

TEXAS TRANSPORTATION COMMISSION

Webb County

MINUTE ORDER

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Laredo District

The City of Laredo (City) has submitted an application for financial assistance in the form of a loan of up to \$4,325,000 from the State Infrastructure Bank (SIB) under Transportation Code, Chapter 222, Subchapter D, and Title 43 Texas Administrative Code (TAC), Chapter 6 (SIB Rules). The application satisfies all requirements of the rules, including passage by the City of a resolution authorizing submission of the application to the Texas Department of Transportation (department).

The intended use of the financial assistance conforms to the purposes of the SIB. The City intends to use the financial assistance to pay the City's contribution to the department for right-of-way acquisition for a non-tolled state highway improvement project to reconstruct US 59 in Webb County, Texas (project).

The present and projected financial condition of the SIB is sufficient to cover the requested financial assistance for the project.

The City has proposed a pledge of subordinate lien international toll bridge system revenues as security for repayment of the loan.

In accordance with the SIB Rules, the executive director has negotiated all the terms of an agreement as necessary to protect the public's safety and to prudently provide for the protection of public funds while furthering the purposes of the SIB, contained in the Term Sheet attached hereto as Exhibit A.

The SIB Rules allow for final approval by the Texas Transportation Commission (commission) of any SIB loan in the principal amount of \$10 million or less without first going through the preliminary approval process described in the SIB Rules if the financial assistance is to be used for a project for which the department has primary responsibility.

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 the City's application for financial assistance from the SIB.

In accordance with the SIB Rules, the commission finds 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;
5. the application shows that the City is likely to have sufficient revenues to assure repayment of the financial assistance;

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6. 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

7. 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 by the commission that the application submitted by the City for financial assistance in the form of a loan from the SIB meets the applicable requirements of the SIB Rules and, in accordance with those provisions, the commission grants final approval of the City’s application for a SIB loan under the terms in the Term Sheet attached hereto as Exhibit A in an amount not to exceed \$4,325,000 to pay the City’s contribution to the department for the non-tolled project.

IT IS FURTHER ORDERED by the commission that the executive director or his designee is directed and authorized to enter into a financial assistance agreement with the City which complies with the SIB Rules and which contains the terms in the Term Sheet attached hereto as Exhibit A.

Submitted and reviewed by:

Recommended by:

DocuSigned by: Benjamin H. Asher
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Director, Project Finance,
Debt & Strategic Contracts Division

DocuSigned by: [Signature]
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Executive Director

116130 October 28, 2021

Minute Number Date Passed

City of Laredo Term Sheet
State Infrastructure Bank Loan

Loan Provisions	Negotiated Terms
Project Description:	Contribution to the department for right-of-way acquisition for a state highway improvement project to reconstruct US 59 in Webb County.
Interest Rates:	0% for first 3 years, 1.55% remaining 17 years
Fees:	Not Applicable
Charges:	Not Applicable
Term to Maturity:	20 years; 2 years deferred
Pledged Collateral:	Subordinate lien international toll bridge system revenues
Default Provisions:	<p>A. The Borrower shall be in default if it fails to repay the SIB Loan (the Principal Payments and the Interest Payments) or otherwise fails to comply with any term of this Agreement. The Department shall not be obligated to take further action nor resume its obligations under this Agreement until the Borrower is no longer in default. The Borrower shall reimburse the Department for all costs or other losses of funds resulting from any default or failure to perform by the Borrower.</p> <p>B. The Borrower agrees that in the event of a default under this Agreement the Department may, by all legal and equitable means, require the Borrower and any appropriate official of the Borrower (acting solely in his/her official capacity) to remedy any default under, and carry out the provisions of, this Agreement, including specifically the use and filing of mandamus proceedings. Venue for any legal proceedings shall be in Travis County, Texas.</p>
Special Conditions:	None