## ANNUAL REPORT 2017

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#### MESSAGE FROM THE CHAIRMAN

Since our creation in 2004, the Cameron County Regional Mobility Authority (CCRMA) has made significant progress to find new and innovative tools to reduce the problems of congestion and connectivity while facilitating quality economic development within Cameron County.

The CCRMA has made improvements such as State Highway (SH) 550, a stretch already signed as Interstate 169 (I-169) and the first toll road opened in the Rio Grande Valley (RGV) and South Texas, as well as the West Railroad Relocation Project, the first International Railroad crossing into Mexico in over 100 years. The CCRMA's success is especially evident through our participation in interstate level upgrades to I-69E. The CCRMA's efforts will remain steady until U.S. 77 is classified as an interstate continually through I-37.

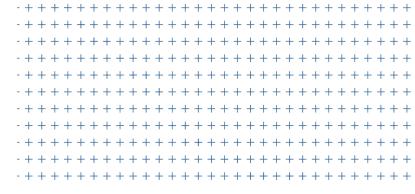
Each year our Annual Report represents the past year's accomplishments in meeting our transportation goals. We implement objectives that focus on strategic corridor development, which help achieve quality transportation within our county and region.

The CCRMA will continue to be recognized as a leader in Texas implementing transportation projects that achieve a sustainable, world-class, regional transportation network in South Texas. We will provide transportation that promotes safe and effective mobility, improves the quality of life for area residents, creates quality economic development, produces jobs, and generates revenue to sustain a regional transportation network, internationally.

Sincerely,

Frank Parker, Jr. CCRMA Chairman





#### MESSAGE FROM EXECUTIVE DIRECTOR



On behalf of the Board of Directors of the CCRMA, it gives me great pleasure to present the Annual Report for Fiscal Year 2017.

This past year has been a year of growth for the CCRMA. In December 2016, the CCRMA launched a new local Toll Operations Customer Service Center (CSC) known as TPS|CCRMA. The center allows for local monitoring, billing and mailing for toll bills for the SH 550 toll road in Brownsville, TX. The new in-house system provided 17 new jobs for RGV residents.

In 2016, we refined our business strategies to address the changing environment for the South Padre Island 2nd Access. The CCRMA began construction on the SH 550 Gap I project in May 2017. This project will further help improve the safety and mobility in the area and will further expand the signed I-169.

I am confident the CCRMA will remain competitive and at the forefront of an industry that provides reliable, safe and environmentally sensitive transportation infrastructure projects for global economic growth.

Thank you to our partners, employees and Board of Directors for this successful year.

Sincerely,

Pete Sepulveda, Jr.

**CCRMA** Executive Director

# REASONS The RGV is the Place to Be

- The Rio Grande Valley is known as one of the most affordable cost of living areas in the entire country.
- As home to multimodal counties, the RGV provides trade through space, rail, land, sea and air.
- South Padre Island, Texas is Texas' #1 vacation destination providing thousands of visitors each year.
- The Lower Rio Grande Valley encompasses landmarks that attract tourists to popular destinations that include the Laguna Atascosa National Park.
- The RGV's proximity to the Mexican border yields a beautiful blend of languages, food, traditions and history between Texas and Mexico.





#### **OVERVIEW**

Our impact throughout the region continues to be positive in order to improve the mobility of the future.



This year the CCRMA...

We strive to deliver the infrastructure needed for international trade in a multimodal region.

### \$393m

leveraged from state and federal funds into the community.

The CCRMA diverted over 270,000 commercial trucks from residential areas.

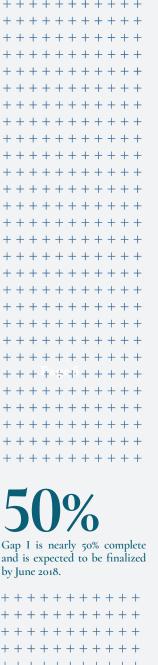


#### STATE HIGHWAY 550

As the first toll road in the RGV, the SH 550 has already made history. Furthermore, the SH 550's new Toll Processing Customer Service Center is the first of its kind in the Valley. Paving the way for new transportation and community technologies, the SH 550 continues to grow and provide local customer service for the RGV.

In May 2017, the CCRMA began construction on the SH 550 Gap I Project. Once the project is completed, SH 550 toll road customers will be able to travel on the Direct Connector all the way to mainline (FM 1847/Paredes) without having to divert from the toll road. This will provide additional savings for customers who currently use the Direct Connector and FM 1847/Paredes gantries, as it will allow customers to avoid the toll gantry on the exit of the Direct Connector.

Following the Gap I project, the Gap II project will connect Padres Line Road to Port Spur. Once construction is complete on both gap projects, the entire SH 550 will be signed as I-169.



and is expected to be finalized by June 2018.













#### PORT TO THE BROWNSVILLE

the port that works

A major center for intermodal transportation and industrial development, the Port of Brownsville is the only deepwater seaport directly on the U.S.-Mexico border and is connected to the Gulf of Mexico by a 17-mile-long ship channel. It is also the largest land-owning public port authority in the nation with approximately 40,000 acres.

Recognized worldwide as the premier U.S. port for ship recycling, the port is also home to the largest U.S. fabricator of off-shore drilling platforms. Other services include bulk terminaling for liquids, breakbulk, heavy lift and project cargo, steel fabrication, storage, crane services, and towing and tug services, among others.

#### TOLL PROCESSING SERVICES

Newly Launched Local Customer Service Center

In December 2016, the CCRMA officially launched a new local Customer Service Center (CSC), known as TPS | CCRMA.

The local CSC provides many benefits to customers, including new account management features, additional payment options, a user-friendly customer website, customer correspondence and reporting capabilities. Customers gain convenience with direct communication to a local Customer Service Representative in the Valley. The CSC has also provided specific aid to Commercial Accounts. It provides one-on-one interaction to service the needs of commercial traffic to the Port of Brownsville. In the past year, these initiatives have strengthened the CCRMA's Toll Operations and promoted excellent customer service.

The new system has opened the door for the opportunity for common payment options with regional tolling systems and county services. These future options may include international bridges, overweight vehicle and port access fees, county and city parks, and vehicle parking systems. The CCRMA envisions greater benefit for the customer through future interoperability of these systems with the same technology used to pay tolls today. The combination of these initiatives created local job opportunities for Valley residents and is anticipated to continue to do so.

December 12, 2016

88%
of toll bills were managed by MSB in Austin, Texas.

Currently
100%

of toll bills for the SH 550 are managed locally by TPS|CCRMA in Rancho Viejo, Texas.

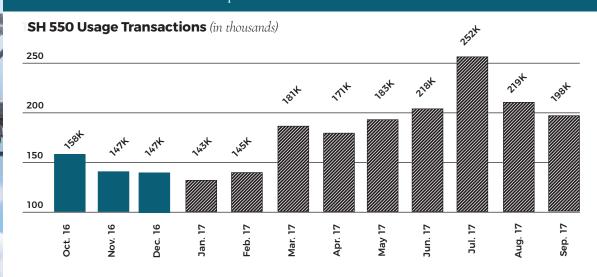


• What are your options to save money while using the SH 550 toll road?

 Customers interested in • discounted rates, can register for the statewide TxTag or a CCRMA's local Register By Plate (RBP) account. With our new RBP option, local SH 550 travelers have full access to their account and save on mailing and processing fees. RBP accounts only work on the SH 550. With the RBP account, each traveler can register an unlimited amount of license plates, and there is no need for additional tags. Travelers can set a monthly billing date, with autopay available. Another option customers have is TxTag. TxTag accounts are a prepaid method that can be used on any toll road in Texas, Oklahoma and Kansas. TxTag offers a 25% savings on all transactions, and travelers can register up to 6 vehicles per account.

• How do commercial
• accounts benefit from using the SH 550 toll road?

• The SH 550 is safer. It
• is the preferred route
for hazardous material
(HAZMAT) vehicles. The SH 550
has lower risk of accidents, with 0
accidents this Fiscal Year. The SH
550 is faster. By using the SH 550,
travelers, save 15 to 30 minutes on
a round-trip. There are no stops,
intersections or railroad crossings
when taking the toll road. With
dedicated and local customer service,
each commercial account has an
account specialist to manage their
RBP account.





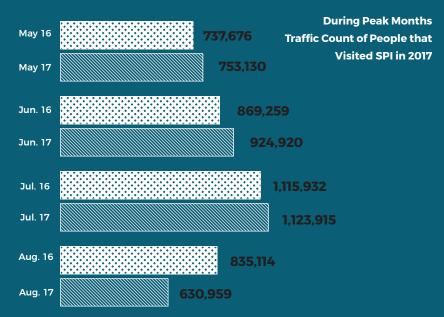
**Toll Processing Services** 

#### SPI 2ND ACCESS

The City of South Padre Island is home to nearly 3,000 residents year-round. Over 8.2 million people visited the island in 2016. At present, the island's only connection to the mainland is through the Queen Isabella Memorial Bridge. The currently limited access restricts traffic flow during emergency evacuations, such as hurricanes.

Statistics show that the South Padre Island area is affected by a hurricane or tropical storm every 5 years, and the South Padre Island Emergency Management Team generally requires a complete mandatory evacuation of the area when a Category 2 or higher storm is predicted.

This year the Gulf of Mexico has been struck with multiple hurricanes, most notably the Category 4 Hurricane Harvey in Texas. Hurricane Harvey hit the Texas Gulf Coast causing major damage and shutting down roadways for weeks. Although the City of South Padre Island was



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not directly affected by the hurricane, the Queen Isabella Memorial Bridge was shut down by the Texas Department of Public Safety for one hour due to high wind gusts.

The single access on and off the island limits options for medical transport from the island to hospitals and health care facilities on the mainland. There are currently no hospitals on South Padre Island.

The CCRMA is working tirelessly on the South Padre Island 2nd Access project.

The SPI 2nd Access project is said to be one of the most critical safety projects in Texas and the most environmentally complex project in the United States. It would provide an additional emergency evacuation route and would improve emergency response with additional access for first responders.

The SPI 2nd Access project continues undergoing review for the Environmental Document approval.







8,255,325

Total yearly traffic crossing the Queen Isabella Causeway (as of 2016)

"SPI 2nd Access Project is the most environmentally complex project in the nation."

#### SH 32 (EAST LOOP)

The CCRMA prides itself on its partnerships to develop meaningful projects across the RGV. For years now, the Texas Department of Transportation, the City of Brownsville, Cameron County, the Port of Brownsville and the CCRMA have been a part of the SH 32 (East Loop) project.

The East Loop project was started to relocate the overweight corridor that runs from within the City of Brownsville. The project is set to improve safety for the residents of Brownsville and provide safer and faster mobility of goods crossing between the Port of Brownsville and Veterans International Bridge.

Currently, International Boulevard in Brownsville serves as the overweight corridor from the Veterans International Bridge to the Port of Brownsville. This allows overweight commercial vehicles to acquire a permit from the Port of Brownsville to carry loads of up to 120,000 lbs.

There are currently over 20 conflicts along this route between the Veterans International Bridge and the Port of Brownsville, including an elementary school, a high school, residential areas and retail areas. Due to traffic congestion and a heavily populated area, in the last several years there have been multiple fatalities along the route.

The East Loop project will eliminate many school zone and residential conflicts. SH 32 will also reduce congestion on SH 48 as well as travel time on all roadways connecting to the new corridor.

This year the CCRMA proposed the beginning of construction on Port Road/Port Connector, which is the first step of the Design and Construction Phases of the project.

#### Building strong foundations for safety &

#### 17 TRAFFIC STOPS

to be eliminated for commercial traffic traveling to the Port of Brownsville.

#### **6 SCHOOL ZONES**

will receive congestion relief, avoid HAZMAT vehicles, and air quality improvement.

#### **CONGESTION REDUCTION**

would dramatically drop as commercial traffic is diverted from one of Brownsville, Texas' busiest corriders.



& efficiency.

#### ION











#### FINANCIAL REPORT 2017

The CCRMA prepares its financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units on an accrual basis. Some items below have notes associated with them. To view the full, audited Financial Statements and Management Discussion and Analysis, please visit ccrma.org.

ASSETS	2017	2016
Current Assets	\$ 5,502,751	\$ 4,591,638
Capital Assets, net	\$100,882,240	\$101,796,560
Construction in Process & Other Non-Current	\$ 77,394,864	\$ 76,047,466
Deferred Outflows Related to Pension	\$ 104,696	\$ 92,323
Total Assets & Deferred Outflows	\$183,884,551	\$182,527,987
LIABILITIES	2017	2016
Current Liabilities	\$ 3,508,080	\$ 2,874,651
Non-Current Liabilities	\$134,247,596	\$133,109,520
Deferred Inflows Related to Bond Refunding	\$ 771,945	\$ 31,341
Deferred Inflows Related to Pension	\$ 3,826	\$ -
Total Liabilities & Deferred Inflows	\$138,531,447	\$136,015,512
NET POSITION	2017	2016
Net Investment in Capital Assets	\$ 29,483,264	\$ 34,046,338
Restricted	\$ 14,051,439	\$ 10,307,998
Unrestricted	\$ 1,818,401	\$ 2,158,139
Total Net Position	\$ 45,353,104	\$ 46,512,475

OPERATING REVENUES AND (EXPENSES)	2017	2016
Vehicle Registration Fees	\$ 3,019,910	\$ 3,156,486
Toll Revenue	\$ 2,317,650	\$ 1,220,065
Transportation Reinvestment Zone	\$ 268,848	\$ 426,261
Interlocal Agreement Revenue	\$ 57,982	\$ -
Other Operating Revenue	\$ 343,797	\$ 332,034
Total Operating Revenues	\$ 6,008,187	\$ 5,134,846
Total Operating (Expenses)	\$ (5,120,094)	\$ (4,307,109)
Operating Income (Loss)	\$ 888,093	\$ 827,737
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	2017	2016
NON-OPERATING REVENUES AND EXPENSES AND CHANGE IN NET POSITION	, ,	,
NON-OPERATING REVENUES AND EXPENSES AND CHANGE IN NET POSITION  Total Non-Operating Revenue (Expenses)	2017	2016
NON-OPERATING REVENUES AND EXPENSES AND CHANGE IN NET POSITION  Total Non-Operating Revenue (Expenses)  Capital Contributions	<b>2017</b> \$ (3,432,464)	<b>2016</b> \$ (3,403,641)
NON-OPERATING REVENUES AND EXPENSES AND CHANGE IN NET POSITION  Total Non-Operating Revenue (Expenses)  Capital Contributions  Change in Net Position  SUMMARY OF ANNUAL CASH FLOWS	<b>2017</b> \$ (3,432,464) \$ 1,385,000	<b>2016</b> \$ (3,403,641) \$ 1,385,000
NON-OPERATING REVENUES AND EXPENSES AND CHANGE IN NET POSITION  Total Non-Operating Revenue (Expenses)  Capital Contributions  Change in Net Position	\$ (3,432,464) \$ 1,385,000 \$ (1,159,371)	2016 \$ (3,403,641) \$ 1,385,000 \$ (1,190,904)
NON-OPERATING REVENUES AND EXPENSES AND CHANGE IN NET POSITION  Total Non-Operating Revenue (Expenses)  Capital Contributions  Change in Net Position  SUMMARY OF ANNUAL CASH FLOWS	2017 \$ (3,432,464) \$ 1,385,000 \$ (1,159,371)	2016 \$ (3,403,641) \$ 1,385,000 \$ (1,190,904)
NON-OPERATING REVENUES AND EXPENSES AND CHANGE IN NET POSITION  Total Non-Operating Revenue (Expenses)  Capital Contributions  Change in Net Position  SUMMARY OF ANNUAL CASH FLOWS  Net Cash Provided by (used in) Operating Activities	2017 \$ (3,432,464) \$ 1,385,000 \$ (1,159,371) 2017 \$ 3,293,627	2016 \$ (3,403,641) \$ 1,385,000 \$ (1,190,904)  2016 \$ 3,731,011



For over 10 years, our commitment and involvement in the community has been an important part of the CCRMA. We are proud to support and sponsor local Rio Grande Valley events that benefit our residents and community.

This year the CCRMA staff participated in events such as Sombrero Festival in Brownsville, TX and the 78th Texas International Fishing Tournament in South Padre Island, TX. Both events promote recreation, tourism, beautification and higher education in the Valley.





#### PROJECT INFORMATION:

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