TEXAS TRANSPORTATION COMMISSION

SAN PATRICIO County | **MINUTE ORDER** |

CORPUS CHRISTI District

The City of Sinton (city) has submitted an application to borrow $170,000 from the State Infrastructure Bank (SIB) to pay for decorative lighting along US 181 from Business US 77T to North Pirate Street in Sinton.

Section 350 of the National Highway System Designation Act of 1995 (Public Law No. 104-59) authorized states to establish a SIB to make loans and provide financial assistance to public and private entities. Transportation Code, Chapter 222, Subchapter D, created a SIB within the Texas Department of Transportation (department). The Texas Transportation Commission (commission) adopted administrative rules implementing that subchapter and establishing eligibility criteria for an entity applying for financial assistance from the SIB. These rules are codified as Title 43, Texas Administrative Code, Chapter 6.

The city has represented that the loan will be secured by ad valorem and sales taxes. The city has submitted financial statements to demonstrate its creditworthiness. Thus, the project and the applicant are likely to have sufficient revenue to assure repayment of the requested financial assistance. The present and projected financial condition of the SIB is sufficient to cover this request. On September 26, 2006, the Sinton City Council passed a resolution authorizing submission of this application to the SIB. This resolution indicates the official written approval of the projects by the governing body of the county and demonstrates local public support.

This project will provide a significant improvement to the traveling public through the downtown area and improve traffic flow. Thus, it will greatly improve the efficiency of the state transportation system. This indicates that there is a transportation need for and anticipated public benefit from the proposed project. The project is on the state highway system, is eligible for federal funding, and is consistent with the Texas Transportation Plan. All necessary social, economic, and environmental studies have been completed and no further coordination is required. The project will provide for all reasonable and feasible measures to avoid, minimize, or mitigate for adverse environmental impacts. The proposed project and loan are in conformity with the purposes of the SIB and will expand the availability of funding for transportation projects and reduce direct state costs.

In accordance with 43 TAC §6.31, the department has reviewed and analyzed the application, finds the application to be in compliance with the requirements of 43 TAC, Chapter 6, and recommends that the commission grant final approval of the application pursuant to 43 TAC §6.32.

Under 43 TAC §6.32(b) applications for financial assistance in the amount of $250,000 or less may be approved by the commission using one final approval process if the application complies with all requirements prescribed in subsections (c)-(h) of that section except the negotiation process.

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NOW, THEREFORE, IT IS DETERMINED that the application for SIB financial assistance submitted by the City of Sinton meets the requirements of 43 TAC §6.32(b) and (e), and in accordance with that section, the commission grants approval of the application to borrow $170,000 from the SIB for 5 years at 3.83 percent interest per annum and directs the executive director to implement the actions authorized and required by that section.

Submitted and reviewed by:

James M Bass

Chief Financial Officer

Recommended by:

M. A. Behrens

Executive Director

110730 OCT 26 06

Minute Number — Date Passed