Loop EA	1010010	01.040				
Status	See 40619 See 40619					
Recent Activity:	See 40019	-PL-048				
Upcoming Activity:	See 40619	-PL-049	n/4			
Outstanding Issues:	See 40619	-PL-049	1.00	egittes.		
		Täsk		Status	Date of Anticipated Completion	% Complete
East Loop EA				***************************************	***	
Project Management a		ation		Ongoing	12/31/2015	60.0%
Route and Design Stu	1,000			Ongoing	12/31/2015	60.0%
Social, Environmental	and Econor	mic Studies		Ongoing	12/31/2015	60.0%
WA Amount:	\$	369,722.95	Outstanding Invoice Number	Days Old	Invoice	Amount
Billed To Date:	\$	194,308.80				
Paid To Date:	\$	194,308 80			26	
Unpaid Balance:	\$		2 2 2	710		
ft 1 - 2	0.00 Ld				8	
The same of the same		320.5				
Funding Source:				and the second		
				Total:	\$	

2-C PRESENTATION OF THE MARKETING EFFORTS FOR THE MONTH OF APRIL 2016

April 2016 Board Meeting Marketing Report Michelle A. Lopez Marketing & Communications Director



1. ANNUAL REPORT-

- a. The 2015 CCRMA Annual Reports have been printed (500). Please review them.
- b. They will be distributed throughout Cameron County. If board members need copies, please let us know and we will deliver them.

2. WEBSITE-

- a. The Cameron County Regional Mobility Authority's (CCRMA) website has now reached an average of 70 THOUSAND page views per month regionally.
- b. A significant increase in traffic was found coming from Monterrey, Nuevo Leon in Mexico. Monterrey's traffic has now exceeded the traffic originating from McAllen. This increase has opened an opportunity to begin a push to promote in Mexico.
- c. Traffic originating from South Padre Island continues to increase and is expected to reach traffic levels originating from Pharr.
- d. A noticeable trend has been observed through the organic search traffic. Users continue to search for more information pertaining to CCRMA through search engines.

Avg. Page views/Month: 70,083/+4.78

Pages/Session: 2.31 % New Sessions: 70.80%

New Visitor vs. Returning Visitor: 70.80% / 29.20%

Regional Visits based on Traffic (US): per month

Brownsville	37,557
McAllen	9,762
Harlingen	6,104
Mission	4,961
San Benito	2,558
Pharr	2,361
SPI	1,857
Weslaco	1,710
Edinburg	1,072
Donna	434

List of Regions based on Traffic (MX):

Monterrey	10,319
Matamoros	8,303
Reynosa	1,830
Mexico City	1,647
Tampico	1,222
San Luis Potosi	732
Durango	489
Guadalajara	364
Leon	304

Traffic Acquisition:

ENTA	40.000/
Direct	40.69%

www.ccrma.org www.ccrma.org/projects/2ndspi access www.ccrma.org/about/rfp

Referral	27.	.1	7	엣	ò

www.co.cameron.tx.us www.toliroadsnews.com www.txdot,gov www.krqv.com

Organic Search 26.15%

Google Bing Yahoo!

Social 6.00%

Facebook Twitter LinkedIn

Keywords used to search: ccrma, Cameron county rma, Cameron county regional mobility authority, ccrma.org, ccrma Texas, Cameron county regional mobility authority west loop project, Cameron county regional mobility authority agendas, ccrma Brownsville, Cameron county mpo, ccrma Cameron county.

Technical Information:

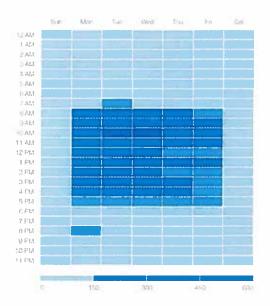
Avg. Page Load Time (sec)	0.56
Avg. Redirection Time (sec)	0.11
Avg. Domain Lookup Time (sec)	0.06
Avg. Page Download Time (sec)	0.31

*Interests based on user's cookies and cached data collected with every visit. This data reflects what each user's primary use for the internet is.

Time slots:

Darker blue time slots represent when traffic is the heaviest to the website. Light blue represents low web traffic.

We have seen an improved web traffic pattern that spans from Monday to Friday from 8 a.m. to 5 p.m.



FIRST LEVEL OF INTERACTION

TIME SPENT ON PAGE

www.ccrma.org	00:03:12 avg.
www.ccrma.org/projects/sh550	00:06:22 avg.
www.ccrma.org/projects/2ndspiaccess	00:01:55 avg.
www.ccma.org/projects/westrailrelocation	00:09:32 avg.

2nd Level of Interaction:

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19 avg	g.
22 av	ġ.
01 av	g.
14 avg	g.
	:32 av :19 av :22 av :01 av :14 av

3rd Level of Interaction:

 www.ccrma.org/
 00:06:53 avg.

 www.ccrma.org/projects/spi2ndaccess
 00:09:32 avg.

 www.ccrma.org/projects/spi2ndaccess/resources
 00:04:21 avg.

 www.ccrma.org/projects/sh550
 00:06:22 avg.

 www.ccrma.org/faq
 00:07:01 avg.

3. SOCIAL MEDIA MARKETING-

- a. Current events and PR strategies have been used to produce content throughout Facebook. New content has been limited as projects have stalled in their current phases.
- b. The CCRMA Facebook page will begin promoting TxTag enrollment and FAQs to our targeted audience until the remainder of the fiscal year. The campaign will consist of education videos targeting new customers to promote the use of TxTag in Cameron County and preparing them for future roadways. Along with the campaign, we will increase the user base we have of active users and promote newsletter registration.

Page Likes: 5,053 Total Likes

c. TWITTER: 1,144 followers

4. TXTAG MARKETING / UNITED FOR VETERANS / PTOLL-

- a. New ads will be circulating online through Google AdSense and Facebook to promote SH 550 usage and TxTag enrollment. These ads will be designed to promote engagement by clicking enrollment links, likes, and shares.
- Valley Regional Medical Center has also committed into promoting SH 550 for veterans and has decided to donate to its local funds.

5. TV COMMERCIAL-

 a. Commercial spots have been produced for the upcoming fiscal year. 2 more spots will be produced later in the fiscal year.

6. EVENTS-

- a. The CCRMA became co-sponsors for the Port of Brownsville's 80th Anniversary.
- b. With the sponsorship, CCRMA will be included in all printed and electronic advertising messages, including exclusive identification as sponsor at private reception, during live radio remote broadcasts and on one tour boat. A story on the Brownsville Herald will be published in the May 13th special insert honoring the Port of Brownsville's history. The sponsorship also includes a black and white full page tabloid-sized ad. Additionally, cosponsors will be offered their choice of premium exhibit space in high-traffic areas for greatest potential exposure.

7. APRIL AD-



The Cameron County Regional Mobility Authority (CCRMA) has been in existence for over a decade now. We continue to work diligently at addressing the infrastructure needs of our region. Over the last decade the regional population and growth that we have experienced is explosive, but not surprising given all the development going on. We continue to strive to increase the quality of life for our constituents by developing a system of transportation infrastructure additions and upgrades for Cameron County and the region that will support economic development and increase safety for the benefit of the entire region.

Two important projects have been placed in operation that will help move goods and products in a much quicker, efficient and safer manner. The SH 550/I-169 Direct Connector Project and the West Railroad Relocation Project are both in operation and will open the opportunity to economic development along the two corridors. The CCRMA has other projects that are in the planning stages that include The SH 32, U.S. 281 Connector, FM 509, FM 1925 and the Outer Parkway project.

The CCRMA will continue to build projects that will connect our region and help succeed in the global economy by providing the necessary transportation infrastructure that will move our population around.



Get your TxTag now!

3461 Carmen Avenue Rancho Viejo, Texas 78575 info@ccrma.org | www.ccrma.org



2-D PRESENTATION OF THE CAMERONCOUNTY REGIONAL MOBILITY AUTHORITY QUARTERLY INVESTMENT REPORT



Investment Report

TO: CCRMA Board of Directors

FROM: Adrian Rincones

Chief Financial Officer

DATE: May 12, 2016

SUBJ: Quarterly Report of CCRMA Investments

The Texas Public Funds Investment Act requires that at a minimum on a quarterly basis the following investment report be presented to the Board of Directors. Below is a summary of the current CCRMA investments which comply with the investment strategies approved in the most current CCRMA Investment Policy.

	Certificate of Deposit	<u>N</u>	Beginning Market Value	En	ding Market Value	Date Opened	<u>Term</u>	<u>Maturity Date</u>			to date 5/1/2016
2010A											
Bond											
Reserves	28745	\$	750,000.00	\$	751,495.89	12/8/2015	18 months	6/8/2017	0.80%	\$	2,401.80
	28747	\$	288,586.89	\$	288,874.69	12/8/2015	6 months	6/8/2016	0.40%	\$	461.92
2010B Bond											
Reserves	28748	\$	900,000.00	S	901,795.07	12/8/2015	18 months	6/8/2017	0.80%	5	2,882.17
	28749	\$	318,153.81	\$	318,471.09	12/8/2015	6 months	6/8/2016	0.40%	\$	509.24
		\$	2,256,740.70	\$	2,260,635.74					\$	6,255,13

		Total Pledged				
Collateral	 Aarket Value			& Insured		
Pledged	 4/30/16	FD	(C Insurance	Value	Safekeeping Location	
FNMA 15YR	\$ 1,079,619.76	\$	250,000.00	\$ 1,329,619.76	Federal Home Loan Bank	
FNMA 15YR	\$ 1,283,947.61	\$	250,000.00	\$ 1,533,947.61	Federal Home Loan Bank	

\$ 2,863,567.37

I certify this report complies with the Internal Management Reports section of the Texas Public Funds Investment Act.

Jesus Adrian Rincones, CPA, CFE

Inst : 029 Report: COD/3200-034 19.08.6 System: 04/30/2015 02:34

TEXAS REGIONAL BANK CERTIFICATES OF DEPOSIT SYSTEM PUBLIC PUNDS

Page: 11 Run Cate: 04/29/2016 Processed Thru: 05/01/2016

ñ					
co cases tura: 03/	1SSUED DATE	12/08/15	12/08/15	12/00/15	12/08/15
10000	MATURITY	06/68/17 12	06/08/16 12/08/15	06/08/17 12/08/15	06/08/16 12/08/15
	HHIT TEPH	750.000.00	268,585.89	900,000.00	.4000 0 0 6 0 318,153.81
	RATE	.800	.400	900	.400
	CURRENT	905.91 DRIGINAL AMOUNT:	288,874.69 174.12 ORIGINAL AMOUNT:	1,087.10 DRIGINAL AMOUNT:	191,96 JRIGINAL AMOUNT:
	CURRENT	751,495.89	288,874,69	901,795,07	318,471.09
	RSP TYP	BDS 518	BDS 518	BDS 518	BDS 518
	70	0 B	80	පිර	89
	1	MOBILITY	MOBILITY	MOBILITY	MOBILITY
	NAME	REGIONAL	REGIONAL	REGIONAL	REGIONAL
		COUNTY	COUNTY	A ENGO	YTMUO
	· · · · · · · · · · · · · · · · · · ·	07 CAMERON COUNTY REGIONAL MOBILITY			
	RTIFICATE	28746	28747	28748	28749

ORIGINAL 2,256,740.70 PREVIOUS CURRENT CURRENT HEIGHTED BALANCE BALANCE ACCRUED YIELD 0.69258 2,359.09 2,260,636.74 2,260,636.74 NUMBER

Pledges By Pledgee And Maturity



Pledged To: CAMERON CO REG MOBILITY AUTH

Texas Regional Bank - McAllen, TX

Moody Original Face		,	daged		
S&P Pledged Percent	Original Face	Par	Book Value	Market Value	
1,500,000.00 100.00%	1,500,000 00	1,027,958.49	1,078,034.78	1,079,619,76	
1,650,000.00 100.00%	1,650,000.00	1,226,490.74	1,278,481.31	1,283,947.61	
	1,500,000.00 100.00%	1,500,000.00 100.00% 1,500,000.00	1,500,000.00 100.00% 1,500,000.00 1,027,958.49	1,500,000.00 100.00% 1,500,000.00 1,027,958.49 1,078,034.78	

3-A CONSIDERATION AND APPROVAL OF THE MINUTES FOR:

APRIL 28, 2016 – SPECIAL MEETING

THE STATE OF TEXAS	§
COUNTY OF CAMERON	§

BE IT REMEMBERED on the 28th day of April 2016, there was conducted a Special Meeting of the Cameron County Regional Mobility Authority, at the Joe G. Rivera and Aurora de la Garza County Annex thereof, in San Benito, Texas, for the purpose of transacting any and all business that may lawfully be brought before the same.

THE BOARD MET AT:	PRESENT:
12:00 Noon	FRANK PARKER, JR.
	CHAIRPERSON
	MICHAEL F. SCAIEF
	DIRECTOR
	DAVID N. GARZA
	DIRECTOR
	HORACIO BARRERA
	DIRECTOR
	MARK ESPARZA
	DIRECTOR
	NAT LOPEZ DIRECTOR
	DIRECTOR
	DIRECTOR
	INTERNICATION OF TR
	RUBEN GALLEGOS, JR. ABSENT
	ABSENT
	ABSENT

The Meeting was called to order by Chairman Frank Parker, Jr., 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 April 2016 at 10:14 A.M.



AGENDA

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

CCRMA Administrative Offices 3470 Carmen Avenue, Unit B3 Rancho Viejo, Texas 78575

Thursday, April 28, 2016

12:00 Noon

PUBLIC COMMENTS:

1. Public Comments

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:

April 14, 2016 - Regular Meeting

ITEMS FOR DISCUSSION AND ACTION:

- 3. Action Items
 - A. Approval of Claims
 - B. Consideration and Approval of an agreement with Ogilvy for Consultant Services

ADJOURNMENT:

Signed this day of April 2016

Frank Parker, Jr.

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

None were presented.

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

2-A Consideration and Approval of the Minutes for:

April 14, 2016 - Regular Meeting

Secretary Garza moved to approve the minutes of April 14, 2016 Regular Meeting. The motion was seconded by Director Esparza and carried unanimously.

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.

Director Lopez moved to approve the Claims. The motion was seconded by Secretary Garza and carried unanimously.

The	Claims	are as	iollows:		

3-B Consideration and Approval of an Agreement with Ogilvy for Consultant Services

Mr. Pete Sepulveda, Jr., RMA Executive Director, went over the scope of work for this particular Agreement. Mr. Sepulveda explained the various opportunities for grants that exist at the federal level and that having a Consultant in Washington D.C. could facilitate the process for securing grants for the various projects the CCRMA and Cameron County are developing. Mr. Sepulveda went over the list of projects. Chairman Parker asked to include a multi modal rail facility in the North Cameron County/Willacy County area. Director Scaief inquired about rail improvements in and around the downtown Harlingen area as well as

at the Port of Harlingen. Chairman Parker also advised that we needed to work with the Port of Brownsville and their Consultants especially on projects that are of importance to the Port, including OmiTrax.

Secretary Garza moved to approve the Agreement with Ogilvy. The motion was seconded by Director Barrera and carried unanimously.

The Agreement is as follows:

ADJOURNMENT

There being no further business to come before the Board and upon motion by Director Esparza and seconded by Director Barrera and carried unanimously the meeting was **ADJOURNED** at 12:16 P.M.

APPROVED this day of 2016.	
	CHAIRMAN FRANK PARKER, JR.
ATTESTED: SECRETARY DAVID N. GARZA	

4-A APPROVAL OF CLAIMS



MEMORANDUM

TO: Chairman and Board Members

FROM: Pete Sepulveda, Jr., Executive Director

RE: Claims Item 4A

DATE: May 12, 2016

Attached are the Claims paid on May 6, 2016 that are being presented for the Board's acknowledgment.

May 6, 2016

- Adrian Rincones Reimbursement for office supplies
- BND 80th Port Anniversary Co-Sponsors
- BNY Administration fee, agent fees, audit confirmation fee and out of pocket expenses
- Culligan Water service for CCRMA office
- Cristina Alcocer Reimbursement for travel and office supplies
- Franco San Miguel Reimbursement for office supplies
- Gexa Energy Energy services for rental office 3470 Carmen Ave.
- Lone Star Shredding Monthly shredding services
- Megashine Janitorial services for May 2016
- Office World Moving services disassemble and assemble offices
- Rancho Viejo Pet Monthly rent 3470 Carmen Ave. offices
- Reliant Utilities at Rancho Viejo office
- Superior Alarms Wireless card for alarm system for rental office
- TXU Utilities on DC-SH550 and FM1847-SH550
- Xerox Monthly lease of office Xerox
- Ziegner Account system monthly hosting

Invoices Selected for Payment - Claims to be Paid

Vendor ID	Vendor Name	Invoice Number	Cash Required	Invoice/Credit Description
Adrian	Adrian Rincones	AR 5.4.16	46.98	Reimbursement for Office Supplies
BND	Brownsville Navigation District	2016040065	2,500.00	80th Port Anniversary - Co-Sponsors
BNY	Bank of New York Mellon	252-1942748	3,916.00	Administration Fee, Agent Fees, Audit Confirmation Fee and Out of Pocket Expenses
Culligan	Culligan of the Río Grande Valley	April 2016	75.29	Water Service for CCRMA Office
Emp Cristina Alco	Cristina Alcocer	CA 5.4.16	27.86	Reimbursement for Travel and Office Supplies 5.4.16
Franco San Miguel	FRANCISCO J SANMIGUEL	FS 5.2.16	64.93	Franco's Reimbursement for Office Supplies
gexa energy	Gexa Energy, LP	21026427-4	111.07	Energy Services for Rental Office 3470 Carmen Ave
Lone Star Shredding	Lone Star Shredding Document Storage	1925187	52.50	Monthly Shredding Services
Megashine	Megashine	1204	1,200.00	Janitorial Services for May 2016
Office World	Office World	3142	85.00	Moving Services dsassemble and assemble Offices
Rancho Viejo Pet	Rancho Viejo Pet Club LLC	May 2016	1,750.00	Monthly Rent 3470 Carmen Offices
Reliant	Reliant	173002921180	246.22	Utilities at Rancho Viejo Office
Superior Alarms	Superior Alarms	5.5.16	89.00	Wireless Card for Alarm System for Rental Office
TXU	TXU Energy	055876578774-1	394.87	Utilities on DC-SH550
TXU	TXU Energy	055876578774-2	439.71	Utilities on FM1847-SH550
Xerox	Xerox	084427808	457.89	Monthly Lease of Office Xerox
ZIEGNER	ZIEGNER TECHNOLOGIES	103103	402.00	Acct System Monthly Hosting
Report Total			11,859.32	



MEMORANDUM

TO: Chairman and Board Members

FROM: Pete Sepulveda, Jr., Executive Director

RE: Claims Item 4A

DATE: May 12, 2016

Attached are the Claims being presented for consideration and payment.

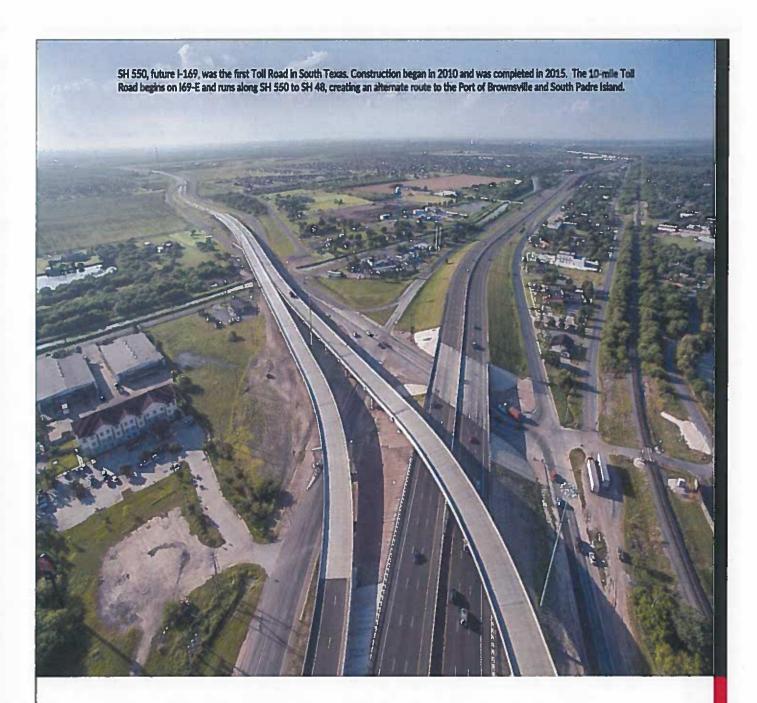
The Claims include:

- Lizbeth Ponce Reimbursement for office supplies and mileage
- Fagan Consulting Travel expenses reimbursement for Jeff for consulting in Brownsville Feb. 2016, consulting for Toll Operations in April 2016, and Phase 3 of Tolling BOS Development April 2016
- HNTB SPI Environmental studies & project coordination
- Michelle Lopez Reimbursement for office supplies and mileage
- PUB Utilities on Direct Connector for April 2016
- R Communications 550 radio marketing for April 2016
- S&B Financial and funding support for East Loop Fast Lane Grant and government relations consulting April 2016
- The Rentfro Law Firm Legal services for West Rail April 2016

Invoices Selected for Payment - Claims to be Paid

Vendor ID	Vendor Name	Invoice Number	Cash Required	Invoice/Credit Description
Emp. Liz Ponce	Lizbeth J. Ponce	LP 4.27.16	273.97	Reimbursement for Office Supplies and mileage
Fagan Consulting	Fagan Consulting LLC	BOS1604	809.74	Travel Expenses Reimbursement for Jeff for Consulting in Brownsville Feb 2016
Fagan Consulting	Fagan Consulting LLC	CCOS1604	3,696.00	Consulting for Toll Operations in April 2016
Fagan Consulting	Fagan Consulting LLC	P31604	20,942.00	Phase 3 of Tolling BOS Development April 2016
HNTB	HNTB CORPORATION	124-40619-PL-017	41,302.04	SPI Environmental studies & project coordination
Michelle Lopez	Michelle Lopez	ML 4.30.16	208.51	Mileage and Supplies reimbursement Michelle
PUB	Public Utilities Board	600710 - APR 2016	270.03	Utilities on Direct Connector For April 2016
R Communications	R Communications	IN-XH-1160432080	1,050.00	550 Radio Marketing for April 2016
S&B	S&B Infrastructure, LTD	U2299.200-04	8,623.88	S&B SH550 GAP 1 Design and Environmental Work
5&B	S&B Infrastructure, LTD	U2299.500-01	35,269.02	Financial and funding support for East Loop Fast Lane Grant
Sullivan Public Affa	Sullivan Public Affairs	CC042016	7,500.00	Government Relations Consulting April 2016
The Rentrfro Law	The Rentfro Law Firm, PLLC.	019969	272.00	Legal services for West Rail April 2016
The Rentrfro Law	The Rentfro Law Firm, PLLC.	019970	57.60	Legal services for West Rail April 2016
The Rentrfro Law	The Rentfro Law Firm, PLLC.	019971	1,693.00	Legal services for West Rail April 2016
The Rentrfro Law	The Rentfro Law Firm, PLLC.	019972	1,402.60	Legal services for West Rail April 2016
Report Total			123,370.39	

4-B CONSIDERATION AND APPROVAL OF THE FINANCIAL STATEMENTS AND BUDGET AMENDMENTS FOR THE MONTH OF APRIL 2016



CCRMA MONTHLY FINANCIAL REPORT APRIL 2016

Pete Sepulveda, Jr. Executive Director

Jesus Adrian Rincones, CPA, CFE, Chief Financial Officer

CCRMA MONTHLY FINANCIALS

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REVENUES & EXPENSES

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Statement of Revenues, Expenditures And Changes in Net Assets - Unposted Transactions Included In Report From 4/1/2016 Through 4/30/2016

(In Whole Numbers)

-	Current Period Actual	Current Year Actual	YTD Budget - Original	YTD Budget Variance - Original
Operating Revenues				
Vehicle registration fees	259,574	1,818,745	2,950,000	(1,131,255)
TRZ revenue	0	0	750,000	(750,000)
Other revenue	0	1,551,013	1,685,000	(133,987)
Total Operating Revenues	259,574	3,369,758	5,385,000	(2,015,242)
Operating Expenses				
Personnel costs	50,968	423,804	696,520	272,716
Professional services	28,304	53,291	134,900	81,60 9
Contractual services	11,295	31,362	72,000	40,638
Debt interest	0	2,213,467	4,330,000	2,116,534
Advertising & marketing	7,736	21,385	25,000	3,615
Data processing	1,554	5,403	6,250	847
Dues & memberships	335	11,470	15,000	3,530
Education & training	125	7,545	10,000	2,455
Fiscal agent fees	6,766	8,886	25,000	16,114
Insurance	4,015	6,724	6,900	176
Maintenance & repairs	1,600	11,755	20,500	8,745
Office supplies	3,710	14,566	34,800	20,234
Rent	4,416	8,803	19,500	10,697
Travel	4,754	14,783	35,000	20,217
Utilities	1,881	7,332	10,000	2,668
Other expenses	0	0	18,000	18,000
Total Operating Expenses	127,459	2,840,575	5,459,370	2,618,795
Non Operating Revenue				
Interest income	211	2,693	20,000	(17,307)
Total Non Operating Revenue	211	2,693	20,000	(17,307)
Changes in Net Assets	132,327	531,876	(54,370)	586,246
Net Assets Beginning of Year				
_	399,550	0	0	0
Net Assets End of Year	531,876	531,876	(54,370)	586,246

Statement of Revenues and Expenditures - Toll Operations - Unposted Transactions Included In Report From 4/1/2016 Through 4/30/2016

	Current Period Actual	Current Year Actual	YTD Budget - Original	YTD Budget Variance - Original
Toll Operating Revenues				
Toll Revenue	51,269.86	242,451.51	260,000.00	(17,548.49)
Toll Violation Revenue	19,555.83	145,683.67	175,000.00	(29,316.33)
Interop Revenue	38,244.06	270,619.05	230,000.00	40,619.05
Bridge Interoperability	0.00	0.00	10,000.00	(10,000.00)
Other Revenue	0.00	0.00	5,000.00	(5,000.00)
Total Toll Operating Revenues	109,069.75	658,754.23	680,000.00	(21,245.77)
Toll Operating Expenses				
Advertising & Marketing	1,050.00	30,980.68	50,000.00	19,019.32
Contractual	0.00	8,750.00	24,000.00	15,250.00
Education & Training	0.00	0.00	5,000.00	5,000.00
Maintenance - SH 550	1,814.22	31,699.74	65,000.00	33,300.26
Interop Collection Fees	2,494.48	17,654.57	21,000.00	3,345.43
PBM Add on Fees	5,362.53	26,899.09	21,000.00	(5,899.09)
PBM Image Review	5,441.82	38,060.89	30,000.00	(8,060.89)
PBM Pre-Court Program	225.00	2,019.64	6,000.00	3,980.36
Postage	0.00	100.15	500.00	399.85
Rent	0.00	390.00	1,000.00	610.00
Travel	0.00	0.00	8,500.00	8,500.00
Utilities	2,347.37	9,080.57	17,500.00	8,419.43
Bridge Interoperability Administration Fee	0.00	0.00	1,500.00	1,500.00
Bridge Interoperability Maintenance	0.00	0.00	12,000.00	12,000.00
Toll Road Property Insurance	13,253.75	39,155.00	50,000.00	10,845.00
Toll Operational Support	3,696.00	53,019.05	61,000.00	7,980.95
Toll System Provider Maintenance	0.00	112,500.00	226,300.00	113,800.00
Total Toll Operating Expenses	35,685.17	370,309.38	600,300.00	229,990.62
Changes in Net Assets	73,384.58	288,444.85	79,700.00	208,744.85

Combined Statement of Revenues and Expenses - Unposted Transactions Included In Report From 4/1/2016 Through 4/30/2016

	Current Period Actual	Current Year Actual	YTD Budget - Original	YTD Budget Variance - Original
Operating Revenues				
Vehicle registration fees	259,574.00	1,818,745.25	2,950,000.00	(1,131,254.75)
Toll revenues	109,069.75	658,754.23	675,000.00	(16,245.77)
TRZ revenue	0.00	0.00	750,000.00	(750,000.00)
Other revenue	0.00	1,551,012.61	1,690,000.00	(138,987.39)
Total Operating Revenues	368,643.75	4,028,512.09	6,065,000.00	(2,036,487.91)
Operating Expenses				
Personnel costs	50,967.58	423,803.65	696,520.00	272,716.35
Accounting software and services	804.00	3,541.00	9,900.00	6,359.00
Professional services	27,500.00	50,000.00	125,000.00	75,000.00
Contractual services	11,294.80	40,112.02	96,000.00	55,887.98
Debt interest	0.00	2,213,466.50	4,030,000.00	1,816,533.50
Project expenses	0.00	0.00	300,000.00	300,000.00
Advertising & marketing	8,785.98	52,365.38	75,000.00	22,634.62
Data processing	1,554.07	5,402.85	6,250.00	847.15
Dues & memberships	335.00	11,470.00	15,000.00	3,530.00
Education & training	125.00	7,544.65	15,000.00	7,455.35
Fiscal agent fees	6,766.00	8,886.00	25,000.00	16,114.00
Insurance	17,268.75	45,879.16	56,900.00	11,020.84
Maintenance & repairs	1,600.00	11,755.00	20,500.00	8,745.00
Office supplies	3,710.05	14,666.52	35,300.00	20,633.48
Road maintenance	1,814.22	144,199.74	303,300.00	159,100.26
Rent	4,415.78	9,193.12	20,500.00	11,306.88
Toll services	17,219.83	137,653.24	140,500.00	2,846.76
Travel	4,754.12	14,782.97	43,500.00	28,717.03
Utilities	4,228.58	16,412.71	27,500.00	11,087.29
Other expenses	0.00	0.00	18,000.00	18,000.00
Total Operating Expenses	163,143.76	3,211,134.51	6,059,670.00	2,848,535.49
Non Operating Revenue				
Interest income	211.15	2,693.37	20,000.00	(17,306.63)
Total Non Operating Revenue	211.15	2,693.37	20,000.00	(17,306.63)
Changes in Net Assets	205,711.14	820,070.95	25,330.00	794,740.95
Net Assets Beginning of Year				
	614,359.81	0.00	0.00	0.00
Net Assets End of Year	820,070.95	820,070.95	25,330.00	794,740.95

Capital Projects in Progress - Unposted Transactions Included In Report From 4/1/2016 Through 4/30/2016 (In Whole Numbers)

	Current Period Actual	Current Year Actual	YTD Budget - Original	YTD Budget Variance - Original
Capital Projects				
South Padre Island 2nd Access	42,007	602,263	2,500,000	1,897,737
West Parkway Project	0	0	800,000	800,000
Outer Parkway	0	0	2,550,000	2,550,000
FM 1925	0	0	100,000	100,000
West Rail Relocation	550,886	602,189	3,500,000	2,897,811
SH 550	55,176	206,551	7,650,000	7,443,449
SH 32 (East Loop)	51,325	63,507	2,150,000	2,086,493
Toll Equipment & Operational Infrastructure	21,752	84,967	0	(84,967)
Total Capital Projects	721,146	1,559,477	19,250,000	17,690,523

Statement of Revenues and Expenditures - Unposted Transactions Included In Report From 4/1/2016 Through 4/30/2016 (In Whole Numbers)

		Current Period Actual	Current Year Actual	YTD Budget - Original	YTD Budget Variance - Original
Capital Projects					
South Padre Island 2nd Access	2000				
CAPITALIZED PROJECT COSTS	01CAP				
CIP - Planning & Coordination	15100	8,300	92,538	250,000	157,462
CIP - Preliminary Engineering & Design	15110	0	62,113	350,000	287,887
CIP - Environmental Studies	15120	25,228	343,121	1,500,000	1,156,879
CIP - Public Presentations, RFP, RFQ, Bidding & Letting	15140	0	2,633	100,000	97,367
CIP - Right of Way	15200	0	7,805	300,000	292,195
CIP - Direct Legal Costs	15300	8,479	94,052	0	(94,052)
Total South Padre Island 2nd Access		42,007	602,263	2,500,000	1,897,737
West Parkway Project	2025				
CAPITALIZED PROJECT COSTS	01CAP				
CIP - Preliminary Engineering & Design	15110	0	0	150,000	150,000
CIP - Environmental Studies	15120	0	0	650,000	650,000
Total West Parkway Project		0	0	800,000	800,000
Outer Parkway	2050				
CAPITALIZED PROJECT COSTS	01CAP				
CIP - Planning & Coordination	15100	0	0	250,000	250,000
CIP - Preliminary Engineering & Design	15110	0	0	400,000	400,000
CIP - Environmental Studies	15120	0	0	1,500,000	1,500,000
CIP - Public Presentations, RFP, RFQ, Bidding & Letting	15140	0	0	100,000	100,000
CIP - Right of Way	15200	0	0	300,000	300,000
Total Outer Parkway		0	0	2,550,000	2,550,000
FM 1925	2075				
CAPITALIZED PROJECT COSTS	01CAP				
CIP - Planning & Coordination	15100	0	0	15,000	15,000
CIP - Preliminary Engineering & Design	15110	0	0	50,000	50,000
CIP - Environmental Studies	15120	0	0	35,000	35,000
Total FM 1925		0	0	100,000	100,000
West Rail Relocation	2100				
CAPITALIZED PROJECT COSTS	01CAP				
CIP - Planning & Coordination	15100	0	24,952	0	(24,952)
CIP - Mitigation	15130	58	5,258	0	(5,258)
CIP - Right of Way	15200	3,096	22,979	0	(22,979)
CIP - Construction	15220	547,461	547,461	3,000,000	2,452,539
CIP - Construction Management	15240	0	0	500,000	500,000
CIP - Direct Legal Costs	15300	272	1,539	0	(1,539)
Total West Rail Relocation		550,886	602,189	3,500,000	2,897,811
SH 550	2200				
CAPITALIZED PROJECT COSTS	01CAP				
CIP - Planning & Coordination	15100	0	0	400,000	400,000
CIP - Preliminary Engineering & Design	15110	45,535	135,056	400,000	264,944
CIP - Environmental Studies	15120	361	1,806	0	(1,806)
CIP - Mitigation	15130	0	6,463	150,000	143,537
CIP - Public Presentations, RFP, RFQ, Bidding & Letting	15140	8,361	19,893	0	(19,893)
CIP - Construction	15220	0	0	6,000,000	6,000,000
CIP - Construction Management	15240	918	43,333	700,000	656,667
Total SH 550		55,176	206,551	7,650,000	7,443,449
		Hannelitad Cian	ncials Subject to Cl		

Statement of Revenues and Expenditures - Unposted Transactions Included In Report From 4/1/2016 Through 4/30/2016 (In Whole Numbers)

		Current Period Actual	Current Year Actual	YTD Budget - Original	YTD Budget Variance - Original
SH 32 (East Loop)	2250				
CAPITALIZED PROJECT COSTS	01CAP				
CIP - Planning & Coordination	15100	35,269	35,269	350,000	314,731
CIP - Preliminary Engineering & Design	15110	0	12,182	0	(12,182)
CIP - Environmental Studies	15120	16,056	16,056	1,500,000	1,483,944
CIP - Right of Way	15200	0	0	300,000	300,000
Total SH 32 (East Loop)		51,325	63,507	2,150,000	2,086,493
Toll Equipment & Operational Infrastructure	5000				
CAPITALIZED PROJECT COSTS	01CAP				
Toll Equipment & Software in Process	16000	21,752	84,967	0	(84,967)
Total Toll Equipment & Operational Infrastructure		21,752	84,967	0	(84,967)
Total Capital Projects		721,146	1,559,477	19,250,000	17,690,523

Balance Sheet As of 4/30/2016 (In Whole Numbers)

	Current Year
ASSETS	
Current Assets:	
Cash and cash equivalents	
CCRMA Claims Account	83,461
CCRMA Operating Fund	677,711
Toll Operators Cash	60
TxTag - Replenishment Account	6,086
CCRMA Bond/Debt Funds	222,349
Total Cash and cash equivalents	989,667
Restricted cash accounts - debt service	•
CCRMA Toll Revenue Funds	86,995
2010 A & B Pledged Revenue Funds	185,093
2010 A Debt Reserve	1,038,587
2010 A Debt Service	443,353
2010 B Debt Reserve	1,218,154
2010 B Debt Service	86,365
2012 Bond CAPI funds	144,323
2012 Bond Operating Fund	35,602
2012 Bond Project Funds	3,094,368
2012 Bonds Rate Stabilization Fund	1,346,675
2012 Bond Pledged Revenue	172,789
2012 Bonds Debt Service	193,179
2014 Refunding Series Escrow Account	671
2014 Refunding Series 10 Proceeds	5,125
Series 2014 Revenue and Tax	1,750
Total Restricted cash accounts - debt service	8,053,027
Accounts receivable	0,033,021
Accounts Receivable - Customers	34,255
Vehicle Registration Fees - Receivable	638,741
Total Accounts receivable	672,996
Accounts receivable - other agencies	0/2,330
Accounts Receivable - Other Agencies	0
Due from Other Agencies	1,411,800
Total Accounts receivable - other agencies	1,411,800
_	1,411,000
Prepaid expenses	1.750
Prepaid Other Firence	1,750 525
Prepaid Other Expense Total Prepaid expenses	
	2,275
Total Current Assets:	11,129,766
Non Current Assets:	
Capital assets, net	09.750
Land & Right of Way	98,750
Buildings	202,803
Accumulated Depreciation-Buildings	(5,070)
Improvements	7,791
Accumulated Depreciation-Improvements	(87)
Furnishings & Equipment	7,591,215
Accumulated Depreciation-Furnishings & Equipment	(745,672)
Software & Technology	111,981
Accumulated Depreciation Software & Technology	(7,917)
Infrastructure & Utilities	64,200,349
Accumulated Depreciation-Infrastructure	(1,185,376)

Balance Sheet As of 4/30/2016 (In Whole Numbers)

	Current Year
Total Capital assets, net	70,268,768
Capital projects in progress	, 0,200,, 00
CIP - Planning & Coordination	758.993
CIP - Preliminary Engineering & Design	3,737,163
CIP - Environmental Studies	14,521,641
CIP - Mitigation	244,210
CIP - Public Presentations, RFP, RFO, Bidding & Letting	22,526
CIP - Right of Way	44,548
CIP - Construction	547,461
CIP - Construction Management	43,333
CIP - Direct Legal Costs	202,208
CIP - Capitalized Interest	52,987
CIP - Direct Administration	161,004
CIP - Indirect Administration and Overhead	570,258
Toll Equipment & Software in Process	319,769
Total Capital projects in progress	21,226,098
Other assets	21,220,070
Other Assets	45,203,258
Total Other assets	45,203,258
Unamortized bond prepaid costs	73,203,230
2012 Bonds Prepaid Insurance	112,183
2012 Borios Prepaid Insurance	11,493
Total Unamortized bond prepaid costs	
	123,676
Total Non Current Assets: Total ASSETS	136,821,800
TOTAL ASSETS	147,951,566
LIABILITIES	
Current Liabilities	
Accounts payable	
AP - Operations	322,478
AP - Project Exenditures	265,625
Total Accounts payable	588,103
Accrued expenses	300,103
TxTag Customer Deposits	1.383
Toll Refunds from MSB	3,720
Total Accrued expenses	5,103
Payroll liabilities	3,103
Federal Tax Withholding	3,693
Payroll Tax Payable	2,949
	3,181
Retirement Contribution Payable	800
Health Insurance Payable	176
Aflac Employee Liabilities Dental Insurance Payable	80
·	25
Employee Vision Insurance	10,904
Total Payroll liabilities	10,904
Deferred revenue	633
UFV Fund Deposits	633
Deferred Revenue	1,960
Total Deferred revenue	2,593
Total Current Liabilities	606,703
Non Current Liabilities	
Due to other agencies	

Balance Sheet As of 4/30/2016 (In Whole Numbers)

	Current Year
Cameron County	167,500
Due to other Entity's	2,104,186
Total Due to other agencies	2,271,686
Due to TxDot	
Union Pacific - West Rail Project	28,914,071
Union Pacific - Olmito Switchyard	9,919,811
TxDot FAA - South Padre Island	11,534,665
TxDot FAA - West Parkway	2,244,589
Total Due to TxDot	52,613,135
Long term bond payable	
2010A Bonds Payable	4,480,000
2010A Unamortized Premium	15,290
2010B Bonds Payable	15,535,000
2012 Bonds Payable	40,000,000
2012 Unamortized Premium	4,011,379
2014 Bonds Payable	5,000,000
2014 Bond Premium	154,653
2010A Refund Series 2014	6,325,000
2010A Refund Premium Series 2014	117,507
2010A Refunding Deferred Charge 2014 Series	37,456
2015 CO Bonds	4,500,000
2015 CO Bonds Discount	(38,768)
Total Long term bond payable	80,137,517
Total Non Current Liabilities	135,022,338
Total LIABILITIES	135,629,041
NET POSITION	
Beginning net position	
	7,818,176
Total Beginning net position	7,818,176
Changes in net position	
	4,584,269
Total Changes in net position	4,584,269
Total NET POSITION	12,402,445
TOTAL LIABILITIES AND NET POSITION	148,031,486

Statement of Cash Flows As of 4/30/2016

	Current Period	Current Year
Cash Flows from Operating Activities		
Receipts from Vehicle Registration Fees	0.00	1,454,490.00
Receipts from Toll Revenues	93,814.45	632,719.78
Receipts from other Operating Income	0.00	493,534.61
Payments to Vendors	(129,222.31)	(618,701.66)
Payments to Employees	(41,948.49)	(433,045.36)
Total Cash Flows from Operating Activities	(77,356.35)	1,528,997.37
Cash Flows from Capital and related Financing Activities		
Acquisitions of Property and Equipment	0.00	(162,087.50)
Receipts from Grants and Other income	211.15	2,693.37
Payments on Interest	0.00	(2,667,957.50)
Acquisitions of Construction in Progress	(796,930.25)	(2,079,723.02)
Proceeds from TxDot FAA	41,302.04	473,837.59
Proceeds from Other Governments	0.00	89,758.03
Total Cash Flows from Capital and related Financing Activities	(755,417.06)	(4,343,479.03)
Net Increase (Decrease) in Cash & Cash Equivalents	(832,773.41)	(2,814,481.66)
Beginning Cash & Cash Equivalents		
	(1,981,708-25)	0.00
Ending Cash & Cash Equivalents	(2,814,481.66)	(2,814,481.66)





MEMORANDUM

TO: Chairman and Board Members

FROM: Pete Sepulveda, Jr., Executive Director

RE: Claims Item 4A

DATE: May 12, 2016

Attached are the Claims paid on May 6, 2016 that are being presented for the Board's acknowledgment.

May 6, 2016

- Adrian Rincones Reimbursement for office supplies
- BND 80th Port Anniversary Co-Sponsors
- BNY Administration fee, agent fees, audit confirmation fee and out of pocket expenses
- Culligan Water service for CCRMA office
- Cristina Alcocer Reimbursement for travel and office supplies
- Franco San Miguel Reimbursement for office supplies
- Gexa Energy Energy services for rental office 3470 Carmen Ave.
- Lone Star Shredding Monthly shredding services
- Megashine Janitorial services for May 2016
- Office World Moving services disassemble and assemble offices
- Rancho Viejo Pet Monthly rent 3470 Carmen Ave. offices
- Reliant Utilities at Rancho Viejo office
- Superior Alarms Wireless card for alarm system for rental office
- TXU Utilities on DC-SH550 and FM1847-SH550
- Xerox Monthly lease of office Xerox
- Ziegner Account system monthly hosting

Invoices Selected for Payment - Claims to be Paid

Vendor ID	Vendor Name	Invoice Number	Cash Required	Involce/Credit Description
Adrian BND BNY	Adrian Rincones Brownsville Navigation District Bank of New York Melion	AR 5.4.16 2016040065 252-1942748	46.98 2,500.00 3,916.00	Reimbursement for Office Supplies 80th Port Anniversary - Co-Sponsors Administration Fee, Agent Fees, Audit Confirmation Fee and Out of Pocket Expenses
Culligan	Culligan of the Rio Grande Valley	April 2016	75.29	Water Service for CCRMA Office
Emp Cristina Alco	Cristina Alcocer	CA 5.4.16	27.86	Reimbursement for Travel and Office Supplies 5.4.16
Franco San Miguel	FRANCISCO J SANMIGUEL	FS 5.2.16	64.93	Franco's Reimbursement for Office Supplies
gexa energy	Gexa Energy, LP	21026427-4	111.07	Energy Services for Rental Office 3470 Carmen Ave
Lone Star Shredding	Lone Star Shredding Document Storage	1925187	52.50	Monthly Shredding Services
Megashine	Megashine	1204	1,200.00	Janitorial Services for May 2016
Office World	Office World	3142	85.00	Moving Services dsassemble and assemble Offices
Rancho Viejo Pet	Rancho Viejo Pet Club LLC	May 2016	1,750.00	Monthly Rent 3470 Carmen Offices
Reliant	Reliant	173002921180	246.22	Utilities at Rancho Viejo Office
Superior Alarms	Superior Alarms	5.5.16	89.00	Wireless Card for Alarm System for Rental Office
TXU	TXU Energy	055876578774-1	394.87	Utilities on DC-SH550
TXU	TXU Energy	055876578774-2	439.71	Utilities on FM1847-SH550
Xerox	Xerox	084427808	457.89	Monthly Lease of Office Xerox
ZIEGNER	ZIEGNER TECHNOLOGIES	103103	402.00	Acct System Monthly Hosting
Report Total			11,859.32	



MEMORANDUM

TO: Chairman and Board Members

FROM: Pete Sepulveda, Jr., Executive Director

RE: Claims Item 4A

DATE: May 12, 2016

Attached are the Claims being presented for consideration and payment.

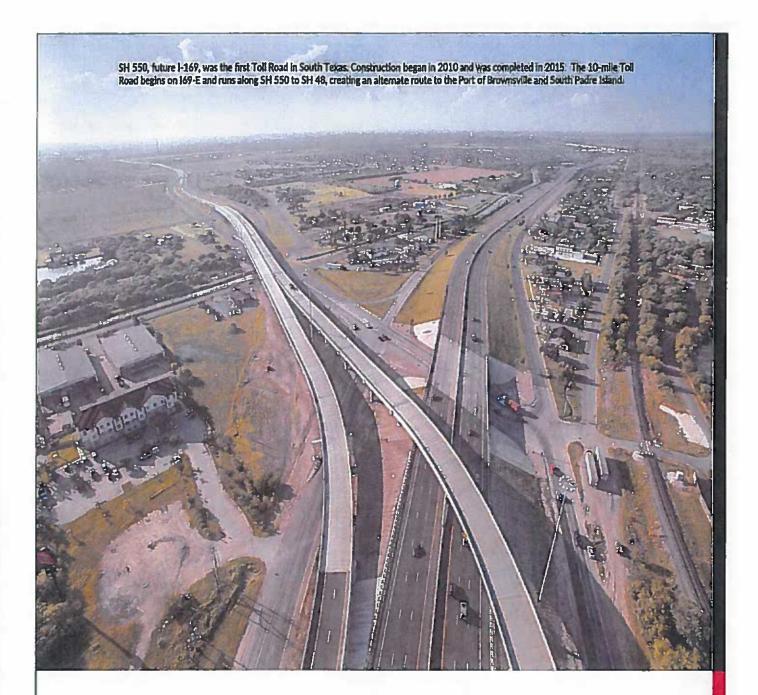
The Claims include:

- Lizbeth Ponce Reimbursement for office supplies and mileage
- Fagan Consulting Travel expenses reimbursement for Jeff for consulting in Brownsville Feb. 2016, consulting for Toll Operations in April 2016, and Phase 3 of Tolling BOS Development April 2016
- HNTB SPI Environmental studies & project coordination
- Michelle Lopez Reimbursement for office supplies and mileage
- PUB Utilities on Direct Connector for April 2016
- R Communications 550 radio marketing for April 2016
- S&B Financial and funding support for East Loop Fast Lane Grant and government relations consulting April 2016
- The Rentfro Law Firm Legal services for West Rail April 2016

Invoices Selected for Payment - Claims to be Paid

Vendor Name	Invoice Number	Cash Required	Invoice/Credit Description
Lizbeth J. Ponce	LP 4.27.16	273.97	Reimbursement for Office Supplies and mileage
Fagan Consulting LLC	BOS1604	809.74	Travel Expenses Reimbursement for Jeff for Consulting in Brownsville Feb 2016
Fagan Consulting LLC	CCO51604	3,696.00	Consulting for Toll Operations in April 2016
Fagan Consulting LLC	P31604	20,942.00	Phase 3 of Tolling BOS Development April 2016
HNTB CORPORATION	124-40619-PL-017	41,302.04	SPI Environmental studies & project coordination
Michelle Lopez	ML 4.30.16	208.51	Mileage and Supplies reimbursement Michelie
Public Utilities Board	600710 - APR 2016	270.03	Utilities on Direct Connector For April 2016
R Communications	IN-XH-1160432080	1,050.00	550 Radio Marketing for April 2016
S&B Infrastructure, LTD	U2299.200-04	8,623.88	S&B SH550 GAP 1 Design and Environmental Work
S&B Infrastructure, LTD	U2299.500-01	35,2 69 .02	Financial and funding support for East Loop Fast Lane Grant
Sullivan Public Affairs	CC042016	7,500.00	Government Relations Consulting April 2016
The Rentfro Law Firm, PLLC.	019969	272.00	Legal services for West Rail April 2016
The Rentfro Law Firm, PLLC.	019970	57.60	Legal services for West Rail April 2016
The Rentfro Law Firm, PLLC.	019971	1,693.00	Legal services for West Rail April 2016
The Rentfro Law Firm, PLLC.	019972	1,402.60	Legal services for West Rail April 2016
		123,370.39	
	Fagan Consulting LLC Fagan Consulting LLC Fagan Consulting LLC Fagan Consulting LLC HNTB CORPORATION Michelle Lopez Public Utilities Board R Communications S&B Infrastructure, LTD S&B Infrastructure, LTD Sullivan Public Affairs The Rentfro Law Firm, PLLC. The Rentfro Law Firm, PLLC. The Rentfro Law Firm, PLLC.	Lizbeth J. Ponce LP 4.27.16 Fagan Consulting LLC Fagan Consulting LLC CCOS1604 Fagan Consulting LLC Fagan Consulting LLC Fagan Consulting LLC Fagan Consulting LLC P31604 HNTB CORPORATION 124-40619-PL-017 Michelle Lopez ML 4.30.16 Public Utilities Board 600710 - APR 2016 R Communications S&B Infrastructure, LTD U2299.200-04 S&B Infrastructure, LTD U2299.500-01 Sullivan Public Affairs CC042016 The Rentfro Law Firm, PLLC. 019969 The Rentfro Law Firm, PLLC. The Rentfro Law Firm, PLLC. O19970 The Rentfro Law Firm, PLLC.	Lizbeth J. Ponce LP 4.27.16 273.97 Fagan Consulting LLC BOS1604 809.74 Fagan Consulting LLC CCOS1604 3,696.00 Fagan Consulting LLC P31604 20,942.00 HNTB CORPORATION 124-40619-PL-017 41,302.04 Michelle Lopez ML 4.30.16 208.51 Public Utilities Board 600710 - APR 2016 270.03 R Communications IN-XH-1160432080 1,050.00 S&B Infrastructure, LTD U2299.200-04 8,623.88 S&B Infrastructure, LTD U2299.500-01 35,269.02 Sullivan Public Affairs CC042016 7,500.00 The Rentfro Law Firm, PLLC. 019970 57.60 The Rentfro Law Firm, PLLC. 019971 1,693.00 The Rentfro Law Firm, PLLC. 019972 1,402.60

4-B CONSIDERATION AND APPROVAL OF THE FINANCIAL STATEMENTS AND BUDGET AMENDMENTS FOR THE MONTH OF APRIL 2016



CCRMA MONTHLY FINANCIAL REPORT APRIL 2016

Pete Sepulveda, Jr. Executive Director

Jesus Adrian Rincones, CPA, CFE, Chief Financial Officer

CCRMA MONTHLY FINANCIALS

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Statement of Revenues, Expenditures And Changes In Net Assets - Unposted Transactions Included In Report From 4/1/2016 Through 4/30/2016 (In Whole Numbers)

	Current Period Actual	Current Year Actual	YTD Budget - Original	YTD Budget Variance - Original
Operating Revenues				
Vehicle registration fees	259,574	1,818,745	2,950,000	(1,131,255)
TRZ revenue	0	0	750,000	(750,000)
Other revenue	0	1,551,013	1,685,000	(133,987)
Total Operating Revenues	259,574	3,369,758	5,385,000	(2,015,242)
Operating Expenses				
Personnel costs	50,968	423,804	696,520	272,716
Professional services	28,304	53,291	134,900	81,609
Contractual services	11,295	31,362	72,000	40,638
Debt interest	0	2,213,467	4,330,000	2,116,534
Advertising & marketing	7,736	21,385	25,000	3,615
Data processing	1,554	5,403	6,250	847
Dues & memberships	335	11,470	15,000	3,530
Education & training	125	7,545	10,000	2,455
Fiscal agent fees	6,766	8,886	25,000	16,114
Insurance	4,015	6,724	6,900	176
Maintenance & repairs	1,600	11,755	20,500	8,745
Office supplies	3,710	14,566	34,800	20,234
Rent	4,416	8,803	19,500	10,697
Travel	4,754	14,783	35,000	20,217
Utilities	1,881	7,332	10,000	2,668
Other expenses	0	0	18,000	18,000
Total Operating Expenses	127,459	2,840,575	5,459,370	2,618,795
Non Operating Revenue				
Interest income	211	2,693	20,000	(17,307)
Total Non Operating Revenue	211	2,693	20,000	(17,307)
Changes in Net Assets	132,327	531,876	(54,370)	586,246
Net Assets Beginning of Year				
	399,550	0	0	0
Net Assets End of Year	531,876	531,876	(54,370)	586,246

Statement of Revenues and Expenditures - Toll Operations - Unposted Transactions Included In Report From 4/1/2016 Through 4/30/2016

	Current Period Actual	Current Year Actual	YTD Budget - Original	YTD Budget Variance - Original
Toil Operating Revenues				
Toll Revenue	51,269.86	242,451.51	260,000.00	(17,548.49)
Toll Violation Revenue	19,555.83	145,683.67	175.000.00	(29,316.33)
Interop Revenue	38,244.06	270,619.05	230,000.00	40,619.05
Bridge Interoperability	0.00	0.00	10,000.00	(10,000.00)
Other Revenue	0.00	0.00	5,000.00	(5,000.00)
Total Toli Operating Revenues	109,069.75	658,754.23	680,000.00	(21,245.77)
Toll Operating Expenses				
Advertising & Marketing	1,050.00	30,980.68	50,000.00	19,019.32
Contractual	0.00	8,750.00	24,000.00	15,250.00
Education & Training	0.00	0.00	5,000.00	5,000.00
Maintenance - SH 550	1,814.22	31,699.74	65,000.00	33,300.26
Interop Collection Fees	2,494.48	17,654.57	21,000.00	3,345.43
PBM Add on Fees	5,362.53	26,899.09	21,000.00	(5,899.09)
PBM Image Review	5,441.82	38,050.89	30,000.00	(8,050.89)
PBM Pre-Court Program	225.00	2,019.64	6,000.00	3,980.36
Postage	0.00	100.15	500.00	399.85
Rent	0.00	390.00	1,000.00	610.00
Travel	0.00	0.00	8,500.00	8,500.00
Utilities	2,347.37	9,080.57	17,500.00	8,419.43
Bridge Interoperability Administration Fee	0.00	0.00	1,500.00	1,500.00
Bridge Interoperability Maintenance	0.00	0.00	12,000.00	12,000.00
Toll Road Property Insurance	13,253.75	39,155.00	50,000.00	10,845.00
Toli Operational Support	3,696.00	53,019.05	61,000.00	7,980.95
Toli System Provider Maintenance	0.00	112,500.00	226,300.00	113,800.00
Total Toli Operating Expenses	35,685.17	370,309.38	600,300.00	229,990.62
Changes in Net Assets	73,384.58	288,444.85	79,700.00	208,744.85

Combined Statement of Revenues and Expenses - Unposted Transactions Included In Report From 4/1/2016 Through 4/30/2016

	Current Period Actual	Current Year Actual	YTD Budget - Original	YTO Budget Variance - Original
Operating Revenues				
Vehicle registration fees	259,574.00	1,818,745.25	2,950,000.00	(1,131,254.75)
Toll revenues	109,069.75	658,754.23	675,000.00	(16,245.77)
TRZ revenue	0.00	0.00	750,000.00	(750,000.00)
Other revenue	0.00	1,551,012.61	1,690,000.00	(138,987.39)
Total Operating Revenues	368,643.75	4,028,512.09	6,065,000.00	(2,036,487.91)
Operating Expenses				
Personnel costs	50,967.5B	423,803.65	696,520.00	272,716.35
Accounting software and services	804.00	3,541.00	9,900.00	6,359.00
Professional services	27,500.00	50,000.00	125,000.00	75,000.00
Contractual services	11,294.80	40,112.02	96,000.00	55,887.98
Debt interest	0.00	2,213,466.50	4,030,000.00	1,816,533.50
Project expenses	0.00	0.00	300,000.00	300,000.00
Advertising & marketing	8,785.98	52,365.38	75,000.00	22,634.62
Data processing	1,554.07	5,402.85	6,250.00	847.15
Dues & memberships	335.00	11,470.00	15,000.00	3,530.00
Education & training	125.00	7,5 44 .65	15,000.00	7,455.35
Fiscal agent fees	6,766.00	8,886.00	25,000.00	16,114.00
Insurance	17,268.75	45,879.16	56,900.00	11,020.84
Maintenance & repairs	1,600.00	11,755.00	20,500.00	8,745.00
Office supplies	3,710.05	14,666.52	35,300.00	20,633.48
Road maintenance	1,814.22	144,199.74	303,300.00	159,100.26
Rent	4,415.78	9,193.12	20,500.00	11,306.88
Toll services	17,219.83	137,653.24	140,500.00	2,846.76
Travel	4,754.12	14,782.97	43,500.00	28,717.03
Utilities	4,228.58	16,412.71	27,500.00	11,087.29
Other expenses	0.00	0.00	18,000.00	18,000.00
Total Operating Expenses	163,143.76	3,211,134.51	6,059,670.00	2,848,535.49
Non Operating Revenue				
Interest income	211.15	2,693.37	20,000.00	(17,306.63)
Total Non Operating Revenue	211.15	2,693.37	20,000.00	(17,306.63)
Changes in Net Assets	205,711.14	820,070.95	25,330.00	794,740,95
Net Assets Beginning of Year				
	614,359.81	0.00	0.00	0.00
		- **		v
Net Assets End of Year	820,070.95	820,070.95	25,330.00	794,740.95

Capital Projects in Progress - Unposted Transactions Included In Report From 4/1/2016 Through 4/30/2016 (In Whole Numbers)

	Current Period Actual	Current Year Actual	YTD Budget - Original	YTD Budget Variance - Original
Capital Projects				
South Padre Island 2nd Access	42,007	602,263	2,500,000	1,897,737
West Parkway Project	0	0	800,000	800,000
Outer Parkway	0	0	2,550,000	2,550,000
FM 1925	0	0	100,000	100,000
West Rall Relocation	550,886	602,189	3,500,000	2,897,811
SH 550	55,176	206,551	7,650,000	7,443,449
SH 32 (East Loop)	51,325	63,507	2,150,000	2,086,493
Toll Equipment & Operational Infrastructure	21,752	84,967	0	(84,967)
Total Capital Projects	721,146	1,559,477	19,250,000	17,690,523

Statement of Revenues and Expenditures - Unposted Transactions Included In Report From 4/1/2016 Through 4/30/2016 (In Whole Numbers)

		Current Period Actual	Current Year Actual	YTO Budget - Original	YTD Budget Variance - Original
Capital Projects					* 60.00
South Padre Island 2nd Access	2000				
CAPITALIZED PROJECT COSTS	01CAP				
	15100	8,300	92,538	250,000	157,462
CIP - Pianning & Coordination CIP - Preliminary Engineering & Design	15110	0,300	62,113	350,000	287,887
CIP - Environmental Studies	15120	25,228	343,121	1,500,000	1,156,879
CIP - Public Presentations, RFP, RFQ, Bidding & Letting	15140	0	2,633	100,000	97,367
CIP - Right of Way	15200	0	7,805	300,000	292,195
CIP - Direct Legal Costs	15300	8,479	94,052	0	(94,052)
Total South Padre Island 2nd Access		42,007	602,263	2,500,000	1,897,737
West Parkway Project	2025	.2,007	/	_,_,_,	_,_,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,
CAPITALIZED PROJECT COSTS	01CAP				
CIP - Preliminary Engineering & Design	15110	0	0	150,000	150,000
CIP - Environmental Studies	15120	0	0	650,000	650,000
Total West Parkway Project		0	0	800,000	800,000
Outer Parkway	2050	_		,	
CAPITALIZED PROJECT COSTS	01CAP				
CIP - Planning & Coordination	15100	0	0	250,000	250,000
CIP - Preliminary Engineering & Design	15110	0	0	400,000	400,000
CIP - Environmental Studies	15120	0	0	1,500,000	1,500,000
CIP - Public Presentations, RFP, RFQ, Bidding & Letting	15140	0	0	100,000	100,000
CIP - Right of Way	15200	0	0	300,000	300,000
Total Outer Parkway		0	Ŏ	2,550,000	2,550,000
FM 1925	2075	•	_		-,,
CAPITALIZED PROJECT COSTS	01CAP				
CIP - Planning & Coordination	15100	0	0	15,000	15,000
CIP - Preliminary Engineering & Design	15110	Ō	0	50,000	50,000
CIP - Environmental Studies	15120	0	<u>o</u>	35,000	35,000
Total FM 1925		0	Ö	100,000	100,000
West Rall Relocation	2100			•	•
CAPITALIZED PROJECT COSTS	01CAP				
CIP - Planning & Coordination	15100	0	24,952	0	(24,952)
CIP - Mitigation	15130	58	5,258	0	(5,258)
CIP - Right of Way	15200	3,096	22,979	0	(22,979)
CIP - Construction	15220	547,461	547,461	3,000,000	2,452,539
CIP - Construction Management	15240	0	0	500,000	500,000
CIP - Direct Legal Costs	15300	272	1,539	0	(1,539)
Total West Rail Relocation		550,886	602,189	3,500,000	2,897,811
SH 550	2200	000,000	002,203	-,,	-100,1000
CAPITALIZED PROJECT COSTS	01CAP				
CIP - Planning & Coordination	15100	0	0	400,000	400,000
CIP - Preliminary Engineering &	15110	45,535	135,056	400,000	264,944
Design CIP - Environmental Studies		•		-	•
CIP - Mitigation	15120 15130	361 0	1,806	150,000	(1,806)
CIP - Public Presentations, RFP,	15130	=	6,463	150,000	143,537
RFQ, Bidding & Letting		8,361	19,893	0	(19,893)
CIP - Construction	15220	0	0	6,000,000	6,000,000
CIP - Construction Management	15240	918	43,333	700,000	656,667
Total SH 550		55,176	206,551	7,650,000	7,443,449

Statement of Revenues and Expenditures - Unposted Transactions Included In Report From 4/1/2016 Through 4/30/2016 (In Whole Numbers)

		Current Period Actual	Current Year Actual	YTD Budget - Original	YTD Budget Varlance - Orlginal
SH 32 (East Loop)	2250				
CAPITALIZED PROJECT COSTS	01CAP				
CIP - Planning & Coordination	15100	35,269	35,269	350,000	314,731
CIP - Preliminary Engineering & Design	15110	0	12,182	0	(12,182)
CIP - Environmental Studies	15120	16,056	16,056	1,500,000	1,483,944
CIP - Right of Way	15200	0	0	300,000	300,000
Total SH 32 (East Loop)		51,325	63,507	2,150,000	2,086,493
Toll Equipment & Operational Infrastructure	5000				
CAPITALIZED PROJECT COSTS	01CAP				
Toll Equipment & Software in Process	16000	21,752	84,967	0	(84,967)
Total Toll Equipment & Operational Infrastructure		21,752	84,967	0	(84,967)
Total Capital Projects		721,146	1,559,477	19,250,000	17,690,523

Balance Sheet As of 4/30/2016 (In Whole Numbers)

	Current Year
ASSETS	
Current Assets:	
Cash and cash equivalents	
CCRMA Claims Account	83,461
CCRMA Operating Fund	677,711
Toll Operators Cash	60
TxTag - Replenishment Account	6,086
CCRMA Bond/Debt Funds	222,349
Total Cash and cash equivalents	989,667
Restricted cash accounts - debt service	
CCRMA Toll Revenue Funds	86,995
2010 A & B Pledged Revenue Funds	185,093
2010 A Debt Reserve	1,038,587
2010 A Debt Service	443,353
2010 B Debt Reserve	1,218,154
2010 B Debt Service	86,365
2012 Bond CAPI funds	144,323
2012 Bond Operating Fund	35,602
2012 Bond Project Funds	3,094,368
2012 Bonds Rate Stabilization Fund	1,346,675
2012 Bond Pledged Revenue	172,789
2012 Bonds Debt Service	193,179
2014 Refunding Series Escrow Account	671
2014 Refunding Series 10 Proceeds	5,125
Series 2014 Revenue and Tax	1,750
Total Restricted cash accounts - debt service	8,053,027
Accounts receivable	0,033,027
Accounts Receivable - Customers	34,255
Vehicle Registration Fees - Receivable	638,741
Total Accounts receivable	672,996
Accounts receivable - other agencies	
Accounts Receivable - Other Agencies	ρ
Due from Other Agencies	1,411,800
Total Accounts receivable - other agencies	1,411,800
Prepaid expenses	2, 122,000
Prepaid Rent	1,750
Prepaid Other Expense	525
Total Prepaid expenses	2.275
Total Current Assets:	11,129,766
Non Current Assets:	,,
Capital assets, net	
Land & Right of Way	98,750
Buildings	202,803
Accumulated Depreciation-Buildings	(5,070)
Improvements	7,791
Accumulated Depreciation-Improvements	(87)
Furnishings & Equipment	7,591,215
Accumulated Depreciation-Furnishings & Equipment	(745,672)
Software & Technology	111,981
Accumulated Depreciation Software & Technology	(7,917)
Infrastructure & Utilities	64,200,349
Accumulated Depreciation-Infrastructure	(1,185,376)
roomistanium areproominis authoritis	(1,103,370)

Balance Sheet As of 4/30/2016 (In Whole Numbers)

	Current Year
Total Capital assets, net	70,268,768
Capital projects in progress	
CIP - Planning & Coordination	758,993
CIP - Preliminary Engineering & Design	3,737,163
CIP - Environmental Studies	14,521,641
CIP - Mitigation	244,210
CIP - Public Presentations, RFP, RFQ, Bldding & Letting	22,526
CIP - Right of Way	44,548
CIP - Construction	547,461
CIP - Construction Management	43,333
CIP - Direct Legal Costs	202,208
CIP - Capitalized Interest	52,987
CIP - Direct Administration	161,004
CIP - Indirect Administration and Overhead	570,258
Toll Equipment & Software in Process	319,769
Total Capital projects in progress	21,226,098
Other assets	• •
Other Assets	45,203,258
Total Other assets	45,203,258
Unamortized bond prepaid costs	
2012 Bonds Prepaid Insurance	112,183
2014 Bond Prepaid Insurance	11,493
Total Unamortized bond prepaid costs	123,676
Total Non Current Assets:	136,821,800
Total ASSETS	147,951,566
LIABILITIES	
Current Liabilities	
Accounts payable	
AP - Operations	322,478
AP - Project Exenditures	<u> 265,625</u>
Total Accounts payable	588,103
Accrued expenses	
TxTag Customer Deposits	1,383
Toli Refunds from MSB	3,720
Total Accrued expenses	5,103
Payroil liabilities	
Federal Tax Withholding	3,693
Payroil Tax Payable	2,949
Retirement Contribution Payable	3,181
Health Insurance Payable	800
Affac Employee Liabilities	176
Dental Insurance Payable	80
Employee Vision Insurance	25
Total Payroll liabilities	10,904
Deferred revenue	
UFV Fund Deposits	633
Deferred Revenue	1,960
Total Deferred revenue	2,593
Total Current Liabilities	606,703
Non Current Liabilities	
Due to other agencies	

Balance Sheet As of 4/30/2016 (In Whole Numbers)

	Current Year
Cameron County	167,500
Due to other Entity's	2,104,186
Total Due to other agencies	2,271,686
Due to TxDot	
Union Pacific - West Rail Project	28,914,071
Union Pacific - Olmito Switchyard	9,919,811
TxDot FAA - South Padre Island	11,534,665
TxDot FAA - West Parkway	2,244,589
Total Due to TxDot	52,613,135
Long term bond payable	
2010A Bonds Payable	4,480,000
2010A Unamortized Premium	15,290
20108 Bonds Payable	15,535,000
2012 Bonds Payable	40,000,000
2012 Unamortized Premium	4,011,379
2014 Bonds Payable	5,000,000
2014 Bond Premium	154,653
2010A Refund Series 2014	6,325,000
2010A Refund Premium Series 2014	117,507
2010A Refunding Deferred Charge 2014 Series	37,456
2015 CO 8ands	4,500,000
2015 CO Bonds Discount	(38,768)
Total Long term bond payable	80,137,517
Total Non Current Liabilities	135,022,338
Total LIABILITIES	135,629,041
NET POSITION	
Beginning net position	
	7,818,176
Total Beginning net position	7,818,176
Changes in net position	
	4,584,269
Total Changes in net position	4,584,269
Total NET POSITION	12,402,445
TOTAL LIABILITIES AND NET POSITION	148,031,486

Statement of Cash Flows As of 4/30/2016

	Current Period	Current Year
Cash Flows from Operating Activities		
Receipts from Vehicle Registration Fees	0.00	1,454,490.00
Receipts from Toll Revenues	93,814.45	632,719.78
Receipts from other Operating Income	0.00	493,534.61
Payments to Vendors	(129,222.31)	(618,701.66)
Payments to Employees	(41,948.49)	(433,045.36)
Total Cash Flows from Operating Activities	(77,356.35)	1,528,997.37
Cash Flows from Capital and related Financing Activities		
Acquisitions of Property and Equipment	0.00	(162,087.50)
Receipts from Grants and Other income	211.15	2,693.37
Payments on Interest	0.00	(2,667,957.50)
Acquisitions of Construction in Progress	(796,930.25)	(2,079,723.02)
Proceeds from TxDot FAA	41,302.04	473,837.59
Proceeds from Other Governments	0.00	89,758.03
Total Cash Flows from Capital and related Financing Activities	(755,417.06)	(4,343,479.03)
Net Increase (Decrease) in Cash & Cash Equivalents	(832,773.41)	(2,814,481.66)
Beginning Cash & Cash Equivalents		
	(1,981,708.25)	0.00
Ending Cash & Cash Equivalents	(2,814,481.56)	(2,814,481.66)

4-C CONSIDERATION AND APPROVAL OF AN ADVANCE FUNDING AGREEMENTS BETWEEN THE CAMERON COUNTY REGIONAL MOBILITY AUTHORITY AND THE TEXAS DEPARTMENT OF TRANSPORTATION FOR THE SH 550 GAP 1 PROJECT. (SEE OCTOBER 13, 2016, ITEM 4-C FOR EXECUTED AGREEMENT)

4-D CONSIDERATION AND APPROVAL OF COASTAL SURFACE LEASE NO. SL 20160027 AND LEASE NO. SL 20160029 IN THE LAGUNA MADRE AREA WITH THE TEXAS GENERAL LAND OFFICE



TEXAS GENERAL LAND OFFICE COASTAL SURFACE LEASE NO. SL20160027

STATE OF TEXAS
COUNTY OF CAMERON

KNOW ALL MEN BY THESE PRESENTS:

This Coastal Surface Lease SL20160027, ("Lease"), is granted by virtue of the authority granted in Section 51.121, et seq., TEX. NAT. RES. CODE ANN., 31 TEX. ADMIN. CODE, Chapter 13, Land Resources, et seq., and all other applicable statutes and rules, as the same may be amended from time to time, and is subject to all applicable regulations promulgated from time to time.

§

ARTICLE I. PARTIES

1.01. In consideration of the mutual covenants and agreements set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the STATE OF TEXAS, acting by and through the Commissioner of the General Land Office, on behalf of the Permanent School Fund of the State of Texas (the "State"), hereby grants to Cameron County Regional Mobility Authority, whose address is 3461 Carmen Ave., Rancho Viejo, TX, 78575, (956) 621-5571 ("Lessee"), the right to use the surface estate of certain Permanent School Fund land (the "Leased Premises") for the purposes identified in Article V below.

ARTICLE II. PREMISES

2.01. The Leased Premises is described below and further described or depicted on Exhibits A, B, and C, attached hereto and collectively incorporated by reference for all purposes:

Located in State Tract 741, Laguna Madre, Cameron County, TX

2.02. LESSEE HAS INSPECTED THE PHYSICAL AND TOPOGRAPHIC CONDITION OF THE LEASED PREMISES AND ACCEPTS SAME "AS IS" IN ITS EXISTING PHYSICAL AND TOPOGRAPHIC CONDITION. LESSEE IS NOT RELYING ON ANY REPRESENTATION OR WARRANTY OF THE STATE REGARDING ANY ASPECT OF THE PREMISES, BUT IS RELYING ON LESSEE'S OWN INSPECTION OF THE PREMISES. THE STATE DISCLAIMS ANY AND ALL WARRANTIES OF HABITABILITY, MERCHANTABILITY, SUITABILITY, FITNESS FOR ANY PURPOSE, AND ANY OTHER WARRANTY WHATSOEVER NOT EXPRESSLY SET FORTH IN THIS LEASE. THE STATE AND LESSEE HEREBY AGREE AND ACKNOWLEDGE THAT THE USE OF THE TERMS "GRANT" AND/OR "CONVEY" IN NO WAY IMPLIES THAT THIS LEASE OR THE LEASED PREMISES ARE FREE OF LIENS, ENCUMBRANCES AND/OR PRIOR RIGHTS. LESSEE IS HEREBY PUT ON NOTICE THAT ANY PRIOR GRANT AND/OR ENCUMBRANCES MAY BE OF RECORD AND LESSEE IS ADVISED TO EXAMINE ALL RECORDS OF THE STATE AND COUNTY IN WHICH THE LEASED PREMISES ARE LOCATED. THE PROVISIONS OF THIS SECTION SHALL SURVIVE THE EXPIRATION OR EARLIER TERMINATION OF THIS LEASE.

ARTICLE III. TERM

3.01. This Coastal Surface Lease No. SL20160027 is for a term of three (3) years, commencing on May 1, 2016 and terminating on April 30, 2019, unless earlier terminated as provided herein. The State reserves the right to review, amend, cancel or otherwise modify this agreement at any time during its term upon 30-day written notice to Lessee as prescribed in 3.01. Renewal of this agreement is at the sole discretion of the State, and no right to renew is implied or provided for herein.

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ARTICLE IV. CONSIDERATION

- 4.01. A. As consideration ("Consideration") for the granting of this Lease, Lessee shall pay rent ("Rent") to the State (payable to the Commissioner of the General Land Office at Austin, Texas) the sum of Fifty-two And 50/100 Dollars (\$52.50).
 - B. Consideration for this Lease shall be payable in one (1) payment, in advance, of Fifty-two And 50/100 Dollars (\$52.50). The payment shall be made upon the execution hereof.
 - C. Past due Rent and other past due payments shall bear interest from maturity at the rate of ten percent (10%) per annum from the date when due until actually paid, as provided in Section 51.301, TEX. NAT. RES. CODE ANN. Failure of Lessee to make a payment on or before the date the same becomes due shall, at the State's option, make all payments due and payable immediately.

ARTICLE V. USE OF THE PREMISES

- 5.01. The Leased Premises may be used by Lessee solely for a pilot study research site consisting of a 1,445 linear feet of wave barrier fencing, 1,600 square foot area of seagrass plantings, and 15,654 square feet of open encumbered area, comprising a total project area of 18,699 square feet, and for no other purpose. The Leased Premises are to remain in their current topographical and hydrologic condition during the term of the Lease. Lessee is specifically prohibited from modifying the premises in any manner not authorized herein, and from using, or allowing the use by others, of the Leased Premises for any other purpose.
- 5.02. Lessee shall not use, or permit the use of, the Leased Premises for any illegal purpose. Lessee will comply with, and will cause its officers, employees, agents and invitee to comply with, all applicable federal, State and local laws, ordinances and rules concerning the use of the Leased Premises.
- 5.03. The State reserves the exclusive right to grant easements, rights-of way and/or other grants of interest authorizing use of the Leased Premises, provided such use does not unreasonably interfere with Lessee's use thereof.
- 5.04. Lessee shall not grant other rights in or to the Leased Premises to any other person or entity, and any attempt to do so shall be void and of no effect and shall constitute a default by Lessee hereunder.
- 5.05. State reserves the right to enter upon the Leased Premises at any time with or without prior notice to Lessee to inspect the condition thereof and/or take action authorized by this Lease.
- 5.06. The Leased Premises are subject to prospecting, production and development of oil, gas and other minerals and other materials of commercial value by the State, its lessees, permittee, licensees or other agents, assigns or representatives. Lessee shall not interfere with such use of the Leased Premises and shall allow any lessee, permit holder, licensee or other agent, assignee or representative of the State and/or the School Land Board the right of ingress and egress over, across and through, and the use of, the Leased Premises for any and all purposes authorized by State.
- 5.07. Lessee may not charge State's authorized lessees, permit holders, licensees or other agents, assigns or representatives surface damages, or any other fee, for use of the Leased Premises; provided, however, the foregoing shall not limit the liability of any person or entity to Lessee for damages caused to property owned by Lessee.
- 5.08. Lessee's use of the Premises is subject to and contingent upon compliance with the following covenants, obligations and conditions (the "Special Conditions")
 - Artificial wave barrier(s) will be removed after successful establishment of transplanted vegetation, as determined by the GLO, or at the end of two (2) year from completion of construction, whichever occurs first.
 - 2. GLO's approval of all borrow area locations on state-owned land must be obtained prior to initiation of the work. The borrow (harvest) area shall be designated and marked by Lessee by

- means of corner stakes utilizing "PVC" or similar materials for identification purposes. A map delineating the borrow site shall be supplied to the field office prior to harvesting.
- 3. Lessee shall provide written notice to the GLO Corpus Christi Field Office of plans to harvest transplant material at least two (2) weeks prior to commencement of the harvest. A second notice, also to the field office, confirming completion of the transplant process shall be submitted no more than two (2) weeks after completion of the transplanting effort. This second notice shall include photographic documentation of pre- and post-transplant conditions at both sites.
- 4. A survey shall be conducted within sixty (60) days following the initial seagrass transplanting effort at all sites. A written report detailing the results shall be provided to GLO Corpus Christi Field Office within thirty (30) days of completing the survey. The monitoring report should note percent survival and should also include any unusual sedimentation variation and depth of soft-sediment accumulations throughout the transplant site.
- 5. Seagrass surveys shall be conducted for all sites at six (6) months, one (1) year, two (2) year, and three (3) years after the initial transplanting effort. These survey reports shall be provided to GLO Corpus Christi Office within thirty (30) days of completing the survey. These reports should document percent vegetative survival/cover and should also include any usnusual sedimentation variation.
- 6. This lease is granted subject to all existing rights including any existing and future mineral rights. Lessor reserves the right to lease this area for authorized mineral development and exploration, along with all rights of ingress and egress, under applicable Federal and State laws, rules and regulations necessary to assure protection of wildlife and other natural resources.
- 7. Upon completion of the planting effort, the Lessee shall provide the GLO Corpus Christi Field Office with a notice of completion that includes the date of completion, number of plugs transplanted, GPS coordinates of harvest sites within the approved harvest area, GPS coordinates of corner points of planting sites within the approved study area, a map illustrating the harvest sites, and a map illustrating the planted area dimensions and acreage.
- 8. Lessee is responsible for securing all permits required to develop the Leased Premises at its expense. Lessee must submit any and all applications and required documentation related to any permits it seeks to the State for approval in advance of submission for review or approval by any regulating entity. Lessee must also submit a copy of any reports submitted to any federal, state, or local agency concerning operations on the Leased Premises to the State as such reports are prepared.
- Lessee is prohibited from selling, exchanging, or otherwise transferring credits for mitigation
 purposes related to its activities on the Leased Premises without the express consent and
 involvement of the State.

ARTICLE VI. ASSIGNMENTS

6.01. Lessee shall not assign the Premises or the rights granted herein, in whole or part, to any third party for any purpose without the prior written consent of the State, which may be granted or denied in the State's sole discretion. Any unauthorized assignment shall be void and of no effect and such assignment shall not relieve Lessee of any liability for any obligation, covenant, or condition of this Agreement. This provision, and the prohibition against assignment contained herein, shall survive expiration or earlier termination of this agreement. For purposes of this agreement, an assignment is any transfer, including by operation of law, to another of all or part of the property, interest or rights herein granted.

ARTICLE VII. PROTECTION OF NATURAL AND HISTORICAL RESOURCES

- 7.01. Lessee shall take no action on the premises which results in the discharge of any solid or liquid material. Lessee shall use the highest degree of care and all appropriate safeguards to: (i) prevent pollution of air, ground, and water in and around the Premises, and (ii) to protect and preserve natural resources and wildlife habitat. Lessee shall comply with all applicable rules and regulations of the General Land Office and other governmental agencies responsible for the protection and preservation of public lands and waters. In the event of pollution or an incident that may result in pollution of the Premises or adjacent property which is the result of Lessee's (or Lessee's employees, contractors, invitees and agents) acts or omissions, Lessee shall immediately notify the State, use all means reasonably available to recapture any pollutants which have escaped or may escape, and mitigate for any and all natural resources damages caused thereby.
- 7.02. LESSEE IS EXPRESSLY PLACED ON NOTICE OF THE NATIONAL HISTORICAL PRESERVATION ACT OF 1966, (PB-89-66, 80 STATUTE 915; §470) AND THE ANTIQUITIES CODE OF TEXAS, CHAPTER 191, TEX. NAT. RES. CODE ANN. IN THE EVENT THAT ANY SITE, OBJECT, LOCATION, ARTIFACT OR OTHER FEATURE OF ARCHEOLOGICAL, SCIENTIFIC, EDUCATIONAL, CULTURAL OR HISTORIC INTEREST IS ENCOUNTERED DURING ANY ACTIVITY ON THE PREMISES, LESSEE WILL IMMEDIATELY CEASE SUCH ACTIVITIES AND WILL IMMEDIATELY NOTIFY STATE AND THE TEXAS HISTORICAL COMMISSION, P.O. BOX 12276, AUSTIN, TEXAS 78711, SO THAT ADEQUATE MEASURES MAY BE UNDERTAKEN TO PROTECT OR RECOVER SUCH DISCOVERIES OR FINDINGS, AS APPROPRIATE.

ARTICLE VIII. INDEMNITY

8.01. LESSEE SHALL BE FULLY LIABLE AND RESPONSIBLE FOR ANY DAMAGE, OF ANY NATURE, ARISING OR RESULTING FROM ITS OWN ACTS OR OMISSIONS RELATED TO ITS EXERCISE OF THE RIGHTS GRANTED HEREIN. LESSEE AGREES TO AND SHALL INDEMNIFY AND HOLD THE STATE, THE STATE'S OFFICERS, AGENTS, AND EMPLOYEES, HARMLESS FROM AND AGAINST CLAIMS, SUIT, COSTS, LIABILITY OR DAMAGES OF ANY KIND, INCLUDING STRICT LIABILITY CLAIMS, WITHOUT LIMIT AND WITHOUT REGARD TO CAUSE OF THE DAMAGES OR THE NEGLIGENCE OF ANY PARTY, EXCEPT FOR THE CONSEQUENCES OF THE NEGLIGENT ACTS OR WILLFUL MISCONDUCT OF THE STATE, THE STATE'S OFFICERS, AGENTS, EMPLOYEES, OR INVITEES, ARISING DIRECTLY OR INDIRECTLY FROM LESSEE'S USE OF THE PREMISES (OR ANY ADJACENT OR CONTIGUOUS PSF LAND) OR FROM ANY BREACH BY LESSEE OF THE TERMS, COVENANTS OR CONDITIONS CONTAINED HEREIN. THE PROVISIONS OF THIS SECTION SHALL SURVIVE EXPIRATION OR EARLIER TERMINATION OF THIS AGREEMENT.

ARTICLE IX. DEFAULT, TERMINATION AND EXPIRATION

- 9.01. If, following 30 days prior written notice from the State specifying a default or breach, Lessee fails to pay any money due hereunder or is in breach of any term or condition of this Agreement, the State shall have the right, at its option and its sole discretion, to terminate this Agreement and all rights inuring to Lessee herein by sending written notice of such termination to Lessee in accordance with ARTICLE XI of this Agreement. Upon sending of such written notice, this Agreement shall automatically terminate and all rights granted herein to Lessee shall revert to the State. Such termination shall not prejudice the rights of the State to collect any money due or to seek recovery on any claim arising hereunder.
- 9.02. If Lessee fails to remove its personal property from the Leased Premises within the time specified in Section 9.01 above, or if Lessee fails to remove improvements placed or constructed on the Leased Premises by or behalf of Lessee pursuant to a notice by the State to do so pursuant to Section 9.01. above, then State may, at its sole option, remove and dispose of such property (with no obligation to sell or otherwise maintain such property in accordance with the Uniform Commercial Code), at Lessee's sole cost and expense, or the State may elect to own such property by filing a notice of such election pursuant to Section 51.302, et seq., TEXAS NATURAL RESOURCES CODE ANNOTATED. If the State elects to remove Lessee's property and dispose of it pursuant to this section, then in such an event Lessee shall be obligated to reimburse the State for the reasonable costs of such removal and disposal within ten (10) days of State's

demand for reimbursement. THE TERMS OF THIS SECTION SHALL SURVIVE EXPIRATION OR EARLIER TERMINATION OF THIS LEASE.

- 9.03. In addition to the above, Lessee shall pay and discharge any and all taxes, general and special assessments, and other charges which during the term of this Agreement may be levied on or assessed against the Premises or the Improvements constructed thereon, provided such taxes result from Lessee's use of this easement. Lessee shall pay such taxes, charges, and assessments not less than five (5) days prior to the date of delinquency thereof directly to the authority or official charged with the collection thereof. Lessee shall have the right in good faith at its sole cost and expense to contest any such taxes, charges, and assessments, and shall be obligated to pay the contested amount only if and when finally determined to be owed.
- 9.04. LESSEE AGREES TO AND SHALL PROTECT AND HOLD THE STATE HARMLESS FROM LIABILITY FOR ANY AND ALL SUCH TAXES, CHARGES, AND ASSESSMENTS, TOGETHER WITH ANY PENALTIES AND INTEREST THEREON, AND FROM ANY SALE OR OTHER PROCEEDING TO ENFORCE PAYMENT THEREOF.

ARTICLE X. HOLDOVER

- 10.01. If Lessee holds over and continues in possession of the Premises after expiration or earlier termination of this Agreement, Lessee will be deemed to be occupying the Premises on the basis of a month-to-month tenancy subject to all of the terms and conditions of this Agreement, except that as liquidated damages by reason of such holding over, the amounts payable by Lessee under this Agreement shall be increased such that the Consideration payable under Section 4.01 of this Agreement and any other sums payable hereunder shall be two hundred percent (200%) of the amount payable to the State by Lessee for the applicable period immediately preceding the first day of the holdover period. Lessee acknowledges that in the event it holds over, the State's actual damages will be difficult, if not impossible, to ascertain, and the liquidated damages herein agreed to be paid are reasonable in amount and are payable in lieu of actual damages and are not a penalty. Lessee further acknowledges that acceptance of hold over Consideration does not imply State consent to hold over.
- 10.02. The tenancy from month-to-month described in Section 10.01 of this Agreement may be terminated by either party upon thirty (30) days written notice to the other.
- 10.03. The Consideration due after notice of termination has been given is to be calculated according to Section 10.01 hereinabove on a pro rata basis. If upon notice of termination by the State, Lessee pays Consideration in excess of the amount due and payable and the State accepts such payment, the acceptance of such payment will not operate as a waiver by the State of the notice of termination unless such waiver is in writing and signed by the State. Any such excess amounts paid by Lessee and accepted by the State shall be promptly refunded by the State after deducting therefrom any amounts owed to the State.

ARTICLE XI. NOTICE

- 11.01. Any notice which may or shall be given under the terms of this Agreement shall be in writing and shall be either delivered by hand, by facsimile, or sent by United States first class mail, adequate postage prepaid, if for the State to the Director of Asset Enhancement, addressed to 1700 North Congress Avenue, Austin, Texas 78701-1495, FAX: (512) 463-5304, and if for Lessee, to Cameron County Regional Mobility Authority, 3461 Carmen Ave., Rancho Viejo, TX 78575. Any party's address may be changed from time to time by such party by giving notice as provided above, except that the Premises may not be used by Lessee as the sole notice address. No change of address of either party shall be binding on the other party until notice of such change of address is given as herein provided.
- 11.02. For purposes of the calculation of various time periods referred to in this Agreement, notice delivered by hand shall be deemed received when delivered to the place for giving notice to a party referred to above. Notice mailed in the manner provided above shall be deemed completed upon the earlier to occur of (i) actual receipt as indicated on the signed return receipt, or (ii) three (3) days after posting as herein provided.

ARTICLE XII. INFORMATIONAL REQUIREMENTS

- 12.01. A. Lessee shall provide written notice to the State of any change in Lessee's name, address, corporate structure, legal status or any other information relevant to this Agreement.
- B. Lessee shall provide to the State any other information reasonably requested by the State in writing within fifteen (15) days following such request or such other time period approved by the State (such approval not to be unreasonable withheld).

ARTICLE XIII. MISCELLANEOUS PROVISIONS

- 13.01. With respect to terminology in this Agreement, each number (singular or plural) shall include all numbers, and each gender (male, female or neuter) shall include all genders. If any provision of this Agreement shall ever be held to be invalid or unenforceable, such invalidity or unenforceability shall not affect any other provisions of the Agreement, but such other provisions shall continue in full force and effect.
- 13.02. The titles of the Articles in this Agreement shall have no effect and shall neither limit nor amplify the provisions of the Agreement itself. This Agreement shall be binding upon and shall accrue to the benefit of the State, its successors and assigns, Lessee, Lessee's successors and assigns (or heirs, executors, administrators and assigns, as the case may be); however, this clause does not constitute a consent by the State to any assignment by Lessee, but instead refers only to those instances in which an assignment is hereafter made in strict compliance with Article VI above, or in the case of a deceased natural person Lessee, refers to the instances previously referred to in this sentence and also circumstances in which title to Lessee's interest under this Agreement passes, after the demise of Lessee, pursuant to Lessee's will or the laws of intestate succession. The words "hereof," "herein," "hereinafter" and the like refer to this entire instrument, not just to the specific article, section or paragraph in which such words appear.
- 13.03. Neither acceptance of Consideration (or any portion thereof) or any other sums payable by Lessee hereunder (or any portion thereof) to the State nor failure by the State to complain of any action, non-action or default of Lessee shall constitute a waiver as to any breach of any covenant or condition of Lessee contained herein nor a waiver of any of the State's rights hereunder. Waiver by the State of any right for any default of Lessee shall not constitute a waiver of any right for either a prior or subsequent default of the same obligation or for any prior or subsequent default of any other obligation. No right or remedy of the State hereunder or covenant, duty or obligation of Lessee hereunder shall be deemed waived by the State unless such waiver be in writing, signed by a duly authorized representative of the State.
- 13.04. No provision of this Agreement shall be construed in such a way as to constitute the State and Lessee joint ventures or co-partners or to make Lessee the agent of the State or make the State liable for the debts of Lessee.
- 13.05. In all instances where Lessee is required hereunder to pay any sum or do any act at a particular indicated time or within an indicated period, it is understood that time is of the essence.
- 13.06. Under no circumstances whatsoever shall the State ever be liable hereunder for consequential damages or special damages. The terms of this Agreement shall only be binding on the State during the period of its ownership of the Premises, and in the event of the transfer of such ownership interest, the State shall thereupon be released and discharged from all covenants and obligations thereafter accruing, but such covenants and obligations shall be binding during the Agreement term upon each new owner for the duration of such owner's ownership.
- 13.07. All monetary obligations of the State and Lessee (including, without limitation, any monetary obligation for damages for any breach of the respective covenants, duties or obligations of either party hereunder) are performable exclusively in Austin, Travis County, Texas.
- 13.08. The obligation of Lessee to pay all Consideration and other sums hereunder provided to be paid by Lessee and the obligation of Lessee to perform Lessee's other covenants and duties under this Agreement constitute

independent, unconditional obligations to be performed at all times provided for hereunder, save and except only when an abatement thereof or reduction therein is expressly provided for in this Agreement and not otherwise. Lessee waives and relinquishes all rights which Lessee might have to claim any nature of lien against, or withhold or deduct from or offset against, any Consideration or other sums provided hereunder to be paid to the State by Lessee. Lessee waives and relinquishes any right to assert, either as a claim or as a defense, that the State is bound to perform or is liable for the nonperformance of any implied covenant or implied duty of the Grantor not expressly set forth in this Agreement.

13.09. In the event any provision of this Lease is more restrictive than any administrative rule promulgated by the General Land Office and/or the School Land Board, this Lease shall control.

ARTICLE XIV. ENTIRE AGREEMENT

14.01. This Lease, including any exhibits to the same, constitutes the entire agreement between the State and Lessee; no prior written or prior oral contemporaneous oral promises or representations shall be binding. The submission of this Lease for examination by Lessee or the State and/or execution thereof by the Lessee or the State does not constitute a reservation of or option for the Leased Premises and this Lease shall become effective only upon execution of all parties hereto and deliver of a fully executed counterpart thereof by the State to the Lessee. This Lease shall not be amended, changed or extended except by written instrument signed by both parties thereto.

IN TESTIMONY WHEREOF, witness m	y hand and the Seal of Office.
LESSOR: THE STATE OF TEXAS	
By:GEORGE P. BUSH	
GEORGE P. BUSH	
Commissioner, General Land Office	;e
Date:	
Date.	_
APPROVED: Contents:	
Leon)	
Director: Executive:	
Liverant Lev	

Cameron County Regional Mobility Author	
By:	_
(Printed Name & Title)	
Date:	
	ACKNOWLEDGMENT
STATE OF § COUNTY OF §	
This instrument was acknowledged before m	ne on the, 20,
by	
thessee representative signing this docu-	916917
	(Notary Signature)
	Notary Public, State of
Notary Stamp	
Noticey Stamp	My commission expires:



TEXAS GENERAL LAND OFFICE COASTAL SURFACE LEASE NO. SL20160029

STATE OF TEXAS
COUNTY OF CAMERON

KNOW ALL MEN BY THESE PRESENTS:

This Coastal Surface Lease SL20160029, ("Lease"), is granted by virtue of the authority granted in Section 51.121, et seq., TEX. NAT. RES. CODE ANN., 31 TEX. ADMIN. CODE, Chapter 13, Land Resources, et seq., and all other applicable statutes and rules, as the same may be amended from time to time, and is subject to all applicable regulations promulgated from time to time.

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ARTICLE I. PARTIES

1.01. In consideration of the mutual covenants and agreements set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the STATE OF TEXAS, acting by and through the Commissioner of the General Land Office ("GLO"), on behalf of the Permanent School Fund of the State of Texas (the "State"), hereby grants to Cameron County Regional Mobility Authority, whose address is 3461 Carmen Ave., Rancho Viejo, TX, 78575, (956) 621-5571 ("Lessee"), the right to use the surface estate of certain Permanent School Fund land (the "Leased Premises") for the purposes identified in Article V below.

ARTICLE II. PREMISES

2.01. The Leased Premises is described below and further depicted on Exhibits A, B, and C, attached hereto and collectively incorporated by reference for all purposes:

Located in State Tract 704, Laguna Madre, Cameron County, TX

2.02. LESSEE HAS INSPECTED THE PHYSICAL AND TOPOGRAPHIC CONDITION OF THE LEASED PREMISES AND ACCEPTS SAME "AS IS" IN ITS EXISTING PHYSICAL AND TOPOGRAPHIC CONDITION. LESSEE IS NOT RELYING ON ANY REPRESENTATION OR WARRANTY OF THE STATE REGARDING ANY ASPECT OF THE PREMISES, BUT IS RELYING ON LESSEE'S OWN INSPECTION OF THE PREMISES. THE STATE DISCLAIMS ANY AND ALL WARRANTIES OF HABITABILITY, MERCHANTABILITY, SUITABILITY, FITNESS FOR ANY PURPOSE, AND ANY OTHER WARRANTY WHATSOEVER NOT EXPRESSLY SET FORTH IN THIS LEASE. THE STATE AND LESSEE HEREBY AGREE AND ACKNOWLEDGE THAT THE USE OF THE TERMS "GRANT" AND/OR "CONVEY" IN NO WAY IMPLIES THAT THIS LEASE OR THE LEASED PREMISES ARE FREE OF LIENS, ENCUMBRANCES AND/OR PRIOR RIGHTS. LESSEE IS HEREBY PUT ON NOTICE THAT ANY PRIOR GRANT AND/OR ENCUMBRANCES MAY BE OF RECORD AND LESSEE IS ADVISED TO EXAMINE ALL RECORDS OF THE STATE AND COUNTY IN WHICH THE LEASED PREMISES ARE LOCATED. THE PROVISIONS OF THIS SECTION SHALL SURVIVE THE EXPIRATION OR EARLIER TERMINATION OF THIS LEASE.

ARTICLE III. TERM

3.01. This Coastal Surface Lease No. SL20160029 is for a term of three (3) years, commencing on May 1, 2016 and terminating on April 30, 2019, unless earlier terminated as provided herein. The State reserves the right to review, amend, cancel or otherwise modify this agreement at any time during its term upon 30-day written notice to Lessee as prescribed in 3.01. Renewal of this agreement is at the sole discretion of the State, and no right to renew is implied or provided for herein.

ARTICLE IV. CONSIDERATION

- 4.01. A. As consideration ("Consideration") for the granting of this Lease, Lessee shall pay rent ("Rent") to the State (payable to the Commissioner of the General Land Office at Austin, Texas) the sum of Nine Hundred Ninety-two And 50/100 Dollars (\$992.50).
- B. Consideration for this Lease shall be payable in one (1) payment, in advance, of Nine Hundred Ninety-two And 50/100 Dollars (\$992.50). The payment shall be made upon the execution hereof.
- C. Past due Rent and other past due payments shall bear interest from maturity at the rate of ten percent (10%) per annum from the date when due until actually paid, as provided in Section 51.301, TEX. NAT. RES. CODE ANN. Failure of Lessee to make a payment on or before the date the same becomes due shall, at the State's option, make all payments due and payable immediately.

ARTICLE V. USE OF THE PREMISES

- 5.01. The Leased Premises may be used by Lessee solely for a borrow area totaling 7.94 acres, and for no other purpose. Lessee is specifically prohibited from modifying the premises in any manner not authorized herein, and from using, or allowing the use by others, of the Leased Premises for any other purpose.
- 5.02. Lessee shall not use, or permit the use of, the Leased Premises for any illegal purpose. Lessee will comply with, and will cause its officers, employees, agents and invitee to comply with, all applicable federal, State and local laws, ordinances and rules concerning the use of the Leased Premises.
- 5.03. The State reserves the exclusive right to grant easements, rights-of way and/or other grants of interest authorizing use of the Leased Premises, provided such use does not unreasonably interfere with Lessee's use thereof.
- 5.04. Lessee shall not grant other rights in or to the Leased Premises to any other person or entity, and any attempt to do so shall be void and of no effect and shall constitute a default by Lessee hereunder.
- 5.05. State reserves the right to enter upon the Leased Premises at any time with or without prior notice to Lessee to inspect the condition thereof and/or take action authorized by this Lease.
- 5.06. The Leased Premises are subject to prospecting, production and development of oil, gas and other minerals and other materials of commercial value by the State, its lessees, permittee, licensees or other agents, assigns or representatives. Lessee shall not interfere with such use of the Leased Premises and shall allow any lessee, permit holder, licensee or other agent, assignee or representative of the State and/or the School Land Board the right of ingress and egress over, across and through, and the use of, the Leased Premises for any and all purposes authorized by State.
- 5.07. Lessee may not charge State's authorized lessees, permit holders, licensees or other agents, assigns or representatives surface damages, or any other fee, for use of the Leased Premises; provided, however, the foregoing shall not limit the liability of any person or entity to Lessee for damages caused to property owned by Lessee.
- 5.08. Lessee's use of the Premises is subject to and contingent upon compliance with the following covenants, obligations and conditions (the "Special Conditions")
 - General Land Office approval of all borrow area locations on state-owned land must be obtained
 prior to initiation of the work. The borrow (harvest) area shall be designated and marked by
 Lessee by means of comer stakes utilizing "PVC" or similar materials for identification
 purposes. A map delineating the borrow site shall be supplied to the field office prior to
 harvesting.
 - 2. Lessee shall provide written notice to the GLO Corpus Christi Field Office of plans to harvest transplant material at least two (2) weeks prior to commencement of the harvest. A second notice, also to the field office, confirming completion of the transplant process shall be submitted no more than two (2) weeks after completion of the transplanting effort. This second

notice shall include photographic documentation of pre- and post-transplant conditions at both sites.

ARTICLE VI. ASSIGNMENTS

6.01. Lessee shall not assign the Premises or the rights granted herein, in whole or part, to any third party for any purpose without the prior written consent of the State, which may be granted or denied in the State's sole discretion. Any unauthorized assignment shall be void and of no effect and such assignment shall not relieve Lessee of any liability for any obligation, covenant, or condition of this Agreement. This provision, and the prohibition against assignment contained herein, shall survive expiration or earlier termination of this agreement. For purposes of this agreement, an assignment is any transfer, including by operation of law, to another of all or part of the property, interest or rights herein granted.

ARTICLE VII. PROTECTION OF NATURAL AND HISTORICAL RESOURCES

- 7.01. Lessee shall take no action on the premises which results in the discharge of any solid or liquid material. Lessee shall use the highest degree of care and all appropriate safeguards to: (i) prevent pollution of air, ground, and water in and around the Premises, and (ii) to protect and preserve natural resources and wildlife habitat. Lessee shall comply with all applicable rules and regulations of the General Land Office and other governmental agencies responsible for the protection and preservation of public lands and waters. In the event of pollution or an incident that may result in pollution of the Premises or adjacent property which is the result of Lessee's (or Lessee's employees, contractors, invitees and agents) acts or omissions, Lessee shall immediately notify the State, use all means reasonably available to recapture any pollutants which have escaped or may escape, and mitigate for any and all natural resources damages caused thereby.
- 7.02. LESSEE IS EXPRESSLY PLACED ON NOTICE OF THE NATIONAL HISTORICAL PRESERVATION ACT OF 1966, (PB-89-66, 80 STATUTE 915; §470) AND THE ANTIQUITIES CODE OF TEXAS, CHAPTER 191, TEX. NAT. RES. CODE ANN. IN THE EVENT THAT ANY SITE, OBJECT, LOCATION, ARTIFACT OR OTHER FEATURE OF ARCHEOLOGICAL, SCIENTIFIC, EDUCATIONAL, CULTURAL OR HISTORIC INTEREST IS ENCOUNTERED DURING ANY ACTIVITY ON THE PREMISES, LESSEE WILL IMMEDIATELY CEASE SUCH ACTIVITIES AND WILL IMMEDIATELY NOTIFY STATE AND THE TEXAS HISTORICAL COMMISSION, P.O. BOX 12276, AUSTIN, TEXAS 78711, SO THAT ADEQUATE MEASURES MAY BE UNDERTAKEN TO PROTECT OR RECOVER SUCH DISCOVERIES OR FINDINGS, AS APPROPRIATE.

ARTICLE VIII. INDEMNITY

8.01. LESSEE SHALL BE FULLY LIABLE AND RESPONSIBLE FOR ANY DAMAGE, OF ANY NATURE, ARISING OR RESULTING FROM ITS OWN ACTS OR OMISSIONS RELATED TO ITS EXERCISE OF THE RIGHTS GRANTED HEREIN. LESSEE AGREES TO AND SHALL INDEMNIFY AND HOLD THE STATE, THE STATE'S OFFICERS, AGENTS, AND EMPLOYEES, HARMLESS FROM AND AGAINST CLAIMS, SUIT, COSTS, LIABILITY OR DAMAGES OF ANY KIND, INCLUDING STRICT LIABILITY CLAIMS, WITHOUT LIMIT AND WITHOUT REGARD TO CAUSE OF THE DAMAGES OR THE NEGLIGENCE OF ANY PARTY, EXCEPT FOR THE CONSEQUENCES OF THE NEGLIGENT ACTS OR WILLFUL MISCONDUCT OF THE STATE, THE STATE'S OFFICERS, AGENTS, EMPLOYEES, OR INVITEES, ARISING DIRECTLY OR INDIRECTLY FROM LESSEE'S USE OF THE PREMISES (OR ANY ADJACENT OR CONTIGUOUS PSF LAND) OR FROM ANY BREACH BY LESSEE OF THE TERMS, COVENANTS OR CONDITIONS CONTAINED HEREIN. THE PROVISIONS OF THIS SECTION SHALL SURVIVE EXPIRATION OR EARLIER TERMINATION OF THIS AGREEMENT.

ARTICLE IX. DEFAULT, TERMINATION AND EXPIRATION

9.01. If, following 30 days prior written notice from the State specifying a default or breach, Lessee fails to pay any money due hereunder or is in breach of any term or condition of this Agreement, the State shall have the right, at its option and its sole discretion, to terminate this Agreement and all rights inuring to Lessee herein by sending written notice of such termination to Lessee in accordance with ARTICLE XI of this Agreement. Upon sending of such written

notice, this Agreement shall automatically terminate and all rights granted herein to Lessee shall revert to the State. Such termination shall not prejudice the rights of the State to collect any money due or to seek recovery on any claim arising hereunder.

- 9.02. If Lessee fails to remove its personal property from the Leased Premises within the time specified in Section 9.01 above, or if Lessee fails to remove improvements placed or constructed on the Leased Premises by or behalf of Lessee pursuant to a notice by the State to do so pursuant to Section 9.01. above, then State may, at its sole option, remove and dispose of such property (with no obligation to sell or otherwise maintain such property in accordance with the Uniform Commercial Code), at Lessee's sole cost and expense, or the State may elect to own such property by filing a notice of such election pursuant to Section 51.302, et seq., TEXAS NATURAL RESOURCES CODE ANNOTATED. If the State elects to remove Lessee's property and dispose of it pursuant to this section, then in such an event Lessee shall be obligated to reimburse the State for the reasonable costs of such removal and disposal within ten (10) days of State's demand for reimbursement. THE TERMS OF THIS SECTION SHALL SURVIVE EXPIRATION OR EARLIER TERMINATION OF THIS LEASE.
- 9.03. In addition to the above, Lessee shall pay and discharge any and all taxes, general and special assessments, and other charges which during the term of this Agreement may be levied on or assessed against the Premises or the Improvements constructed thereon, provided such taxes result from Lessee's use of this easement. Lessee shall pay such taxes, charges, and assessments not less than five (5) days prior to the date of delinquency thereof directly to the authority or official charged with the collection thereof. Lessee shall have the right in good faith at its sole cost and expense to contest any such taxes, charges, and assessments, and shall be obligated to pay the contested amount only if and when finally determined to be owed.
- 9.04. LESSEE AGREES TO AND SHALL PROTECT AND HOLD THE STATE HARMLESS FROM LIABILITY FOR ANY AND ALL SUCH TAXES, CHARGES, AND ASSESSMENTS, TOGETHER WITH ANY PENALTIES AND INTEREST THEREON, AND FROM ANY SALE OR OTHER PROCEEDING TO ENFORCE PAYMENT THEREOF.

ARTICLE X. HOLDOVER

- 10.01. If Lessee holds over and continues in possession of the Premises after expiration or earlier termination of this Agreement, Lessee will be deemed to be occupying the Premises on the basis of a month-to-month tenancy subject to all of the terms and conditions of this Agreement, except that as liquidated damages by reason of such holding over, the amounts payable by Lessee under this Agreement shall be increased such that the Consideration payable under Section 4.01 of this Agreement and any other sums payable hereunder shall be two hundred percent (200%) of the amount payable to the State by Lessee for the applicable period immediately preceding the first day of the holdover period. Lessee acknowledges that in the event it holds over, the State's actual damages will be difficult, if not impossible, to ascertain, and the liquidated damages herein agreed to be paid are reasonable in amount and are payable in lieu of actual damages and are not a penalty. Lessee further acknowledges that acceptance of hold over Consideration does not imply State consent to hold over.
- 10.02. The tenancy from month-to-month described in Section 10.01 of this Agreement may be terminated by either party upon thirty (30) days written notice to the other.
- 10.03. The Consideration due after notice of termination has been given is to be calculated according to Section 10.01 hereinabove on a pro rata basis. If upon notice of termination by the State, Lessee pays Consideration in excess of the amount due and payable and the State accepts such payment, the acceptance of such payment will not operate as a waiver by the State of the notice of termination unless such waiver is in writing and signed by the State. Any such excess amounts paid by Lessee and accepted by the State shall be promptly refunded by the State after deducting therefrom any amounts owed to the State.

ARTICLE XI. NOTICE

- 11.01. Any notice which may or shall be given under the terms of this Agreement shall be in writing and shall be either delivered by hand, by facsimile, or sent by United States first class mail, adequate postage prepaid, if for the State to the Director of Asset Enhancement, addressed to 1700 North Congress Avenue, Austin, Texas 78701-1495, FAX: (512) 463-5304, and if for Lessee, to Cameron County Regional Mobility Authority, 3461 Carmen Ave., Rancho Viejo, TX 78575. Any party's address may be changed from time to time by such party by giving notice as provided above, except that the Premises may not be used by Lessee as the sole notice address. No change of address of either party shall be binding on the other party until notice of such change of address is given as herein provided.
- 11.02. For purposes of the calculation of various time periods referred to in this Agreement, notice delivered by hand shall be deemed received when delivered to the place for giving notice to a party referred to above. Notice mailed in the manner provided above shall be deemed completed upon the earlier to occur of (i) actual receipt as indicated on the signed return receipt, or (ii) three (3) days after posting as herein provided.

ARTICLE XII. INFORMATIONAL REQUIREMENTS

- 12.01. A. Lessee shall provide written notice to the State of any change in Lessee's name, address, corporate structure, legal status or any other information relevant to this Agreement.
- B. Lessee shall provide to the State any other information reasonably requested by the State in writing within fifteen (15) days following such request or such other time period approved by the State (such approval not to be unreasonable withheld).

ARTICLE XIII. MISCELLANEOUS PROVISIONS

- 13.01. With respect to terminology in this Agreement, each number (singular or plural) shall include all numbers, and each gender (male, female or neuter) shall include all genders. If any provision of this Agreement shall ever be held to be invalid or unenforceable, such invalidity or unenforceability shall not affect any other provisions of the Agreement, but such other provisions shall continue in full force and effect.
- 13.02. The titles of the Articles in this Agreement shall have no effect and shall neither limit nor amplify the provisions of the Agreement itself. This Agreement shall be binding upon and shall accrue to the benefit of the State, its successors and assigns, Lessee, Lessee's successors and assigns (or heirs, executors, administrators and assigns, as the case may be); however, this clause does not constitute a consent by the State to any assignment by Lessee, but instead refers only to those instances in which an assignment is hereafter made in strict compliance with Article VI above, or in the case of a deceased natural person Lessee, refers to the instances previously referred to in this sentence and also circumstances in which title to Lessee's interest under this Agreement passes, after the demise of Lessee, pursuant to Lessee's will or the laws of intestate succession. The words "hereof," "herein," "hereunder," "hereinafter" and the like refer to this entire instrument, not just to the specific article, section or paragraph in which such words appear.
- 13.03. Neither acceptance of Consideration (or any portion thereof) or any other sums payable by Lessee hereunder (or any portion thereof) to the State nor failure by the State to complain of any action, non-action or default of Lessee shall constitute a waiver as to any breach of any covenant or condition of Lessee contained herein nor a waiver of any of the State's rights hereunder. Waiver by the State of any right for any default of Lessee shall not constitute a waiver of any right for either a prior or subsequent default of the same obligation or for any prior or subsequent default of any other obligation. No right or remedy of the State hereunder or covenant, duty or obligation of Lessee hereunder shall be deemed waived by the State unless such waiver be in writing, signed by a duly authorized representative of the State.
- 13.04. No provision of this Agreement shall be construed in such a way as to constitute the State and Lessee joint ventures or co-partners or to make Lessee the agent of the State or make the State liable for the debts of Lessee.
- 13.05. In all instances where Lessee is required hereunder to pay any sum or do any act at a particular indicated time or within an indicated period, it is understood that time is of the essence.

- 13.06. Under no circumstances whatsoever shall the State ever be liable hereunder for consequential damages or special damages. The terms of this Agreement shall only be binding on the State during the period of its ownership of the Premises, and in the event of the transfer of such ownership interest, the State shall thereupon be released and discharged from all covenants and obligations thereafter accruing, but such covenants and obligations shall be binding during the Agreement term upon each new owner for the duration of such owner's ownership.
- 13.07. All monetary obligations of the State and Lessee (including, without limitation, any monetary obligation for damages for any breach of the respective covenants, duties or obligations of either party hereunder) are performable exclusively in Austin, Travis County, Texas.
- 13.08. The obligation of Lessee to pay all Consideration and other sums hereunder provided to be paid by Lessee and the obligation of Lessee to perform Lessee's other covenants and duties under this Agreement constitute independent, unconditional obligations to be performed at all times provided for hereunder, save and except only when an abatement thereof or reduction therein is expressly provided for in this Agreement and not otherwise. Lessee waives and relinquishes all rights which Lessee might have to claim any nature of lien against, or withhold or deduct from or offset against, any Consideration or other sums provided hereunder to be paid to the State by Lessee. Lessee waives and relinquishes any right to assert, either as a claim or as a defense, that the State is bound to perform or is liable for the nonperformance of any implied covenant or implied duty of the Grantor not expressly set forth in this Agreement.
- 13.09. In the event any provision of this Lease is more restrictive than any administrative rule promulgated by the General Land Office and/or the School Land Board, this Lease shall control.

ARTICLE XIV ENTIRE AGREEMENT

14.01. This Lease, including any exhibits to the same, constitutes the entire agreement between the State and Lessee; no prior written or prior oral contemporaneous oral promises or representations shall be binding. The submission of this Lease for examination by Lessee or the State and/or execution thereof by the Lessee or the State does not constitute a reservation of or option for the Leased Premises and this Lease shall become effective only upon execution of all parties hereto and deliver of a fully executed counterpart thereof by the State to the Lessee. This Lease shall not be amended, changed or extended except by written instrument signed by both parties thereto.

IN TESTIMONY WHEREOF, witness	s my hand an	d the Seal of Office.	
LESSOR:			
THE STATE OF TEXAS			
Ву:			
GEORGE P. BUSH Commissioner, General Land	Office		
Commissioner, General Land	Office		
Date:			
APPROVED:			
Contents:			
Legal: Director:			
Executive:			
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(Printed Name & Title)	
Date:	
	ACKNOWLEDGMENT
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4-E CONSIDERATION AND APPROVAL OF AN AGREEMENT WITH TOLLPLUS, INC. FOR BACK OFFICE OPERATIONS

CAMERON COUNTY REGIONAL MOBILITY AUTHORITY

AGREEMENT FOR

BACK OFFICE SYSTEM IMPLEMENTATION

AND MAINTENANCE

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THIS BACK OFFICE SYSTEM IMPLEMENTATION AND MAINTENANCE AGREEMENT (the "Agreement") is made as of the ____ day of ______, 2016 (the "Effective Date"), by and between the Cameron County Regional Mobility Authority, a political subdivision of the State of Texas, operating within Cameron County, Texas ("CCRMA"), and TollPlus Inc., an Arizona Corporation with registered office at 1801 W Queen Creek Rd, Suite # 3, Chandler AZ 85248 (the "Contractor").

WHEREAS, the CCRMA issued a Request for Proposals (the "RFP") dated August 31, 2015, which contains requirements for the design, procurement, installation, testing, and maintenance of a Back Office System (as defined below) for toll projects operated by the CCRMA (collectively, the "Project"); and

WHEREAS, four responses were received and evaluated based on the criteria set forth in the RFP; and

WHEREAS, the CCRMA Board of Directors has determined that the proposal submitted by the Contractor and dated November 9, 2015 (the "Proposal") best satisfies the objectives set forth in the RFP and offers the best value to the CCRMA; and

WHEREAS, the Contractor understands and acknowledges that the Project consists of a complete and back office system for the toll projects operated by the CCRMA (collectively the "Back Office System"); and

WHEREAS, the CCRMA desires to purchase back office system services from the Contractor and the Contractor desires to customize, test, install, and maintain the Back Office System for the toll projects operated by the CCRMA;

NOW, THEREFORE, for and in consideration of the mutual covenants and conditions herein contained, and other good and valuable consideration the receipt and sufficiency of which are hereby acknowledged, the CCRMA and the Contractor hereby agree as follows:

ARTICLE 1 GENERAL

- 1.1 <u>AGREEMENT TO PURCHASE</u>. The Contractor shall customize, install, test, and maintain the Back Office System for CCRMA, and the CCRMA shall purchase from the Contractor, the Back Office System services pursuant to the terms and conditions of this Agreement.
- 1.2 <u>TERM OF AGREEMENT</u>. Unless otherwise terminated pursuant to <u>Section 5.5</u>, the initial term of this Agreement shall commence on the Effective Date hereof, ending on the date occurring five (5) years from the date NTP 2 is issued, as described in <u>Attachment B Scope Of Services</u>. At the sole discretion of the CCRMA, this Agreement may be renewed for up to two (2) additional three (3) year periods, upon the same terms and conditions stated in the Agreement Documents. Any adjustments to the prices listed in <u>Attachment D Price Schedule</u> for the renewal period shall be adjusted pursuant to <u>Section 3.7</u>.
- 1.3 AGREEMENT DOCUMENTS. This Agreement includes the documents attached to the RFP, and all amendments added hereto as Exhibits, all of which are incorporated herein by reference and are made a part hereof (together such documents are sometimes referred to herein as the "Agreement Documents"). For the avoidance of doubt, the term "Agreement" as used in this document shall include this Back Office System Implementation and Maintenance Agreement, Attachments A through J, and all amendments added hereto and thereto as Exhibits.

- 1.4 <u>PRIORITY</u>. In the event of a conflict, the order of prevailing precedence ((a)-highest order to (e)-lowest order of precedence) shall be as follows:
- (a) Any amendments to the Agreement Documents, which amendments are attached as Exhibits to the Agreement.
 - (b) The Agreement Documents.
 - (c) Documents as approved by the CCRMA.
 - (d) System Detailed Design Document
- (e) The Contractor's Proposal, to the extent it meets or exceeds the requirements of the Agreement Documents. In other words, if the Proposal can reasonably be interpreted as providing higher quality materials or services than those required by the Agreement Documents or otherwise contains offers, statements or terms more advantageous to the CCRMA, Contractor's obligations under the Agreement Documents shall include compliance with all such statements, offers and terms contained in the Proposal.

Notwithstanding the order of precedence set forth above, in the event of a conflict within documents of the same priority, the CCRMA shall have the right, in its sole discretion, to determine which provision applies, unless a provision expressly states that it shall control.

- 1.5 <u>AMENDMENTS TO AGREEMENT DOCUMENTS</u>. Any changes and/or additions made to the Agreement Documents as a result of negotiations with the CCRMA shall be included as part of this Agreement and attached hereto as an Exhibit. No such changes shall be effective unless in writing and signed by both parties.
- 1.6 <u>AGREEMENT CHANGES IN GENERAL</u>. Changes in the Agreement Documents or the work required thereunder may be accomplished after execution of the Agreement, and without invalidating the Agreement, by Change Order or Change Directive, subject to the limitations stated in the Agreement Documents.

ARTICLE 2 BACK OFFICE SYSTEM CUSTOMIZATION AND IMPLEMENTATION

- 2.1 <u>COMMENCEMENT OF WORK</u>. The Contractor shall proceed with Phase 1 Implementation, which consists generally of the products and services required for integration of the Back Office System as further described in <u>Attachment B Scope Of Services</u>, upon the issuance of Notice to Proceed 1 ("NTP 1") by the CCRMA.
- 2.2 <u>INVOICING AND PAYMENT</u>. The Contractor has submitted a price proposal, set forth in <u>Attachment D Price Schedule</u>. The following process shall apply to invoicing and payment:
 - (a) Milestone Payments:
- (1) CCRMA's payment of the Milestone Payments shall be made based upon the Milestone Payment structure set forth in <u>Attachment E Milestone Schedule</u> hereto. Within fifteen (15) business days after the CCRMA's receipt of a complete Milestone Draw Request pursuant to <u>section</u>

2.2(b) below, the CCRMA will review the Milestone Draw Request and shall notify the Contractor of the amount approved for payment and the reason for disapproval of any remaining invoiced amounts or of any other information set forth in the Milestone Draw Request. Within sixty (60) days after the CCRMA's approval of a Milestone Draw Request, the CCRMA shall pay Contractor the amount approved for payment in respect of such request.

(2) Interest on undisputed invoices unpaid after sixty (60) days of CCRMA's approval will be assessed at 1.5% compounded monthly.

(b) Delivery of Milestone Draw Request

(1) Contractor may submit a Milestone Draw Request for Milestone Payments not more frequently than monthly. To request a Milestone Payment, Contractor shall deliver to the CCRMA one hard original copy and one electronic copy of a Milestone Draw Request meeting all requirements specified herein except as otherwise approved in writing by the CCRMA. Each Milestone Draw Request shall be executed by a designated and authorized representative of Contractor appointed by Contractor to have such authority in accordance with this Agreement. Contractor acknowledges that the CCRMA may obtain funding for portions of Phase 1 Implementation from the federal government, local agencies and other third parties, and Contractor agrees to segregate Milestone Draw Requests for Phase 1 Implementation in a format reasonably requested by the CCRMA and with detail and information as reasonably requested by the CCRMA. A separate Milestone Draw Request shall be required for each Milestone. Each Milestone Draw Request shall be organized to account for applicable reimbursement requirements, including an allocation for any reimbursements with respect to applicable insurance and/or bonds, and to facilitate the reimbursement process.

(c) Contents of Milestone Draw Request

- (1) Each Milestone Draw Request shall contain the following items:
 - (a) Milestone Draw Request cover sheet;
- (b) Description of the status of all completed Milestones, as of the date of the Milestone Draw Request;
- (c) Payments which are then due in accordance with the Milestone Payment structure, as of the date of the Milestone Draw Request;
- (d) A monthly progress report(s) for the applicable Milestone as of the date of the Milestone Draw Request;
- (e) Certification by the Contractor that all requirements which are the subject of the Milestone Draw Request fully comply with the requirements of the Agreement Documents subject to any exceptions identified in the certification;
- (f) Milestone Draw Request data sheet(s) and supporting documents, as required by the CCRMA to support and substantiate the amount requested, including prior written approval of the CCRMA for Milestone Deliverables for each Milestone Payment included in the Milestone Draw Request, if any;
- (g) An approved and updated Project Schedule for the applicable Milestone; and

- (h) Such other items as the CCRMA reasonably requests.
- (2) In addition, no Milestone Draw Request shall be considered complete unless it: (1) describes in detail the status of completion as it relates to the Project Schedule for the applicable Milestone; (2) sets forth in detail the related payments which are then due in accordance with the Project Schedule for the applicable Milestone, as of the end of most recent prior Milestone Draw Request, including detailed itemization for any payments with respect to applicable insurance and/or bonds; (3) in the case of amounts to be paid on a unit price basis, includes invoices, receipts or other evidence establishing the number of units delivered; (4) in the case of amounts invoiced on a time and materials basis, includes all supporting documentation described in the Agreement Documents; and (5) sets forth in detail the amounts paid to Subcontractors (including suppliers and sub-subcontractors) from the payments made by the CCRMA to the Contractor with respect to the most recent prior Milestone Draw Request, including executed unconditional waivers of claims with respect to all amounts so paid.
 - (d) Milestone Draw Request Cover Sheet Contents
 - (I) The Milestone Draw Request cover sheet shall include the following:
 - (a) Milestone number and title;
 - (b) Request number (numbered consecutively starting with "1");
- (c) Total amount earned to date for the applicable Milestone, as well as for the overall Project; and
 - (d) Authorized signature, title of signer, and date of signature.
 - (e) Partial Payments.
- (1) In the event all requirements for a particular Milestone are not achieved by the applicable Guaranteed Date set forth in Attachment E Milestone Schedule, the Contractor may submit an invoice for payment to the CCRMA, showing the approximate quantities of work done and all permanent materials and equipment furnished but not incorporated in the work, up to the date of such certificate, and the value of such materials and equipment as security for the fulfillment of this Agreement by the Contractor until the completion of the particular Milestone. At the sole discretion of the CCRMA, the CCRMA may pay all or a portion of such invoice within sixty (60) days to the Contractor while carrying on the work.
 - (f) Releases.
- (1) Appropriate final release forms and other required documentation shall be completed by the Contractor and approved by the CCRMA. The acceptance by the Contractor of payment of the final Milestone Payment shall operate as and be a release to the CCRMA and its agents from all claims of or liability to the Contractor for anything done or furnished or omitted to be done or furnished for or relating to Phase 1 Implementation, or any act or neglect of the CCRMA to the Contractor or any Corporation or person arising from Phase 1 Implementation.

2.3 PHASE 1 IMPLEMENTATION LIQUIDATED DAMAGES.

- (a) It is important that the Back Office System be delivered, installed and placed into operation on the Project within the Guaranteed Date set forth for Milestone No. 7 Successful Completion of SIT and System Commissioning, as shown in Attachment E Milestone Schedule.
- (b) Failure to meet a Guaranteed Date for Milestone No. 7 Successful Completion of SIT and System Commissioning shall result in liquidated damages being assessed by the CCRMA at a rate of \$3,600 per calendar day, unless specific time extensions have been requested by the Contractor and approved by CCRMA, at its sole discretion. CCRMA reserves the right to deduct the amount of liquidated damages from any funds due the Contractor. If retained funds or other funds due the Contractor are not sufficient to cover the liquidated damages, the Contractor or Surety shall promptly pay the amount due. The Contractor's maximum liability under this Section 2.3(b) over the term of this Agreement shall be capped at 25% of the total amount set forth in Attachment D Price Schedule.
- (c) Nothing contained in this section shall be construed as limiting the rights of CCRMA to additionally recover from the Contractor any or all payments which become due to CCRMA for other reasons such as improper performance, failure to perform or breach of contract in any other respect of the entire Project, including, but not limited to, defective workmanship, equipment or materials.

ARTICLE 3 BACK OFFICE SYSTEM MAINTENANCE SERVICES

- 3.1 <u>COMMENCEMENT OF WORK</u>. The Contractor shall proceed with Phase 2 Maintenance, which consists generally of the products and services required for maintenance of the Back Office System as further described in <u>Attachment B Scope of Services</u>, upon the issuance of Notice to Proceed 2 ("NTP 2") by the CCRMA.
- 3.2 <u>FEES AND CHARGES</u>. The CCRMA shall pay a monthly fee (the "Monthly Fee") for Phase 2 Maintenance to be performed as set forth in <u>Attachment D Price Schedule</u>. The Monthly Fee shall not be increased or decreased during the five (5) year term following issuance of NTP 2 except for adjustment as a result of damages assessed or Change Orders.

3.3 PAYMENT TERMS.

- (a) Within ten (10) days of the last day of each month, Contractor shall deliver to the CCRMA one copy of a Maintenance Price Draw Request for the Monthly Fee meeting all requirements specified herein except as otherwise approved in writing by the CCRMA. Each Maintenance Price Draw Request shall be executed by a designated and authorized representative of Contractor appointed by Contractor to have such authority in accordance with this Agreement. Contractor acknowledges that the CCRMA may obtain funding for portions of Phase 2 Maintenance from the federal government, local agencies and other third parties, and Contractor agrees to segregate Maintenance Price Draw Requests for all such work in a format reasonably requested by the CCRMA and with detail and information as reasonably requested by the CCRMA.
 - (b) Each Maintenance Price Draw Request must contain the following items:
 - (1) Maintenance Price Draw Request cover sheet;
 - (2) Monthly Maintenance Report;

- (3) Certifications in form acceptable to the CCRMA that Phase 2 Maintenance conforms to the Agreement Documents;
- (4) Maintenance Price Draw Request data sheet(s), documents and summary that support and substantiate the Performance Measures have been met, including prior written approval of the CCRMA confirming the Performance Measures have been met; and
 - (5) Submitted and approved changes to the Phase 2 Maintenance if applicable.
- (c) Within fifteen (15) business days after the CCRMA's receipt of a complete Maintenance Price Draw Request, the CCRMA will review the Maintenance Price Draw Request, as applicable, and all attachments and certificates thereto for conformity with the requirements of the Agreement Documents, and shall notify Contractor of the amount approved for payment and the reason for disapproval of any remaining invoiced amounts or of any other information set forth in the Maintenance Price Draw Request. Within sixty (60) days after the CCRMA's approval of a Maintenance Price Draw Request, the CCRMA shall pay Contractor the amount approved for payment in respect of such request.
- (d) Interest on invoices unpaid after sixty (60) days will be assessed at 1.5% compounded monthly.
- (e) In the event the CCRMA, in good faith, disputes any invoiced amount, the CCRMA shall have the right to withhold or deduct payment of such disputed amount without incurring any interest provided that the CCRMA has provided the Contractor with written notice of the amount in dispute and the reason therefore. No greater than thirty (30) days after Contractor's receipt of written notice of the amount and reason for withholding or deducting payment, the parties will work together in good faith to settle the invoice dispute. If the parties cannot agree on such dispute, such dispute will be handled in accordance with Section 5.8.
- (f) In the event the performance of Phase 2 Maintenance is not in conformity with the requirements specified in the Agreement Documents, the Monthly Fee due for the subsequent month in which the event occurred will be withheld without incurring any interest charges until such time as the Contractor corrects or otherwise rectifies the nonconformity. The CCRMA reserves the right to withhold all or a portion of such Monthly Fee, depending on the severity of the problem. The CCRMA shall give notice and a full description of the problem to the Contractor prior to withholding the payment. If the Contractor does not agree with the CCRMA's decision to withhold such payments, such dispute will be handled in accordance with Section 5.8.

3.4 PHASE 2 MAINTENANCE LIQUIDATED DAMAGES.

- (a) Notwithstanding anything to the contrary in this Article 3, if any Performance Measure or described in Attachment C Performance Requirements fails to be met, then the Contractor shall be liable to the CCRMA for liquidated damages. The maximum amount of liquidated damages the CCRMA may collect for its economic loss for each separate Performance Measure failure shall be equal to the then payable Monthly Fee. The Contractor's maximum liability under this Section 3.4(a) over the term of this Agreement shall be capped at 25% of the average Monthly Fee payable multiplied by sixty (60).
- (b) The parties acknowledge and agree that damages for such negligence on the part of the Contractor will be difficult to determine and that the maximum amount of liquidated damages payable to the CCRMA under this Section 3.4 have been agreed to by the parties as a reasonable estimate of the CCRMA's economic loss. The liquidated damages payable to the CCRMA under this Section 3.4 shall

not be included in the calculation of determining the amount of damages applicable against the Cap (as defined in <u>Section 3.6(a)</u> below).

3.5 CONTRACTOR REPRESENTATIONS AND WARRANTIES.

- (a) Contractor warrants that the work performed on Phase 2 Maintenance shall be performed with that degree of skill and judgment normally exercised by recognized professional firms performing services of a similar nature. For any breach by the Contractor of this warranty for which CCRMA gives notice to the Contractor within ninety (90) days of delivery of the non-compliant work, the Contractor shall promptly re-perform any work that is not in compliance with this warranty.
- (b) If the Contractor's performance of work on Phase 2 Maintenance or other actions of the Contractor cause damage to equipment, software and/or any other part or portion of the Project, regardless of whether the performance of the work is in accordance with the warranty provided in <u>Section 3.5(a)</u>, the Contractor shall be liable for either repair or replacement of the equipment, software and/or other part or portion of the Project that was damaged by the performance of work on Phase 2 Maintenance or other actions.
- (c) If the performance of work performed on Phase 2 Maintenance or other actions is the cause of bodily injury, death or damage to property owned by third parties, regardless of whether the performance of the work is in accordance with the warranty provided in Section 3.5(a), the Contractor shall be liable and responsible for all Claims (as defined in Attachment A General Provisions) related to such injuries, deaths and/or damage (excluding the CCRMA's economic damages, which include, but are not limited to, lost profits and lost business opportunity) and the Contractor shall indemnify and hold harmless the CCRMA from and against such Claims.
- (d) In the event the Contractor fails within five (5) days to commence and within thirty (30) days to repair, replace, reprogram, or re-perform its obligations as provided in Section 3.5(a) and/or Section 3.5(b) above with respect to any portion of the CCRMA's property that is subject to Phase 2 Maintenance, or fails to remedy and repair any and all damage as required by Section 3.5(a) and/or Section 3.5(b) above with respect to the same, the CCRMA shall have the right to engage the services of another person or entity to perform such services, repair and/or remedial work, and the Contractor shall promptly reimburse the CCRMA for all costs and expenses incurred by the CCRMA in connection with such other person or entity performing such repair and/or remedial work. If the CCRMA is not promptly reimbursed, the CCRMA shall have the right to setoff any such amounts against any payments due from the CCRMA to the Contractor or any of its affiliates.
- (e) If the work performed on Phase 2 Maintenance by or on behalf of the Contractor under this Agreement causes damage to any of the CCRMA's property that is not subject to Phase 2, the CCRMA shall have the right to engage the services of another person or entity to perform such services, repair and/or remedial work, and the Contractor shall promptly reimburse the CCRMA for all costs and expenses incurred by the CCRMA in connection with such other person or entity performing such repair and/or remedial work. If the CCRMA is not promptly reimbursed, the CCRMA shall have the right to setoff any such amounts against any payments due from the CCRMA to the Contractor or any of its affiliates.
- (f) Contractor represents and warrants that CCRMA's use of the TollPlus Property, as defined in Attachment A General Provisions, as contemplated or otherwise permitted herein does not and will not violate the terms of any open source or other third-party license applicable to or governing the TollPlus Property or any portion or component of thereof. Contractor represents and warrants that none of the TollPlus Property or any portion or component thereof is or are subject to any so-called

"copyleft" or "viral" license such as any version of the GNU General Public License or similar license. Contractor represents and warrants that neither CCRMA's implementation of the TollPlus Property to be provided hereunder, nor CCRMA's use of the TollPlus Property, or any components thereof, as contemplated or otherwise permitted herein will cause any of CCRMA's own software to become subject to the terms of any new or different license, including any open source or third-party license.

(g) The warranties provided for in this Section 3.5 do not apply (i) if the Back Office System is subject to material damage or misuse due to fault or negligence of the CCRMA or third parties that substantially impairs its integrity; (ii) to Force Majeure events, as defined in Attachment A — General Provisions; (iii) to damage caused by power sources or by peripheral equipment not supplied by Contractor; or (iv) to the extent maintenance, modifications or repairs are provided with respect to Phase 2 Maintenance by the CCRMA or third parties without Contractor's approval and such services cause damage or cause Contractor to be unable to perform the services hereunder or to be able to perform the services only at additional costs to Contractor which are not reimbursed by the CCRMA.

3.6 <u>LIMITATION OF LIABILITY</u>.

- (a) Except for the liability set forth in Sections 3.5(b) and (c), or obligations or liabilities relating to or arising from obligations of indemnification, confidentiality, or information security or appropriate treatment of information, above, the Contractor's total liability to the CCRMA and all liabilities arising out of or related to Phase 2 Maintenance provided for in this Agreement and regardless of the legal theory, including breach of contract, warranty, negligence, strict liability, or statutory liability, shall not, in the aggregate, exceed the then average Monthly Fee multiplied by sixty (60) (the "Cap").
- (b) Any claim by the CCRMA against Contractor relating to Phase 2 Maintenance provided for in this Agreement, other than in warranty, must be in writing and presented to Contractor within the applicable statute of limitations period. Any claim under warranty must be made within the time specified in the applicable warranty clause.
- (c) This <u>Section 3.6</u> shall survive termination of this Agreement for any reason. The limitations of liability set forth in this <u>Section 3.6</u> shall control over any other provision of the Agreement Documents unless expressly stated otherwise.

3.7 RENEWAL PERIOD PRICE ADJUSTMENTS.

(a) The prices to be used for establishing pricing for the renewal period described in Section 1.2 shall be based upon the pricing provided in Attachment D - Price Schedule. Prior to issuance of a NTP for the renewal period, Attachment D - Price Schedule shall be adjusted to account for increases or decreases in the costs of labor and materials from the costs as of the Effective Date. These adjustments will be made as specified in this Section 3.7, regardless of the actual variations in cost of labor and materials for such items, and shall be the Contractor's sole and exclusive remedy for cost variations. The Contractor agrees that the economic price adjustments pursuant to this Section 3.7 shall be the sole basis for adjusting Attachment D - Price Schedule for the renewal period to reflect inflation and/or market conditions. The Contractor warrants that the prices contained in Attachment D - Price Schedule do not include any contingency to cover anticipated increased costs of performance due to price inflation following the Effective Date.

- (1) Economic price adjustments shall be based on the following indices:
- (a) Labor amounts shall be adjusted in accordance with the Employment Cost Index (ECI) total compensation private industry all workers, Series ID CIU2010000000001, (not seasonally adjusted) as published by the U.S. Department of Labor, Bureau of Labor Statistics.

ARTICLE 4 CHANGE ORDERS AND CHANGE DIRECTIVES

4.1 AGREEMENT CHANGES.

- (a) A Change Order shall be based upon agreement between the CCRMA and the Contractor. A Change Directive may be issued by the CCRMA and may or may not be agreed to by the Contractor.
- (b) Changes in the work shall be performed under applicable provisions of the Agreement Documents, and the Contractor shall proceed promptly therewith, unless otherwise provided in the Change Order or Change Directive.
- (c) If unit prices are stated in the Agreement Documents or subsequently agreed upon, and if quantities originally contemplated are so changed in a proposed Change Order or Change Directive that application of such unit prices to quantities of work will cause substantial inequity to the CCRMA or Contractor, the applicable unit prices shall be equitably adjusted.
- 4.2 <u>CHANGE ORDERS.</u> A Change Order is a written instrument signed by the CCRMA and the Contractor stating their agreement upon the following (or combination thereof):
 - (a) a change in work, including but not limited to Attachment B Scope of Services;
 - (b) the amount of adjustment in Attachment D Price Schedule, if any;
- (c) the extent of the adjustment in Guaranteed Date(s) in <u>Attachment E Milestone</u> <u>Schedule</u>, if any;
 - (d) to revise other terms and conditions of the Agreement Documents.

Methods used in determining adjustments to <u>Attachment D - Price Schedule</u> and/or <u>Attachment E - Milestone Schedule</u> may include those methods described under Change Directives.

(1) Proposed Change Order Letter:

The CCRMA may at any time issue a Proposed Change Order letter (each, a "PCO Letter") to the Contractor in the event of any desired change in the work. The PCO Letter will state that it is issued under this Article 4, will describe the work in question and will state the basis for a proposed adjustment, if any, in Attachment D - Price Schedule and/or Attachment E - Milestone Schedule, or both. The Contractor shall proceed immediately as directed in the PCO Letter, pending the execution of a formal Change Order.

A PCO Letter signed by the Contractor indicates the agreement of the Contractor therewith, including adjustment in Attachment D-Price Schedule and/or Attachment E-Milestone Schedule or the method for determining them. Such agreement shall be effective immediately and shall be recorded as a Change Order.

4.3 CHANGE DIRECTIVES.

- (a) A PCO Letter which the Contractor does not sign shall be considered a Change Directive. Upon receipt of a Change Directive, the Contractor shall promptly proceed with the change in the work involved and advise the CCRMA in writing of the Contractor's disagreement with the method, if any, provided in the Change Directive for determining the proposed adjustment in <u>Attachment D Price Schedule</u> and/or <u>Attachment E Milestone Schedule</u>.
- (b) If the Change Directive provides for an adjustment to <u>Attachment D Price Schedule</u>, the adjustment shall be based on one of the following methods:
- (1) mutual acceptance of a lump sum properly itemized and supported by sufficient data to permit evaluation;
- (2) unit prices stated in <u>Attachment D Price Schedule</u> or subsequently agreed upon; or
- (3) cost to be determined in a manner agreed upon by the parties and a mutually acceptable fixed fee.
- (c) If the Contractor does not respond promptly (within 3 business days) or disagrees with the method, then the adjustment shall be determined by the CCRMA on the basis of reasonable expenditures and savings of those performing the work attributable to the change. In such case, the Contractor shall keep and present, in such form as the CCRMA may prescribe, an itemized accounting together with appropriate supporting data. Unless otherwise provided in the Agreement Documents, cost shall be limited to the following:

(I) Labor Costs:

The cost of labor for workers used in the actual and direct performance of the Change Directive work, whether provided by the Contractor or a Subcontractor, will equal the sum of the following:

- (d) For construction-related labor, (1) the actual cost for direct labor; plus (2) the actual cost of workers' compensation and liability insurance required under this Agreement, health, welfare and pension benefits and Social Security deductions or 55% of the actual direct labor cost, whichever is less; plus (3) 25% of the total of the amounts set forth in clauses (1) and (2) for profit and overhead.
- (e) For non-construction-related work, (1) the actual wages (i.e. the base wage paid to the employee exclusive of any fringe benefits); plus (2) a labor surcharge in the amount of 200%, which shall constitute full compensation for all profit, overhead and all state and federal payroll, unemployment and other taxes, insurance, fringe benefits and all other payments made to, or on behalf of, the workers, in excess of actual wages.

(I) Material Costs:

Material costs for Change Directive work shall be the actual cost of all materials to be used in the performance of construction work including normal wastage allowance as per industry standards, less salvage value, plus 25% for profit and overhead. The material prices shall be supported by valid quotes from the suppliers. The cost shall include applicable sales taxes, freight and delivery charges and any allowable discounts.

- (2) Equipment Costs for the Contractor-owned machinery, trucks, power tools or other similar equipment that are required for Change Directive work will be allowed based on the following methodology:
- (3) The direct cost of fuel, lubricants, repairs, parts, and depreciation will be considered without any additional compensation percentage for overhead and profit being added; and
- (4) The equipment rental rates shall be those tabulated in the most recent version of the Rental Rate Blue Book (available at www.equipmentwatch.com). The rental rates to be used shall be the published monthly rate divided by 150 to yield an hourly rate, which hourly rate shall be further adjusted by multiplying it by the Rental Rate Blue Book adjustment rate for the year the equipment was manufactured and by the regional factor contained in the Rental Rate Blue Book estimated hourly operating cost rate.

The Contractor shall be considered to own such items if an ownership interest therein is held by the Contractor or any Subcontractor. If the publication of the Rental Rate Blue Book should be discontinued for any reason, the CCRMA may select a different publication from which to make the described calculations.

- (a) Costs for machinery, trucks, power tools or other similar equipment that are required for Change Directive work rented from any commercial enterprises routinely offering equipment and tools for rent or lease to the public will be allowed in an amount equal to the direct rental rate for the equipment plus a 5% markup for overhead and profit.
- (b) The time to be paid for use of equipment on the Project shall be the time the equipment is in operation on the Change Directive work being performed. The time shall include the reasonable time required to move the equipment to the location of the Change Directive work and return it to the original location or to another location requiring no more time than that required to return it to its original location. Moving time will not be paid for if the equipment is also used at the Project other than for Change Directive work. Loading and transporting costs will be allowed, in lieu of moving time, when the equipment is moved by means other than its own power. No payment for loading and transporting will be made if the equipment is also used on the Project other than for Change Directive work. Time will be computed in half and full hours. In computing the time for use of equipment, less than 30 minutes shall be considered one-half hour.

(5) The Subcontracted Work:

To the extent that any Change Directive is intended to compensate the Contractor for the cost of work performed by Subcontractors, the Change Directive shall provide for compensation equal to (1) the actual cost to the Contractor of such work (which shall be charged by the Subcontractor on a time and materials basis in accordance with this <u>Section 4.3</u>, unless otherwise approved in writing by the CCRMA), plus (2) 5% of such cost.

(6) Other Direct Costs:

For any justified change-related direct cost not covered by the categories of costs contained in Sections 4.3(e)(1)-(4), the Contractor shall accept as full payment therefor an amount equal to the actual cost to the Contractor for such direct cost item. Without additional mark-up, back-up documentation supporting each cost item for this category shall be provided by the Contractor and approved by the CCRMA in writing prior to any payment authorization being granted.

(7) Overhead Items:

The mark-ups specified herein constitute full and complete compensation for all overhead, tools or equipment having an individual replacement value of \$1,000 or less, consumables (items which are consumed in the performance of the work which are not a part of the finished product) and other indirect costs of the added or changed work, as well as for profit thereon, including any and all costs and expenses incurred due to any delay in connection with the added or changed work. The Contractor's mark-up percentages shall be considered to include:

- (8) Supervisory expenses of all types, including salary and expenses of executive officers, supervising officers or supervising employees, excluding only direct supervision of force account work:
 - (9) Clerical or stenographic employees;
- (10) Any and all field, jobsite and general home office overhead and operating expenses whatsoever;
- (11) Subsistence and travel expenses for all personnel, other incidental job burdens, and bonuses not otherwise covered;
 - (12) Quality assurance and quality control; and
 - (13) Bond and insurance premiums.

With respect to non-construction related labor costs, overhead is covered by the labor surcharge, and includes accessories such as computer assisted drafting and design (CADD) systems, software and computers, facsimile machines, scanners, plotters, etc.

- (f) Pending final determination of cost to the CCRMA, amounts not in dispute may be included in the applicable Draw Request. The amount of credit to be allowed by the Contractor to the CCRMA for a deletion or change which results in a net decrease to <u>Attachment D Price Schedule</u> shall be actual net cost as confirmed by the CCRMA. When both additions and credits covering related work or substitutions are involved in a change, the allowance for overhead and profit shall be figured on the basis of net increase, if any, with respect to that change.
- (g) If the CCRMA and Contractor do not agree with the adjustment in <u>Attachment D Price Schedule</u> and/or <u>Attachment E Milestone Schedule</u> or the method for determining it, the adjustment or the method shall be resolved in accordance with the procedures set forth in <u>Section 5.8</u>.
- (h) When the Contractor agrees with the determination made by the CCRMA concerning the adjustments in <u>Attachment D Price Schedule</u> and/or <u>Attachment E Milestone Schedule</u>, or the parties otherwise reach agreement upon the adjustments, such agreement shall be effective immediately and shall be recorded by preparation and execution of an appropriate Change Order.
- (i) If the Contractor determines or reasonably anticipates that the work authorized in a Change Order or Change Directive cannot be completed before the specified Guaranteed Date set forth in Attachment E Milestone Schedule, the Contractor must promptly notify CCRMA. The CCRMA may, at its sole discretion, extend the Guaranteed Date in Attachment E Milestone Schedule by execution of a Change Order.

ARTICLE 5 MISCELLANEOUS

- 5.1 GOVERNING LAW - CHOICE OF FORUM. The Agreement shall be governed and construed in accordance with Texas statutes without taking into account conflicts of laws rules. The parties hereto expressly agree that the proper forum for adjudication of matters arising under or relating to the Agreement shall be the courts or tribunals of Cameron County, Texas.
- SECTION HEADINGS. Section headings are included for section identification purposes only and are not to be considered Agreement terms.
- NOTICE PROVISIONS. Notices under the Agreement Documents shall be in writing and (a) delivered personally, (b) sent by certified mail, return receipt requested, (c) sent by a recognized overnight mail or courier service, with delivery receipt requested, or (d) sent by facsimile communication followed by a hard copy and with receipt confirmed by telephone, to those individuals designated by Contractor and the CCRMA from time to time in writing:

TollPlus, Inc.

1801 W. Queen Creek Rd, Suite #3

Chandler, AZ 85248 Attn: Suresh K Kakarla

CEO - ToliPlus, Inc.

Phone: 480-917-2100

Email: skakarla@tollplus.com

Cameron County Regional Mobility

3461 Carmen Ave

Rancho Viejo, TX 78575

Attn: Pete Sepulveda, Jr. Phone: 956.621.5571

Fax: 956.621.5590

Email: psepulveda@ccrma.org

In addition, copies of all notices to proceed and suspension, termination and default notices forwarded by either Party shall be delivered to the following Persons:

> Locke Lord LLP 600 Congress Avenue, Suite 2200

Austin, TX 78701

Attn: C. Brian Cassidy

Phone: (512) 305-4855 Fax: (512) 391-4855

Email: bcassidy@lockelord.com

All communications to the CCRMA shall be clearly marked with the contract number to identify this Agreement.

5.4 <u>ASSIGNMENT BY CCRMA OR CONTRACTOR</u>.

- (a) The Contractor shall cooperate with and assist the CCRMA in connection with any transition of the maintenance of all or any portion of the Project as applicable, to another maintenance provider. This cooperation and assistance shall include, but not be limited to, preparation of a detailed succession plan that shall be sufficient to assist the CCRMA and its new maintenance provider in accomplishing a non-disruptive transition of maintenance services for the Project. The CCRMA shall pay the Contractor for its reasonable costs in connection with the preparation of such succession plan on a time and materials basis as set forth in Section 4.3.
- (b) CCRMA has the right to assign the entire contract to another government or private agency.
- (c) Contractor has the right to assign the contract to another company as part of majority or full asset or company sale.

5.5 <u>TERMINATION</u>.

- (a) Causes. The Agreement may be terminated due to any of the following conditions.
 - (1) By mutual agreement and consent, in writing from both parties.
- (2) By CCRMA by notice in writing to the Contractor as a consequence of failure by the Contractor to perform the work set forth in the Agreement Documents in a satisfactory manner.
- (3) By either party, upon the failure of the other party to fulfill its material obligations as set forth in the Agreement Documents. The parties agree that Contractor's failure to receive payment on any undisputed invoice for a period of sixty (60) days shall be a failure of a party to fulfill its material obligations.
- (4) By CCRMA for reasons of its own, not subject to the mutual consent of the Contractor, by giving thirty (30) days' notice of termination in writing to the Contractor.
- (5) By either party, without consent or advance notice to the other, in the event this Agreement is declared void or unenforceable by a court or tribunal of competent jurisdiction.
 - (6) By satisfactory completion of all services and obligations described herein.

Prior to termination pursuant to 5.5(a)(2) and 5.5(a)(3), above, the party that has failed to perform or fulfill its material obligations shall be afforded ninety (90) days, following receipt of written notice from the other party, to cure the failure.

(b) Measurement. Should CCRMA terminate this Agreement as herein provided, no fees other than fees due and payable at the time of termination shall thereafter be paid to the Contractor. The value of the work performed by the Contractor prior to termination shall be determined in accordance with Section 5.5(d). Compensation for work at termination will be based on a percentage of the work completed at that time. Should CCRMA terminate the Agreement under Section 5.5(a)(4) above, the Contractor shall not incur costs during the thirty (30) day notice period in excess of the amount incurred during the preceding thirty (30) days.

- (c) Value of Completed Work. If the Contractor defaults in the performance of this Agreement or if CCRMA terminates this Agreement for fault on the part of the Contractor, CCRMA will give consideration, in its sole discretion, to the following when calculating the value of the completed work: (1) the actual costs incurred (not to exceed the prices set forth in Attachment D Price Schedule) in performing the work to the date of default; (2) the amount of work required which was satisfactorily completed to date of default; (3) the value of the work which is usable to CCRMA; (4) the cost to CCRMA of employing another firm to complete the required work; (5) the time required to employ another firm to complete the work; and (6) other factors which affect the value to CCRMA of the work performed. If CCRMA terminates the Agreement for reasons of its own, not subject to the mutual consent of the Contractor, in accordance with Section 5.5.(a)(4) above, or CCRMA terminates the Agreement in response to a court decision in accordance with Section 5.6(a)(5) above, then
- (1) with respect to the Phase 1 Implementation, CCRMA will pay to the Contractor the fair and reasonable value of the work completed in accordance with the Agreement up to the termination date. In such event, CCRMA will give consideration, in its sole discretion, to the following when calculating the value of the completed work: (1) the actual cost incurred (not to exceed the prices set forth in Attachment D Price Schedule) by the Contractor in performing the work to the date of termination; (2) the amount of work required which was satisfactorily completed to the date of termination; (3) the value of the work which is useable to CCRMA; and (4) other factors which affect the value to CCRMA of the work performed; and
- (2) with respect to Phase 2 Maintenance, the Contractor shall immediately invoice CCRMA for all accrued and unpaid Monthly Fees (not to exceed the prices set forth in Attachment D Price Schedule), and CCRMA shall pay the invoiced amount pursuant to Section 3.3, provided, however, that (a) CCRMA shall have the right to set-off against such invoiced amount any and all amounts due or that may be due to CCRMA from the Contractor as a result of a breach of the Contractor's obligations or representations and warranties set forth in Article 3.
- (d) Calculation of Payments. CCRMA shall use the Attachment D-Price Schedule in determining the value of work performed on Phase 1 Implementation up to the time of termination. The sum of the overhead percentage rate for payroll additives and for general and administrative overhead costs during the years in which work was performed on Phase 1 Implementation shall be used to calculate partial payments. Any portion of the fixed fee not previously paid in the partial payments shall not be included in the final payment.
- (e) Excusable Delays. Except with respect to defaults of subcontractors, the Contractor shall not be in default by reason of any failure in performance of the Agreement in accordance with its terms (including any failure to progress in the performance of the work) if such failure arises out of causes beyond the control and without the default or negligence of the Contractor and meeting the definition of Force Majeure Events as set forth and qualified in Attachment A General Provisions.
- (f) Materials. In the event of any termination of this Agreement, the CCRMA shall have the right, but no obligation, to purchase existing spares and consumables inventory. In addition, in the event of any termination of this Agreement for any reason, the Contractor shall return all keys to CCRMA and both parities' obligations with respect to Contractor Confidential Information and CCRMA Confidential Information, as each is defined in <u>Attachment A General Provisions</u> shall survive the expiration or earlier termination of this Agreement.
- (g) Surviving Requirements. The termination of this Agreement and payment of an amount in settlement as prescribed above shall extinguish the rights, duties, and obligations of CCRMA and the Contractor under the Agreement Documents, except for those provisions that establish responsibilities

that extend beyond the term of the Agreement or as otherwise provided in any other Agreement Document.

- (h) <u>TRANSITION</u>. In the event of any termination or expiration pursuant to this Agreement, or any order, statement of work, or other agreement or engagement hereunder, CCRMA's rights hereunder or thereunder and ability to use and access the TollPlus Property hereunder or thereunder (including with respect to access to data) shall survive for a period of not less than 90 days to allow CCRMA to transition to its own or a third party's similar offerings or functionalities.
- 5.6 <u>RIGHT TO SETOFF</u>. The CCRMA shall have the right, without being in breach of any of its obligations hereunder to set off any amounts payable by the Contractor to CCRMA under this Agreement against any amounts payable by the CCRMA to the Contractor.
- 5.7 <u>FEDERAL LAW COMPLIANCE</u>. Contractor covenants at all times to perform its duties and obligations hereunder in compliance with all applicable federal laws and regulations necessary for the Project and this Agreement to be eligible for TIFIA funding.
- 5.8 <u>DISPUTES</u>. Any dispute between the parties as to the interpretation of, subject matter of, or in any way related to, any one or more of the Agreement Documents, is to be resolved by the two parties attempting to reach a fair and equitable resolution by using good faith negotiation followed by, if necessary, one or more of the following means. The means to be used are:
 - (a) mediation;
 - (b) arbitration; and/or
 - (c) legal proceedings in a court of competent jurisdiction.
- 5.9 NON-SOLICITATION. Neither party shall, during the period beginning from the start of this agreement until one (1) year after termination of this agreement, directly or indirectly, recruit, solicit, employ, engage as a consultant or otherwise retain any of the other party's employees who are involved in the performance of this agreement. Each party agrees that the other party's remedy at law for a breach of this Section 5.9 shall be inadequate and that the non-breaching party shall be entitled to seek injunctive relief for such breach, without proof of irreparable injury, in addition to any other right or remedy it may have.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

CAMERON COUNTY REGIONAL MOBILITY AUTHORITY

rennemand

Frank Parker, Jr. Chairman

CONTRACTOR:

Bv:

Suresh Kakarla

4-F CONSIDERATION AND APPROVAL AUTHORIZING STAFF TO REINVEST THE CERTIFICATE OF DEPOSITS AT TEXAS REGIONAL BANK



MEMORANDUM

TO: CCRMA Board of Directors

FROM: Adrian Rincones

Chief Financial Officer

DATE: May 9, 2016

SUBJ: "Consideration and Approval Authorizing the re-investment of Certificate of

Deposits with Texas Regional Bank"

In November 2015 the Board granted the approval of investing our 2010 Bond Debt reserves in Certificates of Deposits with Texas Regional Bank. A total of four Certificates were opened with laddered maturity dates. These certificates were opened in the CCRMA name with the Bank of New York Mellon as the managing trustees. Two Certificates will be maturing on June 8, 2016 in which we are recommending the Board authorize myself the RMA investment officer to negotiate and renew the certificates at a preferred interest rate with Texas Regional Bank.

4-G CONSIDERATION AND APPROVAL OF SUPPLEMENTAL WORK AUTHORIZATION NO. 5 TO WORK AUTHORIZATION NO. 2 WITH HNTB FOR THE SPI 2ND ACCESS PROJECT

CAMERON COUNTY REGIONAL MOBILITY AUTHORITY General Engineering Consultant Services

SUPPLEMENTAL WORK AUTHORIZATION NO. 05
TO WORK AUTHORIZATION NO. 02
Phase 3B – Environmental Process Completion

This Supplemental Work Authorization No. 05 to Work Authorization No. 02 is made pursuant to the terms and conditions of the Base Contract, effective November 1, 2014, hereinafter identified as the "Agreement", entered into by and between Cameron County Regional Mobility Authority (the "AUTHORITY") and HNTB Corporation (the "CONSULTANT").

Part 1. The CONSULTANT will provide the following consulting services:

The responsibilities of the AUTHORITY, the CONSULTANT and the schedule are further detailed in Exhibits A, B and C.

- Part 2. The Lump Sum amount for services being performed under this Supplemental Work Authorization No. 05 to Work Authorization No. 02 increases the total lump sum amount payable by \$516,093.83 from \$898,556.17 to \$1,414,650.00. A fee schedule used to establish the amount payable is attached hereto as Exhibit D. The CONSULTANT may alter the compensation distribution between individual phases, tasks or work assignments to be consistent with the services actually rendered, within the total amount.
- Part 3. Payment to the CONSULTANT for the services established under this Supplemental Work Authorization No. 05 to Work Authorization No. 02 shall be made in accordance with the Agreement.
- Part 4. This Supplemental Work Authorization No. 05 to Work Authorization No. 02 is effective as of May 12, 2016, makes no change to the current expiration date of July 31, 2017, unless extended by a Supplemental Work Authorization.
- Part 5. This Supplemental Work Authorization No. 05 to Work Authorization No. 02 does not waive the parties' responsibilities and obligations provided under the Agreement.

Part 6. This Supplemental Work Authorization No. 05 to Work Authorization No. 02 is hereby accepted and acknowledged below.

CONSULTANT:
HNTB Corporation

By: Signature

Richard L. Ridings, P.E.
Printed Name

Vice President
Title

Date

AUTHORITY:
Cameron County Regional Mobility Authority

By: Signature

Frank Parker, Jr.
Printed Name

Chairman

Title

Date

LIST OF EXHIBITS

Exhibit A - Services to be Provided by the Authority

Exhibit B - Services to be Provided by the Consultant

Exhibit C - Work Schedule

Exhibit D - Fee Schedule