

TEXAS TRANSPORTATION COMMISSION

SAN PATRICIO County

MINUTE ORDER

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CORPUS CHRISTI District

The Texas Department of Transportation (department) and San Patricio County have entered into an Advance Funding Agreement whereby San Patricio County will provide cost participation in the amount of \$12,000,000 for the US 181 Harbor Bridge Replacement Project (project). The project includes the construction of the new Harbor Bridge and portions of US Highway 181 (US 181), Interstate Highway 37 (I-37), Crosstown Expressway (SH 286), the connection of Upper and Lower Broadway Street to I-37 and the demolition of the existing Harbor Bridge in Corpus Christi, Texas. The project limits extend both north-south along US 181 and the Crosstown Expressway and east-west along I-37 and include: US 181 at Beach Avenue on the north; Crosstown Expressway at Laredo Street on the south; I-37 and Nueces Bay Boulevard on the west; and I-37 and Mesquite Street on the east side with a total length of 6.44 miles.

Pursuant to Transportation Code, Chapter 222, Subchapter D, the commission adopted Title 43 Texas Administrative Code (TAC) §§6.1-6.45 (SIB rules) to prescribe conditions for the commission's financial assistance from the State Infrastructure Bank (SIB).

In accordance with the SIB rules, San Patricio County has submitted an application for a State Infrastructure Bank loan of up to \$12,000,000 for its cost participation in the project.

The SIB rules provide for both preliminary and final approval by the commission of any SIB loan in the principal amount of more than \$10 million, unless the commission waives the preliminary approval requirement for that application. The intended use of the financial assistance conforms to the purposes of the SIB. The present and projected financial condition of the SIB is sufficient to cover the requested financial assistance for the project. Under the SIB rules, the executive director or his designee determined that the requirement to submit any information or data that was not submitted by San Patricio County is waived as permitted by the rules either because the information or data is not relevant or the department already possesses the information or data.

In Minute Order 114399, dated October 29, 2015, the commission granted preliminary approval of the application. In accordance with 43 TAC §6.32(c), the commission found that: (1) the project is consistent with the Statewide Long-Range Transportation Plan and the metropolitan transportation plan developed by the applicable metropolitan planning organization; (2) the project is not in a Clean Air Act non-attainment area; (3) the project will improve the efficiency of the state's transportation systems; (4) the project will expand the availability of funding for transportation projects or reduce direct state costs; and (5) the application shows that San Patricio County is likely to have sufficient revenues to assure repayment of the financial assistance.

In accordance with 43 TAC §6.41, the executive director has negotiated all the terms of an agreement as necessary to comply with the requirements of preliminary approval, to protect the public's safety, and to prudently provide for the protection of public funds while furthering the purposes of the SIB.

The executive director or his designee implemented actions authorized and required by the SIB rules for final approval. The executive director affirms that the necessary social, economic, and environmental impact studies have been completed and approved by the department. The executive director recommends that the commission grant final approval of San Patricio County's application for financial assistance from the SIB.

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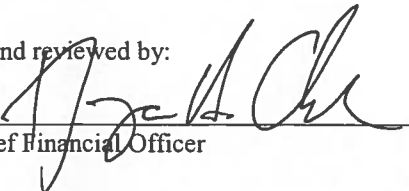
In accordance with 43 TAC §6.32(e), the commission finds that providing financial assistance will protect the public's safety and prudently provide for the protection of public funds, while furthering the purposes of the SIB; and that the project will provide for all reasonable and feasible measures to avoid, minimize, or mitigate for adverse environmental impacts.

IT IS THEREFORE DETERMINED AND ORDERED that the application submitted by San Patricio County for financial assistance in the form of a loan meets the applicable requirements of the SIB rules and, in accordance with those provisions, the commission grants final approval of San Patricio County's application for a SIB loan in an amount not to exceed \$12,000,000 for San Patricio County's cost participation in the project.

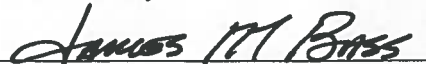
IT IS FURTHER ORDERED that the executive director or his designee is directed and authorized to negotiate and enter into a financial assistance agreement which complies with the commission's rules and which contains the following terms:

1. The loan will be repaid over a period of no more than 25 years after the date of the first scheduled payment at 2.57 percent interest per annum.
2. The loan must be closed and all loan funds must be drawn by December 31, 2018. The loans may be funded in one or more draws and may have a separate payment schedule for each draw.
3. Repayment of the loan may be deferred up to the third anniversary of the date of the initial funding of the loan.
4. The Borrower will pledge ad valorem tax revenues as security for repayment of the loan.

Submitted and reviewed by:


Interim Chief Financial Officer

Recommended by:


Executive Director

114504 FEB 25 16

Minute
Number

Date
Passed