

TEXAS TRANSPORTATION COMMISSION

CAMERON County

MINUTE ORDER

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PHARR District

In Minute Order 109788, dated September 30, 2004, the Texas Transportation Commission (commission) authorized the creation of the Cameron County Regional Mobility Authority (authority), with the boundaries of the authority to be the entire geographic area of Cameron County.

Minute Order 109788 further provided that the initial project to be developed, maintained, and operated by the authority would be a proposed 7.25-mile toll road, known locally as West Loop. The West Loop project would consist of a four lane divided facility that would follow the current right of way of the Union Pacific Railroad beginning at US 77/83 and extend south to Palm Boulevard in the city of Brownsville. The project will provide an important north-south corridor and a reliever route for some of the noncommercial traffic, and will provide for improved access to the Brownsville central business district. An additional project being pursued by the authority is the Second Causeway to South Padre Island. The second causeway would provide a much needed alternate route from the island to the mainland and would facilitate evacuation in the event of a hurricane.

Transportation Code, §370.301 authorizes the Texas Department of Transportation (department) to provide for or contribute to the payment of costs of the design, financing, construction, operation, or maintenance of a turnpike project by a regional mobility authority (RMA) on terms agreed to by the department and the RMA. Transportation Code, §222.103 authorizes the department to participate, by spending money from any available source, in the acquisition, construction, maintenance, or operation of a toll facility of a public or private entity on terms and conditions established by the commission.

Pursuant to Transportation Code, §222.103, the commission adopted Title 43, Texas Administrative Code, §27.50-27.58 (toll equity rules) to prescribe conditions for the commission's financing of a toll facility of a public or private entity.

In accordance with Section 27.53 of the toll equity rules, the authority has submitted a request for \$41.4 million that would be used to further study and develop the West Loop and Second Causeway projects in Cameron County, to include environmental studies, traffic and revenue studies if needed, design and engineering services, right of way acquisition, relocation assistance, legal and financial advisory services, marketing, and public education and outreach related activities. This would also include any direct or indirect project costs associated with these activities. The authority has requested that the financial assistance be in the form of a grant.

Department staff recommends that a total of up to \$21.6 million in financial assistance be preliminarily approved, to be used for the purposes described by the authority with the exception of right of way acquisition and relocation assistance. The financial assistance would consist of \$12.4 million for the West Loop project and \$9.2 million for the Second Causeway project, both from TxDOT's preliminary engineering funds allocated to the Pharr District.

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Information and data required by Section 27.53(b) is either contained in the request for financing or in the petition for authorization to form the authority filed with the department on June 15, 2004. Supplemental information and data required by Section 27.53(c) is contained in the request for financing or has already been provided to the department.

As provided in Minute Order 109788, the authority will benefit the state and the traveling public and will improve the efficiency of the state's transportation system by constructing needed roadway projects, such as these projects, which will enhance mobility and safety within the regional transportation system, and through the development and financing of additional projects in the future.

The proposed project and work by the authority is consistent with the approved Texas Transportation Plan and is included, as applicable, in the approved plan of the Metropolitan Planning Organization.

As the authority has indicated that it may fund a portion of the costs of developing the proposed projects with bond proceeds and other funding provided by the authority, along with the requested financial assistance, the projects will expand the availability of funding for transportation projects or will reduce direct state costs.

NOW, THEREFORE, IT IS DETERMINED that the request for financial assistance submitted by the Cameron County Regional Mobility Authority meets the requirements of 43 TAC §27.53 and §27.54(a) and, in accordance with those provisions, the commission grants preliminary approval of the request for financing in the amount of \$21.6 million, in the form of a loan, consisting of \$12.4 million for the West Loop project and \$9.2 million for the Second Causeway project, and directs the executive director to implement the actions authorized and required by those provisions.

Submitted and reviewed by:



Director, Texas Turnpike Authority Division

Recommended by:



Executive Director

110509 APR 27 06

Minute Number Date Passed