

**GENERAL MEETING OF THE BOARD OF DIRECTORS  
OF THE  
CENTRAL TEXAS REGIONAL MOBILITY AUTHORITY**

**RESOLUTION NO. 17-057**

**ACCEPT THE FINANCIAL STATEMENTS FOR SEPTEMBER 2017**

WHEREAS, the Central Texas Regional Mobility Authority ("Mobility Authority") is empowered to procure such goods and services as it deems necessary to assist with its operations and to study and develop potential transportation projects, and is responsible to insure accurate financial records are maintained using sound and acceptable financial practices; and

WHEREAS, close scrutiny of the Mobility Authority's expenditures for goods and services, including those related to project development, as well as close scrutiny of the Mobility Authority's financial condition and records is the responsibility of the Board and its designees through procedures the Board may implement from time to time; and

WHEREAS, the Board has adopted policies and procedures intended to provide strong fiscal oversight and which authorize the Executive Director, working with the Mobility Authority's Chief Financial Officer, to review invoices, approve disbursements, and prepare and maintain accurate financial records and reports;

WHEREAS, the Executive Director, working with the Chief Financial Officer, has reviewed and authorized the disbursements necessary for the month of September 2017, and has caused Financial Statements to be prepared and attached to this resolution as Exhibit A; and

NOW THEREFORE, BE IT RESOLVED, that the Board of Directors accept the Financial Statements for September 2017, attached hereto as Exhibit A.

Adopted by the Board of Directors of the Central Texas Regional Mobility Authority on the 8<sup>th</sup> day of November 2017.

Submitted and reviewed by:

  
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Geoffrey Petrov, General Counsel

Approved:

  
\_\_\_\_\_  
Ray A. Wilkerson  
Chairman, Board of Directors

**Exhibit A**

**Central Texas Regional Mobility Authority**  
**Income Statement**  
**For the Period Ending September 30, 2017**

	Budget Amount FY 2018	Actual Year to Date	Percent of Budget	Actual Prior Year to Date
<b>REVENUE</b>				
<b>Operating Revenue</b>				
Toll Revenue - Tags	61,069,539	15,008,912	24.58%	12,720,386
Video Tolls	14,377,753	3,084,634	21.45%	3,386,378
Fee Revenue	6,022,247	1,251,865	20.79%	1,474,063
<b>Total Operating Revenue</b>	<b>81,469,539</b>	<b>19,345,410</b>	<b>23.75%</b>	<b>17,580,827</b>
<b>Other Revenue</b>				
Interest Income	950,000	427,029	44.95%	154,020
Grant Revenue	720,000	9,232,122	1282.24%	3,445,671
Reimbursed Expenditures	314,280	-	-	50,553
Misc Revenue	5,500	-	-	568
<b>Total Other Revenue</b>	<b>1,989,780</b>	<b>9,659,151</b>	<b>485.44%</b>	<b>3,650,812</b>
<b>TOTAL REVENUE</b>	<b>\$83,459,319</b>	<b>\$29,004,561</b>	<b>34.75%</b>	<b>21,231,639</b>
<b>EXPENSES</b>				
<b>Salaries and Benefits</b>				
Salary Expense-Regular	3,520,456	867,641	24.65%	817,377
Salary Reserve	80,000	-	-	-
TCDRS	515,649	121,001	23.47%	115,571
FICA	165,251	36,165	21.88%	32,749
FICA MED	55,277	12,512	22.63%	11,860
Health Insurance Expense	396,258	84,675	21.37%	100,274
Life Insurance Expense	32,942	1,100	3.34%	1,206
Auto Allowance Expense	10,200	2,550	25.00%	2,550
Other Benefits	153,197	20,834	13.60%	27,532
Unemployment Taxes	19,950	3	0.01%	15
<b>Total Salaries and Benefits</b>	<b>4,949,181</b>	<b>1,146,481</b>	<b>23.17%</b>	<b>1,109,136</b>

**Central Texas Regional Mobility Authority**  
**Income Statement**  
**For the Period Ending September 30, 2017**

	Budget Amount FY 2018	Actual Year to Date	Percent of Budget	Actual Prior Year to Date
<b>Administrative</b>				
<b>Administrative and Office Expenses</b>				
Accounting	10,000	1,625	16.25%	1,780
Auditing	100,000	29,500	29.50%	53,880
Human Resources	15,000	703	4.69%	1,852
IT Services	103,500	26,624	25.72%	16,973
Internet	4,125	32	0.77%	547
Software Licenses	49,800	9,563	19.20%	17,920
Cell Phones	18,500	2,191	11.85%	4,002
Local Telephone Service	2,000	3,981	199.07%	3,757
Overnight Delivery Services	850	5	0.62%	23
Local Delivery Services	600	-	-	-
Copy Machine	17,000	3,557	20.92%	3,789
Repair & Maintenance-General	2,500	131	5.25%	-
Community Meeting/ Events	2,000	-	-	-
Meeting Expense	15,000	2,737	18.24%	1,427
Public Notices	100	-	-	-
Toll Tag Expense	3,150	450	14.29%	360
Parking	4,200	160	3.81%	240
Mileage Reimbursement	11,200	1,013	9.05%	518
Insurance Expense	150,000	37,425	24.95%	35,645
Rent Expense	515,000	128,776	25.01%	162,591
Legal Services	288,000	14,687	5.10%	25
<b>Total Administrative and Office Expenses</b>	<b>1,312,525</b>	<b>263,161</b>	<b>20.05%</b>	<b>305,330</b>
<b>Office Supplies</b>				
Books & Publications	6,000	627	10.45%	377
Office Supplies	19,900	1,281	6.44%	4,887
Computer Supplies	46,800	4,273	9.13%	2,687
Copy Supplies	1,000	604	60.38%	100
Other Reports-Printing	8,000	-	-	430
Office Supplies-Printed	1,000	-	-	-
Misc Materials & Supplies	2,750	-	-	1,015
Postage Expense	900	77	8.52%	114
<b>Total Office Supplies</b>	<b>86,350</b>	<b>6,861</b>	<b>7.95%</b>	<b>9,611</b>

**Central Texas Regional Mobility Authority**  
**Income Statement**  
**For the Period Ending September 30, 2017**

	Budget Amount FY 2018	Actual Year to Date	Percent of Budget	Actual Prior Year to Date
<b>Communications and Public Relations</b>				
Graphic Design Services	35,000	9,500	27.14%	-
Website Maintenance	130,000	5,930	4.56%	48,638
Research Services	110,000	-	-	-
Communications and Marketing	400,000	23,490	5.87%	-
Advertising Expense	330,000	35,714	10.82%	13,421
Direct Mail	10,000	-	-	-
Video Production	31,000	8,904	28.72%	8,820
Photography	11,000	215	1.96%	319
Radio	10,000	2,893	28.93%	-
Other Public Relations	20,000	31,013	155.07%	-
Promotional Items	20,000	-	-	-
Displays	5,000	2,124	42.48%	-
Direct Mail Printing	6,500	-	-	-
Other Communication Expenses	50,500	1,422	2.82%	784
<b>Total Communications and Public Relations</b>	<b>1,169,000</b>	<b>121,205</b>	<b>10.37%</b>	<b>71,982</b>
<b>Employee Development</b>				
Subscriptions	3,200	574	17.93%	11,041
Memberships	51,250	2,372	4.63%	3,249
Continuing Education	10,500	694	6.60%	-
Professional Development	4,000	-	-	-
Other Licenses	1,750	-	-	-
Seminars and Conferences	42,500	6,493	15.28%	9,334
Travel	97,000	7,768	8.01%	19,132
<b>Total Employee Development</b>	<b>210,200</b>	<b>17,900</b>	<b>8.52%</b>	<b>42,756</b>
<b>Financing and Banking Fees</b>				
Trustee Fees	30,000	3,500	11.67%	-
Bank Fee Expense	6,500	1,404	21.60%	1,507
Continuing Disclosure	10,000	-	-	-
Arbitrage Rebate Calculation	8,000	8,355	104.44%	6,455
Rating Agency Expense	30,000	15,500	51.67%	15,000
<b>Total Financing and Banking Fees</b>	<b>84,500</b>	<b>28,759</b>	<b>34.03%</b>	<b>22,962</b>
<b>Total Administrative</b>	<b>2,862,575</b>	<b>437,886</b>	<b>15.30%</b>	<b>452,641</b>

**Central Texas Regional Mobility Authority**  
**Income Statement**  
**For the Period Ending September 30, 2017**

	Budget Amount FY 2018	Actual Year to Date	Percent of Budget	Actual Prior Year to Date
<b>Operations and Maintenance</b>				
<b>Operations and Maintenance Consulting</b>				
GEC-Trust Indenture Support	155,000	3,200	2.06%	702
GEC-Financial Planning Support	50,000	-	-	47
GEC-Toll Ops Support	20,000	-	-	3,282
GEC-Roadway Ops Support	410,000	45,904	11.20%	95,800
GEC-Technology Support	60,000	-	-	117,091
GEC-Public Information Support	-	11,868	-	3,788
GEC-General Support	800,000	29,414	3.68%	175,851
General System Consultant	170,000	39,873	23.45%	1,074
Traffic and Revenue Consultant	95,000	15,019	15.81%	19,807
<b>Total Operations and Maintenance Consulting</b>	<b>1,760,000</b>	<b>145,277</b>	<b>8.25%</b>	<b>417,443</b>
<b>Roadway Operations and Maintenance</b>				
Roadway Maintenance	5,007,401	639,422	12.77%	653,101
Landscape Maintenance	2,500	-	-	-
Signal & Illumination Maint	5,000	-	-	-
Maintenance Supplies-Roadway	5,500	-	-	367
Tools & Equipment Expense	1,000	108	10.76%	-
Gasoline	13,700	3,314	24.19%	1,463
Repair & Maintenance-Vehicles	5,000	1,591	31.81%	622
Electricity - Roadways	200,000	28,511	14.26%	32,855
<b>Total Roadway Operations and Maintenance</b>	<b>5,240,101</b>	<b>672,945</b>	<b>12.84%</b>	<b>688,408</b>
<b>Toll Processing and Collection Expense</b>				
Image Processing	1,563,594	372,601	23.83%	353,198
Tag Collection Fees	4,100,826	1,563,683	38.13%	640,747
Court Enforcement Costs	40,000	5,250	13.13%	3,300
DMV Lookup Fees	1,000	142	14.24%	36
<b>Total Processing and Collection Expense</b>	<b>5,705,420</b>	<b>1,941,677</b>	<b>34.03%</b>	<b>997,281</b>

**Central Texas Regional Mobility Authority**  
**Income Statement**  
**For the Period Ending September 30, 2017**

	Budget Amount FY 2018	Actual Year to Date	Percent of Budget	Actual Prior Year to Date
<b>Toll Operations Expense</b>				
Generator Fuel	5,000	42	0.84%	19
Fire and Burglar Alarm	500	123	24.67%	123
Refuse	1,700	270	15.88%	383
Telecommunications	120,000	29,721	24.77%	19,623
Water	22,000	2,196	9.98%	4,078
Electricity	2,500	400	15.99%	70
ETC spare parts expense	20,000	-	-	-
Repair & Maintenance Toll Equip	5,000	-	-	11,940
Law Enforcement	275,000	68,571	24.93%	45,714
ETC Maintenance Contract	1,755,098	-	-	227,550
ETC Toll Management Center System Operation	294,588	-	-	-
ETC Development	500,000	-	-	-
ETC Testing	25,000	-	-	-
<b>Total Toll Operations Expense</b>	<b>3,026,386</b>	<b>101,323</b>	<b>3.35%</b>	<b>309,500</b>
<b>Total Operations and Maintenance</b>	<b>15,731,907</b>	<b>2,861,221</b>	<b>18.19%</b>	<b>2,412,631</b>
<b>Other Expenses</b>				
<b>Special Projects and Contingencies</b>				
HERO	720,000	113,067	15.70%	228,902
Special Projects	113,000	-	-	12,027
71 Express Net Revenue Payment	-	234,123	-	-
Other Contractual Svcs	2,430,600	19,666	0.81%	8,852
Contingency	250,000	-	-	-
<b>Total Special Projects and Contingencies</b>	<b>3,513,600</b>	<b>366,856</b>	<b>10.44%</b>	<b>249,781</b>

**Central Texas Regional Mobility Authority**  
**Income Statement**  
**For the Period Ending September 30, 2017**

	Budget Amount FY 2018	Actual Year to Date	Percent of Budget	Actual Prior Year to Date
<b>Non Cash Expenses</b>				
Amortization Expense	385,000	126,030	32.74%	95,808
Amort Expense - Refund Savings	1,034,000	258,295	24.98%	257,851
Dep Exp- Furniture & Fixtures	2,620	653	24.94%	552
Dep Expense - Equipment	16,050	4,757	29.64%	3,479
Dep Expense - Autos & Trucks	19,312	4,169	21.59%	1,602
Dep Expense-Buildng & Toll Fac	177,115	44,279	25.00%	44,279
Dep Expense-Highways & Bridges	18,048,333	4,734,093	26.23%	4,369,102
Dep Expense-Communic Equip	196,115	-	-	49,029
Dep Expense-Toll Equipment	2,756,238	605,814	21.98%	689,059
Dep Expense - Signs	325,900	81,473	25.00%	81,473
Dep Expense-Land Improvemts	884,934	221,234	25.00%	221,234
Depreciation Expense-Computers	13,210	3,302	24.99%	3,801
<b>Total Non Cash Expenses</b>	<b>23,858,827</b>	<b>6,084,098</b>	<b>25.50%</b>	<b>5,817,268</b>
<b>Total Other Expenses</b>	<b>27,372,427</b>	<b>6,450,954</b>	<b>23.57%</b>	<b>6,067,049</b>
<b>Non Operating Expenses</b>				
Bond issuance expense	1,450,000	56,688	3.91%	971,725
Interest Expense	38,074,354	7,835,143	20.58%	8,142,017
Community Initiatives	100,000	5,000	5.00%	5,000
<b>Total Non Operating Expenses</b>	<b>39,624,354</b>	<b>7,896,831</b>	<b>19.93%</b>	<b>9,118,742</b>
<b>TOTAL EXPENSES</b>	<b>\$90,540,444</b>	<b>\$18,793,374</b>	<b>20.76%</b>	<b>\$19,160,199</b>
<b>Net Income</b>	<b>(\$7,081,125)</b>	<b>\$10,211,187</b>		<b>2,071,440</b>



**Central Texas Regional Mobility Authority**  
**Balance Sheet**  
**as of September 30, 2017**

	as of 09/30/2017	as of 09/30/2016
<b>ASSETS</b>		
<b>Current Assets</b>		
<b>Cash</b>		
Regions Operating Account	\$ 188,533	\$ 359,998
Cash in TexStar	707,666	883,404
Regions Payroll Account	53,328	59,906
<b>Restricted Cash</b>		
Goldman Sachs FSGF 465	109,739,349	260,527,932
Restricted Cash - TexSTAR	208,833,026	136,187,164
Overpayments account	176,520	140,350
<b>Total Cash and Cash Equivalents</b>	<u>319,698,421</u>	<u>398,158,754</u>
<b>Accounts Receivable</b>		
Accounts Receivable	-	14,485
Due From Other Agencies	3,966	6,717,549
Due From TTA	1,996,837	475,184
Due From NTTA	1,355,956	471,078
Due From HCTRA	1,232,568	470,348
Due From TxDOT	20,841,300	42,118,956
Interest Receivable	172,341	419,539
<b>Total Receivables</b>	<u>25,602,968</u>	<u>50,687,139</u>
<b>Short Term Investments</b>		
Agencies	111,147,036	196,509,152
<b>Total Short Term Investments</b>	<u>111,147,036</u>	<u>196,509,152</u>
<b>Total Current Assets</b>	<u>456,448,425</u>	<u>645,355,044</u>
<b>Total Construction in Progress</b>	599,828,515	349,779,486
<b>Fixed Assets (Net of Depreciation and Amortization)</b>		
Computer	37,479	36,470
Computer Software	1,247,378	1,053,649
Furniture and Fixtures	14,593	14,532
Equipment	31,371	9,500
Autos and Trucks	72,858	19,219
Buildings and Toll Facilities	5,246,260	5,423,375
Highways and Bridges	759,785,564	609,368,715
Communication Equipment	-	169,393
Toll Equipment	15,384,181	16,567,635
Signs	10,848,989	11,174,882
Land Improvements	10,402,705	11,287,639
Right of way	88,148,106	86,849,829
Leasehold Improvements	144,146	157,266
<b>Total Fixed Assets</b>	<u>891,363,629</u>	<u>742,132,105</u>
<b>Other Assets</b>		
Intangible Assets-Net	104,267,037	103,099,739
2005 Bond Insurance Costs	4,448,088	4,679,389
Prepaid Insurance	1,037	-
Deferred Outflows (pension related)	711,563	780,064
Pension Asset	355,139	202,023
<b>Total Other Assets</b>	<u>109,782,865</u>	<u>108,761,215</u>
<b>Total Assets</b>	<u><u>\$ 2,057,423,434</u></u>	<u><u>\$ 1,846,027,850</u></u>

**Central Texas Regional Mobility Authority**  
**Balance Sheet**  
**as of September 30, 2017**

	as of 09/30/2017	as of 09/30/2016
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Accounts Payable	\$ 14,596,211	\$ 526,066
Construction Payable	18,726	631,520
Overpayments	179,162	142,690
Interest Payable	12,995,163	13,406,670
Deferred Compensation Payable	142	-
TCDRS Payable	79,080	75,373
Medical Reimbursement Payable	1,735	1,735
Due to other Agencies	2,000,629	-
Due to TTA	1,189,274	-
Due to NTTA	165,256	-
Due to HCTRA	149,894	-
Due to Other Entities	5,033,050	7,496,295
71E TxDOT Obligation - ST	650,998	-
<b>Total Current Liabilities</b>	<u>37,059,320</u>	<u>22,280,348</u>
<b>Long Term Liabilities</b>		
Compensated Absences	182,441	138,927
Deferred Inflows (pension related)	286,449	172,017
<b>Long Term Payables</b>	<u>468,891</u>	<u>310,944</u>
<b>Bonds Payable</b>		
<b>Senior Lien Revenue Bonds:</b>		
Senior Lien Revenue Bonds 2010	70,032,841	65,618,355
Senior Lien Revenue Bonds 2011	14,725,846	13,779,552
Senior Refunding Bonds 2013	143,685,000	147,880,000
Senior Lien Revenue Bonds 2015	298,790,000	298,790,000
Senior Lien Put Bnd 2015	68,785,000	68,785,000
Senior Lien Refunding Revenue Bonds 2016	358,030,000	358,030,000
Sn Lien Rev Bnd Prem/Disc 2013	9,533,948	11,530,830
Sn Lien Revenue Bnd Prem 2015	21,674,727	22,871,232
Sn Lien Put Bnd Prem 2015	5,123,635	6,986,939
Senior lien premium 2016 revenue bonds	54,937,821	59,258,070
<b>Total Senior Lien Revenue Bonds</b>	<u>1,045,318,819</u>	<u>1,053,529,978</u>
<b>Sub Lien Revenue Bonds:</b>		
Sub Refunding Bnds 2013	101,530,000	102,030,000
Sub Debt Refunding Bonds 2016	74,690,000	74,690,000
Sub Refunding 2013 Prem/Disc	2,201,160	2,691,621
Sub Refunding 2016 Prem/Disc	9,805,704	10,681,080
<b>Total Sub Lien Revenue Bonds</b>	<u>188,226,864</u>	<u>190,092,700</u>
<b>Other Obligations</b>		
TIFIA note 2015	52,935	51,526
SIB loan 2015	30,824,177	30,029,158
State Highway Fund Loan 2015	30,824,177	30,029,158
2013 American Bank Loan	3,570,000	5,300,000
71E TxDOT Obligation - LT	65,000,000	-
<b>Total Other Obligations</b>	<u>130,271,289</u>	<u>65,409,842</u>
<b>Total Long Term Liabilities</b>	<u>1,364,285,862</u>	<u>1,309,343,465</u>
<b>Total Liabilities</b>	<u><u>1,401,345,183</u></u>	<u><u>1,331,623,813</u></u>
<b>NET ASSETS</b>		
Contributed Capital	136,725,550	35,847,060
Net Assets Beginning	508,907,392	476,485,538
Current Year Operations	10,445,309	2,071,440
<b>Total Net Assets</b>	<u>656,078,251</u>	<u>514,404,037</u>
<b>Total Liabilities and Net Assets</b>	<u><u>\$ 2,057,423,434</u></u>	<u><u>\$ 1,846,027,850</u></u>

**Central Texas Regional Mobility Authority**  
**Statement of Cash Flow**  
**as of September 30, 2017**

**Cash flows from operating activities:**

Receipts from toll fees	\$	17,864,781
Receipts from interest income		153,187
Payments to vendors		(4,538,152)
Payments to employees		(1,122,168)
Net cash flows provided by (used in) operating activities		12,357,648

**Cash flows from capital and related financing activities:**

Proceeds from notes payable		611,052
Refunding of bonds		65,436
Receipts from Department of Transportation		2,374,725
Interest payments		(27,513,365)
Acquisitions of construction in progress		(54,867,146)
Net cash flows provided by (used in) capital and related financing activities		(79,329,298)

**Cash flows from investing activities:**

Interest income		1,026,343
Purchase of investments		(89,492,662)
Proceeds from sale or maturity of investments		64,334,926
Net cash flows provided by (used in) investing activities		(24,131,393)
Net increase (decrease) in cash and cash equivalents		(91,103,043)
Cash and cash equivalents at beginning of period		201,260,772
Cash and cash equivalents at end of September	\$	110,157,730

**Reconciliation of change in net assets to net cash provided by operating activities:**

Operating income	\$	8,707,079
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization		5,825,804
Changes in assets and liabilities:		
(Increase) decrease in accounts receivable		(1,332,146)
(Increase) decrease in prepaid expenses and other assets		36,962
(Decrease) increase in accounts payable		(2,009,048)
Increase (decrease) in accrued expenses		1,128,998
Total adjustments		3,650,569
Net cash flows provided by (used in) operating activities	\$	12,357,648

**Reconciliation of cash and cash equivalents:**

Unrestricted cash and cash equivalents	\$	418,381
Restricted cash and cash equivalents		109,739,349
Total	\$	110,157,730

**INVESTMENTS by FUND**

		<b>Balance</b>		
			<b>September 30, 2017</b>	
<b>Renewal &amp; Replacement Fund</b>				
<b>TexSTAR</b>	<b>507,466.53</b>			<b>TexSTAR 161,515,596.84</b>
<b>Goldman Sachs</b>	<b>189,325.00</b>			<b>Goldman Sachs 109,720,435.59</b>
Agencies			696,791.53	<b>Agencies &amp; Treasury Notes 111,147,035.53</b>
<b>Grant Fund</b>				<b>\$ 382,383,067.96</b>
<b>TexSTAR</b>	<b>9,132,363.39</b>			
<b>Goldman Sachs</b>	<b>477,063.86</b>			
Agencies			9,609,427.25	
<b>Senior Debt Service Reserve Fund</b>				
<b>TexSTAR</b>	<b>15,095,245.23</b>			
<b>Goldman Sachs</b>	<b>5,295,417.36</b>			
Agencies	59,881,609.96		80,272,272.55	
<b>2010 Senior Lien DSF</b>				
<b>Goldman Sachs</b>	<b>195,611.29</b>			
<b>TexSTAR</b>	<b>-</b>		195,611.29	
<b>2011 Debt Service Acct</b>				
<b>Goldman Sachs</b>	<b>754,089.32</b>		754,089.32	
<b>2013 Sr Debt Service Acct</b>				
<b>Goldman Sachs</b>	<b>4,655,079.94</b>		4,655,079.94	
<b>2013 Sub Debt Service Account</b>				
<b>Goldman Sachs</b>	<b>2,023,291.15</b>		7,061,526.11	
<b>TexSTAR</b>	<b>5,038,234.96</b>			
<b>2015 Sr Capitalized Interest</b>				
<b>Goldman Sachs</b>	<b>3,153,140.73</b>		53,515,007.53	
<b>TexSTAR</b>	<b>50,361,866.80</b>			
<b>2015A Debt Service Account</b>				
<b>Goldman Sachs</b>	<b>3.30</b>		3.30	
<b>2015B Debt Service Account</b>				
<b>Goldman Sachs</b>	<b>861,761.77</b>		861,761.77	
<b>2016 Sr Lien Rev Refunding Debt Service Account</b>				
<b>Goldman Sachs</b>	<b>6,129,523.90</b>		6,129,523.90	
<b>2016 Sub Lien Rev Refunding Debt Service Account</b>				
<b>Goldman Sachs</b>	<b>1,134,695.22</b>		6,131,361.89	
Agencies	4,996,666.67			
<b>2016 Sub Lein Rev Refunding DSR</b>				
<b>Goldman Sachs</b>	<b>1,657,381.07</b>		1,657,381.07	
<b>Operating Fund</b>				
<b>TexSTAR</b>	<b>707,665.68</b>			
<b>TexSTAR-Trustee</b>	<b>2,604,019.04</b>			
<b>Goldman Sachs</b>	<b>-</b>		3,311,684.72	
<b>Revenue Fund</b>				
<b>Goldman Sachs</b>	<b>2,841,435.68</b>		2,841,435.68	
<b>General Fund</b>				
<b>TexSTAR</b>	<b>25,192,101.25</b>			
<b>Goldman Sachs</b>	<b>5,579,885.18</b>			
Agencies	4,402,598.75		35,174,585.18	
<b>2013 Sub Debt Service Reserve Fund</b>				
<b>Goldman Sachs</b>	<b>3,486,742.05</b>			
Agencies			3,486,742.05	
<b>71E Revenue Fund</b>				
<b>Goldman Sachs</b>	<b>1,669,348.94</b>		1,669,348.94	
<b>MoPac Revenue Fund</b>				
<b>Goldman Sachs</b>	<b>153,330.61</b>		153,330.61	
<b>MoPac Construction Fund</b>				
<b>Goldman Sachs</b>	<b>33,495,390.50</b>		33,495,390.50	
<b>2015B Project Account</b>				
<b>Goldman Sachs</b>	<b>782,997.86</b>			
Agencies	32,063,731.97		40,451,878.95	
<b>TexSTAR</b>	<b>7,605,149.12</b>			
<b>2015A Project Account</b>				
<b>TexSTAR</b>	<b>19,148,223.35</b>			
<b>Goldman Sachs</b>	<b>29,299,572.71</b>			
Agencies	9,802,428.18		58,250,224.24	
<b>Treasury Notes</b>				
<b>2015 TIFIA Project Account</b>				
<b>Goldman Sachs</b>	<b>50,475.17</b>		50,475.17	
<b>2015 State Highway Fund Project Account</b>				
<b>Goldman Sachs</b>	<b>701,696.41</b>		701,696.41	
<b>2015 SIB Project Account</b>				
<b>Goldman Sachs</b>	<b>802,579.55</b>		802,579.55	
<b>2011 Sr Financial Assistance Fund</b>				
<b>Goldman Sachs</b>	<b>1,000.80</b>		23,113,046.50	
<b>TexSTAR</b>	<b>23,112,045.70</b>			
<b>183S Utility Custody Deposit</b>				
<b>Goldman Sachs</b>	<b>1,414,171.15</b>			
<b>TexSTAR</b>	<b>3,011,215.79</b>		4,425,386.94	
<b>RIF</b>				
<b>Goldman Sachs</b>	<b>2,000,000.00</b>		2,000,000.00	
<b>45SW Trust Account Hays County</b>				
<b>Goldman Sachs</b>	<b>0.00</b>		0.00	
<b>45SW Trust Account Travis County</b>				
<b>Goldman Sachs</b>	<b>915,425.07</b>		915,425.07	
			<b>\$ 382,383,067.96</b>	\$ -

**CTRMA INVESTMENT REPORT**

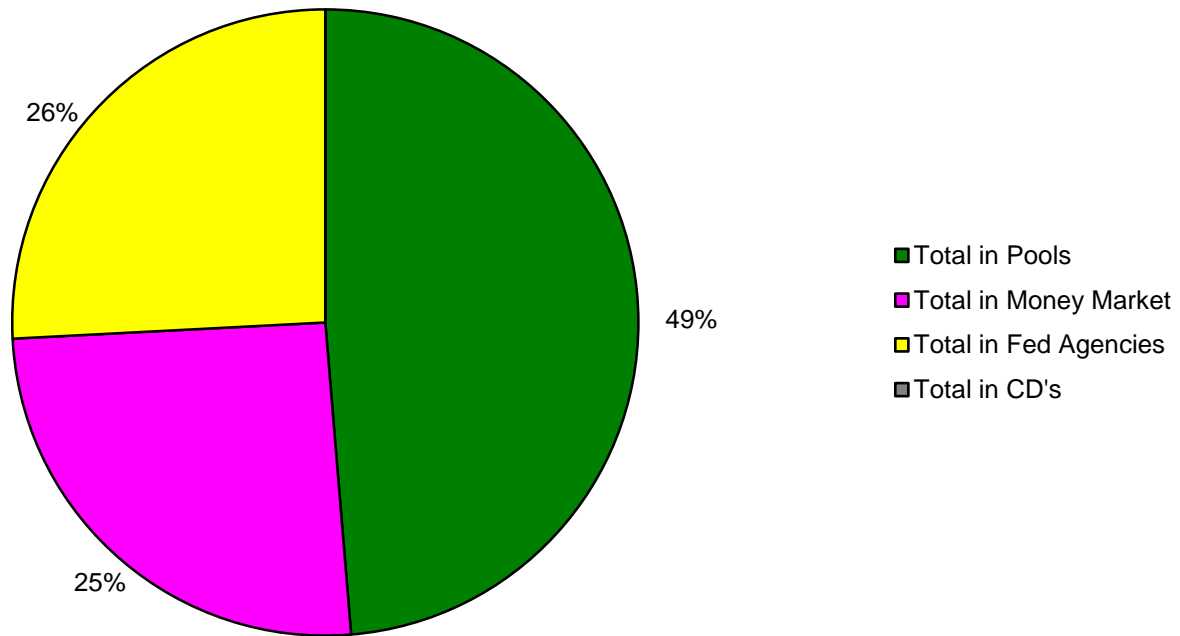
	Month Ending 9/30/17					Rate September	
	Balance 9/1/2017	Additions	Discount Amortization	Accrued Interest	Withdrawals		Balance 9/30/2017
<b>Amount in Trustee TexStar</b>							
2011 Sr Lien Financial Assist Fund	23,092,337.35			19,708.35		23,112,045.70	1.038%
2013 Sub Lien Debt Service Reserve	5,033,938.70			4,296.26		5,038,234.96	1.038%
General Fund	25,170,619.17			21,482.08		25,192,101.25	1.038%
Trustee Operating Fund	2,501,966.32	1,600,014.38		2,038.34	1,500,000.00	2,604,019.04	1.038%
Renewal and Replacement	507,033.79			432.74		507,466.53	1.038%
Grant Fund	9,124,575.95			7,787.44		9,132,363.39	1.038%
Senior Lien Debt Service Reserve Fund	15,082,373.05			12,872.18		15,095,245.23	1.038%
183S Utility Custody Deposit	3,008,648.04			2,567.75		3,011,215.79	1.038%
2015A Sr Ln Project Account	19,131,895.07			16,328.28		19,148,223.35	1.038%
2015A Sr Ln Project Cap Interest	50,318,921.72			42,945.08		50,361,866.80	1.038%
2015B Sr Ln Project	15,095,676.61			9,472.51	7,500,000.00	7,605,149.12	1.038%
2015D State Highway Fund Project Acct	0.00	29,000,000.00		14,834.92		29,014,834.92	1.038%
2015E SIB Project Account	0.00	19,000,000.00		10,259.94		19,010,259.94	1.038%
	<b>168,067,985.77</b>	<b>49,600,014.38</b>		<b>165,025.87</b>	<b>9,000,000.00</b>	<b>208,833,026.02</b>	
<b>Amount in TexStar Operating Fund</b>							
	<b>207,062.23</b>	<b>1,500,000.00</b>		<b>603.45</b>	<b>1,000,000.00</b>	<b>707,665.68</b>	<b>1.038%</b>
<b>Goldman Sachs</b>							
Operating Fund	0.00	1,600,000.00		14.38	1,600,014.38	0.00	0.280%
45SW Trust Account Travis County	918,812.53			700.04	4,087.50	915,425.07	0.280%
45SW Trust Account Hays County	3.36				3.36	0.00	0.280%
2015A Project Account	15,605,370.16	14,410,312.50		14,375.53	730,485.48	29,299,572.71	0.280%
2015B Project Account	5,056,945.00	7,648,750.00		3,852.86	11,926,550.00	782,997.86	0.280%
2015D State Highway Fund Project Acct	29,679,084.09			22,612.32	29,000,000.00	701,696.41	0.280%
2015C TIFIA Project Account	50,436.74			38.43		50,475.17	0.280%
2015E SIB Project Account	19,787,503.57			15,075.98	19,000,000.00	802,579.55	0.280%
183S Utility Custody Deposit	1,412,702.93			1,468.22		1,414,171.15	0.280%
2011 Sr Financial Assistance Fund	1,000.04			0.76		1,000.80	0.280%
2010 Senior DSF	178,662.91	16,818.41		129.97		195,611.29	0.280%
2011 Senior Lien Debt Service Acct	753,515.22			574.10		754,089.32	0.280%
2013 Senior Lien Debt Service Acct	3,738,745.66	913,820.01		2,514.27		4,655,079.94	0.280%
2013 Subordinate Debt Service Acct	1,516,786.76	505,533.68		970.71		2,023,291.15	0.280%
2015 Sr Capitalized Interest	3,150,740.20			2,400.53		3,153,140.73	0.280%
2015A Debt Service Acct	3.30					3.30	0.280%
2015B Debt Service Acct	575,300.85	286,127.26		333.66		861,761.77	0.280%
2016 Sr Lien Rev Refunding Debt Service Account	5,259,223.51	866,610.41		3,689.98		6,129,523.90	0.280%
2016 Sub Lien Rev Refunding Debt Service Account	821,439.66	312,744.11		511.45		1,134,695.22	0.280%
2016 Sub Lein Rev Refunding DSR	1,656,119.28			1,261.79		1,657,381.07	0.280%
RIF	2,000,000.00			50.79		2,000,050.79	0.280%
Grant Fund	476,700.66			363.20		477,063.86	0.280%
Renewal and Replacement	189,180.86			144.14		189,325.00	0.280%
Revenue Fund	3,064,174.74	8,816,739.90		2,262.44	9,041,741.40	2,841,435.68	0.280%
General Fund	8,768,691.01	2,731,266.66		10,492.09	5,930,564.58	5,579,885.18	0.280%
Senior Lien Debt Service Reserve Fund	25,256,429.64	23,500.00		19,242.72	20,003,755.00	5,295,417.36	0.280%
MoPac Revenue Fund	146,757.73	6,463.19		109.69		153,330.61	0.280%
71E Revenue Fund	797,247.64	871,513.36		587.94		1,669,348.94	0.280%
2013 Sub Debt Service Reserve Fund	3,484,087.54			2,654.51		3,486,742.05	0.280%
MoPac Managed Lane Construction Fund	33,981,800.23			26,284.18	512,693.91	33,495,390.50	0.280%
	<b>168,327,465.82</b>	<b>39,010,199.49</b>	<b>0.00</b>	<b>132,716.68</b>		<b>109,720,486.38</b>	
<b>Amount in Fed Agencies and Treasuries</b>							
Amortized Principal	<b>93,529,307.18</b>	<b>31,873,430.00</b>	<b>(5,701.65)</b>		<b>14,250,000.00</b>	<b>111,147,035.53</b>	
	<b>93,529,307.18</b>	<b>31,873,430.00</b>	<b>(5,701.65)</b>	<b>0.00</b>	<b>14,250,000.00</b>	<b>111,147,035.53</b>	
<b>Certificates of Deposit</b>							
<b>Total in Pools</b>	<b>168,275,048.00</b>	<b>51,100,014.38</b>		<b>165,629.32</b>	<b>10,000,000.00</b>	<b>209,540,691.70</b>	
<b>Total in GS FSGF</b>	<b>168,327,465.82</b>	<b>39,010,199.49</b>		<b>132,716.68</b>		<b>109,720,486.38</b>	
<b>Total in Fed Agencies and Treasuries</b>	<b>93,529,307.18</b>	<b>31,873,430.00</b>	<b>(5,701.65)</b>		<b>14,250,000.00</b>	<b>111,147,035.53</b>	
<b>Total Invested</b>	<b>430,131,821.00</b>	<b>121,983,643.87</b>	<b>(5,701.65)</b>	<b>298,346.00</b>	<b>24,250,000.00</b>	<b>430,408,213.61</b>	

All Investments in the portfolio are in compliance with the CTRMA's Investment policy and the relevent provisions of the Public Funds Investment Act Chapter 2256.023

William Chapman, CFO

Mary Temple, Controller

## Allocation of Funds



Amount of Investments As of September 30, 2017

Agency	CUSIP #	COST	Book Value	Market Value	Yield to Maturity	Purchased	Matures	FUND
Federal Farm Credit	3133ECA79	4,959,250.00	4,993,208.33	4,992,600.00	1.2155%	3/11/2015	3/19/2018	Senior DSRF
Federal Farm Credit	3133EFSG3	10,057,749.23	10,013,677.27	9,993,300.00	0.8421%	2/8/2016	3/14/2018	2015B Sr Project
Federal Home loan Bank	313378QK0	10,253,642.07	10,123,504.70	10,057,700.00	1.0369%	2/8/2016	3/8/2019	2015B Sr Project
Federal Home Loan Mortgage Corp	313397UW9	11,926,550.00	11,926,550.00	11,931,720.00	1.1370%	9/15/2017	3/29/2018	2015B Sr Project
Freddie Mac	3134G4Z84	9,850,343.91	9,802,428.18	9,800,392.00	0.8097%	2/18/2016	10/10/2017	2015A Sr Project
Federal Home loan Bank	303370SZ2	<b>Matured</b>	<b>Matured</b>	<b>Matured</b>	0.9023%	3/7/2016	9/8/2017	2015A Sr Project
Federal Home loan Bank	3030A6SW8	10,039,900.00	10,005,906.25	9,998,300.00	0.7616%	4/11/2016	12/19/2017	Senior DSRF
Federal Home loan Bank	3130A8BD4	24,907,000.00	24,935,615.38	24,930,250.00	1.2288%	6/7/2017	6/29/2018	Senior DSRF
Fannie Mae	3135G0G72	19,946,880.00	19,946,880.00	19,930,600.00	1.3401%	9/15/2017	12/14/2018	Senior DSRF
Federal Home loan Bank	3130ABJD9	4,995,000.00	4,996,666.67	4,992,450.00	1.2265%	6/7/2017	6/5/2018	2016 Sub DSRF
Federal Home loan Bank	3030A6SW8	4,417,556.00	4,402,598.75	4,399,252.00	0.7616%	4/11/2016	12/19/2017	General
		<u>111,353,871.21</u>	<u>111,147,035.53</u>	<u>111,026,564.00</u>				

Agency	CUSIP #	COST	Cummulative Amortization	9/30/2017 Book Value	Maturity Value	Interest Income September 30, 2017		
						Accrued Interest	Amortization	Interest Earned
Federal Farm Credit	3133ECA79	4,959,250.00	(33,958.33)	4,993,208.33	5,000,000.00	3,916.67	1,131.94	5,048.61
Federal Farm Credit	3133EFSG3	10,057,749.23	44,071.96	10,013,677.27	10,000,000.00	9,166.67	(2,279.58)	6,887.09
Federal Home loan Bank	313378QK0	10,253,642.07	130,137.37	10,123,504.70	10,000,000.00	15,625.00	(6,861.37)	8,763.63
Federal Home Loan Mortgage Corp	313397UW9	11,926,550.00	-	11,926,550.00	12,000,000.00	-	-	-
Freddie Mac	3134G4Z84	9,850,343.91	47,915.73	9,802,428.18	9,800,000.00	9,187.50	(2,428.16)	6,759.34
Federal Home loan Bank	303370SZ2	<b>Matured</b>	<b>Matured</b>	<b>Matured</b>	14,250,000.00	-	-	-
Federal Home loan Bank	3030A6SW8	10,039,900.00	33,993.75	10,005,906.25	10,000,000.00	8,333.33	(1,968.75)	6,364.58
Federal Home loan Bank	3130A8BD4	24,907,000.00	(28,615.38)	24,935,615.38	25,000,000.00	18,229.17	7,153.85	25,383.02
Fannie Mae	3135G0G72	19,946,880.00	-	19,946,880.00	20,000,000.00	-	-	-
Federal Home loan Bank	3130ABJD9	4,995,000.00	(1,666.67)	4,996,666.67	5,000,000.00	4,687.50	416.67	5,104.17
Federal Home loan Bank	3030A6SW8	4,417,556.00	14,957.25	4,402,598.75	4,400,000.00	3,666.67	(866.25)	2,800.42
		<u>111,353,871.21</u>	<u>206,835.68</u>	<u>111,147,035.53</u>	<u>125,450,000.00</u>	<u>72,812.51</u>	<u>(5,701.65)</u>	<u>67,110.86</u>

September 30, 2017

Certificates of Deposit Outstanding

Bank	CUSIP #	COST	Yield to Maturity	Purchased	Matures	September 30, 2017 Interest	FUND
		- <u>                    </u>				\$ - <u>                    </u>	

Travis County Escrow account					
Balance		Accrued		Balance	
9/1/2017	Additions	Interest	Withdrawals	9/30/2017	
\$ 18,846.12		\$ 15.62		\$ 18,861.74	





**183 South Design-Build Project**  
**Contingency Status**  
 October 31, 2017



**Original Construction Contract Value: \$581,545,700**

<b>Total Project Contingency</b>		<b>\$47,860,000</b>
<b>Obligations</b>	CO#1 City of Austin ILA Adjustment	(\$2,779,934)
	CO#2 Addition of Coping to Soil Nail Walls	\$742,385
	CO#4 Greenroads Implementation	\$362,280
	CO#6 51st Street Parking Trailhead	\$477,583
	CO#9 Patton Interchange Revisions	\$3,488,230
	Others Less than \$300,000 (4)	(\$45,957)
	Executed Change Orders	\$2,244,587
	Change Orders Under Negotiation	\$2,650,000
Potential Contractual Obligations	\$10,600,000	
<b>(-) Total Obligations</b>		<b>\$15,494,587</b>
<b>Remaining Project Contingency</b>		<b>\$32,365,413</b>



**SH 45SW Construction**  
**Contingency Status**  
 October 31, 2017



**Original Construction Contract Value: \$75,103,623**

<b>Total Project Contingency</b>		<b>\$ 7,520,000.00</b>
<b>Obligations</b>	CO #01 Asbestos Removal	\$1,962
	CO #02 TCEQ Protection Plan	\$103,773
	CO #03 Conduit Installation Revision	(\$11,970)
	CO #04 Installation of PEC and TWC Conduits	\$458,439
	CO #05 Installation of SSTR Drilled Shafts and Moment Slab	\$538,945
	CO #06 Feature 004 Protection and Bridge Drain Assembly	\$2,932
	CO #07 Traffic Control Savings and Removal of Mulch	(\$5,560)
	Executed Change Orders	<b>\$1,088,522</b>
	CO #08 Slope Protection Under Bear Creek Bridge	\$167,338
	Change Orders in Negotiations	<b>\$167,338</b>
Potential Contractual Obligations		<b>\$5,382,961</b>
<b>(-) Total Obligations</b>		<b>\$ 6,638,821</b>
<b>Remaining Project Contingency</b>		<b>\$ 881,179</b>



**MOPAC Construction**  
**Financial Status**  
 September 30, 2017



**Original Construction Contract Value: \$ 136,632,100**

<b>Change Orders</b>	CO#01B	5th & Cesar Chavez SB Reconfig (Construction)	\$593,031
	CO#05B	FM 2222 Bridge NB Ret Wall Abutment Repair (Construction)	\$850,000
	CO#07	FM 2222 Exit Storage Lane	\$426,000
	CO#08C	Refuge Area: Added Shoulder Adjustment Soundwall #1	\$2,508,548
	CO#12	Barrier Rail Opaque Seal	\$542,419
	CO#17	Bike and Ped Improvements at Far West Blvd Bridge/RM 2222	\$971,889
	CO#34	Undercrossing Fire Protection	\$1,412,574
	CO#35	TxDOT Duct Bank Interference	\$1,357,196
	CO#36	Non-Compliant Existing Illumination	\$2,226,189
	CO#37	NB Pavement Cross Slope and Profile Corrections	\$3,635,477
	CO#38	SB Pavement Cross Slope and Profile Corrections	\$3,100,298
		Total of Others Less than \$300,000 (20)	(\$1,427,933)
<b>Executed Change Orders</b>			<b>\$16,195,688</b>

**Revised Construction Contract Value: \$152,827,788**

**Change Orders under Negotiation \$ 6,940,002**

**Potential Construction Contract Value: \$159,767,790**

**Amount paid CH2M (as of 9/30/2017) \$ (110,710,054)**

**Assessed Liquidated Damages \$ (20,000,000)**

**Potential Amount Due (CH2M) \$ 29,057,736**



## Monthly Newsletter - September 2017

### Performance

#### As of September 30, 2017

Current Invested Balance	\$5,841,986,573.82
Weighted Average Maturity (1)	27 Days
Weighted Average Maturity (2)	91 Days
Net Asset Value	1.000022
Total Number of Participants	848
Management Fee on Invested Balance	0.06%*
Interest Distributed	\$5,295,682.23
Management Fee Collected	\$289,284.71
% of Portfolio Invested Beyond 1 Year	7.99%
Standard & Poor's Current Rating	AAAm

#### September Averages

Average Invested Balance	\$5,866,176,283.59
Average Monthly Yield, on a simple basis	1.0384%
Average Weighted Average Maturity (1)*	28 Days
Average Weighted Average Maturity (2)*	92 Days

#### Definition of Weighted Average Maturity (1) & (2)

- (1) This weighted average maturity calculation uses the SEC Rule 2a-7 definition for stated maturity for any floating rate instrument held in the portfolio to determine the weighted average maturity for the pool. This Rule specifies that a variable rate instrument to be paid in 397 calendar days or less shall be deemed to have a maturity equal to the period remaining until the next readjustment of the interest rate.
- (2) This weighted average maturity calculation uses the final maturity of any floating rate instruments held in the portfolio to calculate the weighted average maturity for the pool.

\* The maximum management fee authorized for the TexSTAR Cash Reserve Fund is 12 basis points. This fee may be waived in full or in part in the discretion of the TexSTAR co-administrators at any time as provided for in the TexSTAR Information Statement.

Rates reflect historical information and are not an indication of future performance.

### New Participants

We would like to welcome the following entities who joined the TexSTAR program in September:

★ Town of Annetta

★ Coleman County

### Holiday Reminder

In observance of **Columbus Day**, TexSTAR will be closed on **Monday, October 9, 2017**. All ACH transactions initiated on Friday, October 6th, will settle on Tuesday October 10th. Please plan accordingly for your liquidity needs.

### Economic Commentary

The third quarter was dominated by a multitude of factors: geopolitical tensions flared between the U.S. and North Korea; political concerns in Europe increased as the results of the German elections showed a Merkel win, but her conservative alliance lost ground; the announcement of a potential tax reform plan in Washington; and multiple natural disasters globally. The global economy grew at its fastest pace since the recovery, with over 80% of countries reporting higher year-over-year GDP growth. In the U.S., 2nd quarter GDP growth was revised upward and inflation surprised to the upside in September after five consecutive down months, leading market participants to increase expectations of an additional rate hike this year. Over the quarter, the White House and Congress focused their efforts on Healthcare and averting the debt ceiling, which they extended to be re-addressed again in December. The next agenda item is tax reform, which the Republicans would like to pass by year-end.

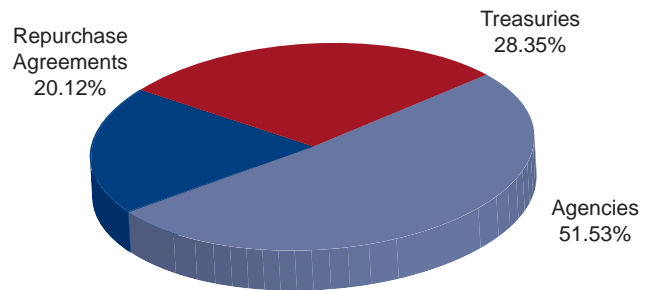
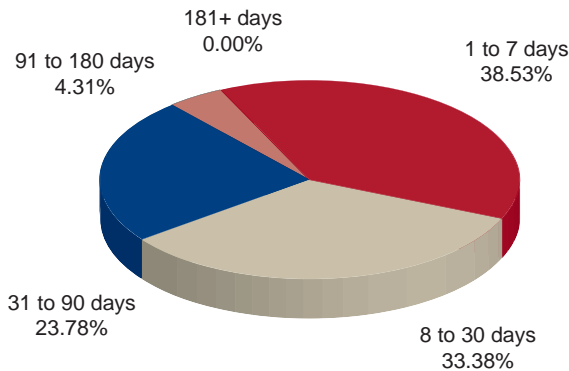
The Federal Reserve (Fed) kept rates unchanged at 1.00%-1.25% at its September Federal Open Market Committee (FOMC) meeting. Consistent with market expectations, the Fed also announced that balance sheet normalization would begin on October 1st. The committee will stop reinvesting the proceeds from Treasury and mortgage securities at a maximum run-off rate of \$10 billion per month initially, accelerating at three-month intervals to \$50 billion per month. The committee lowered its outlook on core inflation but prepared the market for one more rate hike this year, and forecast three rates hikes in 2018. The unemployment rate estimates continued to be revised down for the next few years and the median long-run Fed Funds rate was lowered from 3% to 2.75%. We expect the Fed to raise rates in December, supported by both higher growth and higher inflation. We still think synchronous global growth, tepid global inflation and very slow policy normalization are the dominant market themes. Global growth is arguably even stronger than three months ago, and is the strongest since the recovery. Cyclical inflation, which has been stubbornly stuck at low levels, may be poised to move higher. In the U.S., a weaker dollar should be a tailwind to inflation, as should the strong labor market.

This information is an excerpt from an economic report dated September 2017 provided to TexSTAR by JP Morgan Asset Management, Inc., the investment manager of the TexSTAR pool.

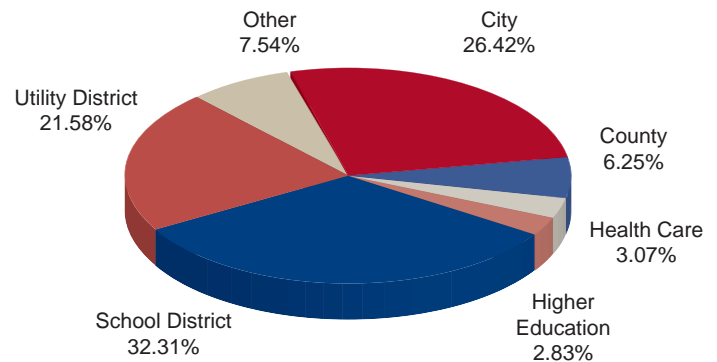
**For more information about TexSTAR, please visit our web site at [www.texstar.org](http://www.texstar.org).**

# Information at a Glance

## Portfolio by Type of Investment As of September 30, 2017



## Portfolio by Maturity As of September 30, 2017



## Distribution of Participants by Type As of September 30, 2017

# Historical Program Information

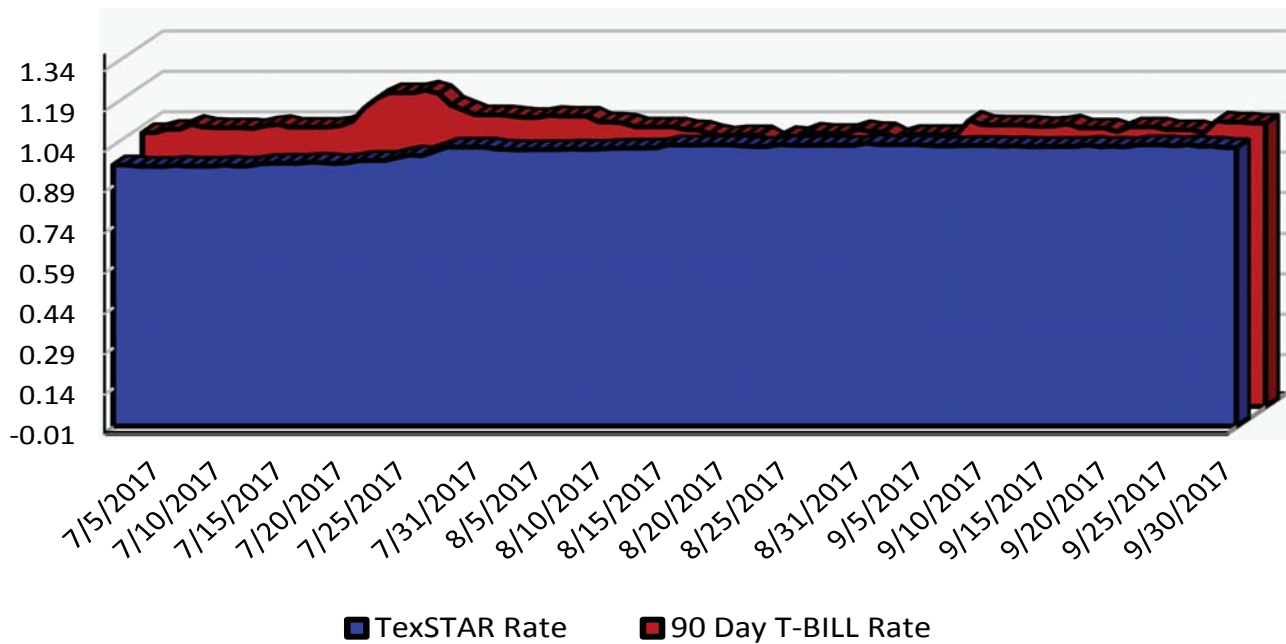
Month	Average Rate	Book Value	Market Value	Net Asset Value	WAM (1)*	WAM (2)*	Number of Participants
Sep 17	1.0384%	\$5,841,986,573.82	\$5,842,202,955.19	1.000022	28	92	848
Aug 17	1.0343%	5,770,863,631.13	5,770,945,786.15	1.000014	33	102	846
Jul 17	0.9827%	5,941,902,116.09	5,941,981,984.60	1.000013	32	97	844
Jun 17	0.8631%	6,071,512,305.56	6,071,586,949.16	0.999993	30	92	838
May 17	0.7535%	6,440,388,492.41	6,440,492,333.25	1.000016	28	97	836
Apr 17	0.7140%	6,279,219,607.16	6,279,507,477.47	1.000045	36	105	832
Mar 17	0.6269%	6,551,167,144.50	6,551,621,726.22	1.000064	42	110	829
Feb 17	0.5533%	7,267,565,993.07	7,269,212,259.58	1.000226	43	111	827
Jan 17	0.5452%	7,011,113,225.83	7,012,695,761.41	1.000225	44	96	823
Dec 16	0.4815%	6,128,094,216.46	6,129,417,408.96	1.000215	49	100	822
Nov 16	0.4144%	5,250,402,124.93	5,251,596,034.74	1.000227	47	109	821
Oct 16	0.4202%	5,155,508,603.07	5,157,927,996.01	1.000469	39	105	820

# Portfolio Asset Summary as of September 30, 2017

	Book Value	Market Value
Uninvested Balance	\$ 150,992,115.82	\$ 150,992,115.82
Accrual of Interest Income	1,641,106.20	1,641,106.20
Interest and Management Fees Payable	(5,317,336.13)	(5,317,336.13)
Payable for Investment Purchased	0.00	0.00
Repurchase Agreement	1,176,161,999.78	1,176,161,999.78
Government Securities	4,518,508,688.15	4,518,725,069.52
<b>Total</b>	<b>\$ 5,841,986,573.82</b>	<b>\$ 5,842,202,955.19</b>

Market value of collateral supporting the Repurchase Agreements is at least 102% of the Book Value. The portfolio is managed by J.P. Morgan Chase & Co. and the assets are safekept in a separate custodial account at the Federal Reserve Bank in the name of TexSTAR. The only source of payment to the Participants are the assets of TexSTAR. There is no secondary source of payment for the pool such as insurance or guarantee. Should you require a copy of the portfolio, please contact TexSTAR Participant Services.

# TexSTAR versus 90-Day Treasury Bill



This material is for information purposes only. This information does not represent an offer to buy or sell a security. The above rate information is obtained from sources that are believed to be reliable; however, its accuracy or completeness September be subject to change. The TexSTAR management fee may be waived in full or in part at the discretion of the TexSTAR co-administrators and the TexSTAR rate for the period shown reflects waiver of fees. This table represents historical investment performance/return to the customer, net of fees, and is not an indication of future performance. An investment in the security is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Although the issuer seeks to preserve the value of an investment at \$1.00 per share, it is possible to lose money by investing in the security. Information about these and other program details are in the fund's Information Statement which should be read carefully before investing. The yield on the 90-Day Treasury Bill ("T-Bill Yield") is shown for comparative purposes only. When comparing the investment returns of the TexSTAR pool to the T-Bill Yield, you should know that the TexSTAR pool consist of allocations of specific diversified securities as detailed in the respective Information Statements. The T-Bill Yield is taken from Bloomberg Finance L.P. and represents the daily closing yield on the then current 90-day T-Bill.

## Daily Summary for September 2017

Date	Mny Mkt Fund Equiv. [SEC Std.]	Daily Allocation Factor	TexSTAR Invested Balance	Market Value Per Share	WAM Days (1)*	WAM Days (2)*
9/1/2017	1.0426%	0.000028564	\$5,707,598,652.61	1.000010	26	91
9/2/2017	1.0426%	0.000028564	\$5,707,598,652.61	1.000010	26	91
9/3/2017	1.0426%	0.000028564	\$5,707,598,652.61	1.000010	26	91
9/4/2017	1.0426%	0.000028564	\$5,707,598,652.61	1.000010	26	91
9/5/2017	1.0394%	0.000028478	\$5,692,785,489.93	0.999997	25	90
9/6/2017	1.0379%	0.000028436	\$5,782,954,779.75	1.000028	27	90
9/7/2017	1.0379%	0.000028435	\$5,800,193,935.67	1.000031	27	89
9/8/2017	1.0396%	0.000028481	\$5,785,986,498.55	1.000032	26	87
9/9/2017	1.0396%	0.000028481	\$5,785,986,498.55	1.000032	26	87
9/10/2017	1.0396%	0.000028481	\$5,785,986,498.55	1.000032	26	87
9/11/2017	1.0370%	0.000028412	\$5,870,743,640.95	1.000028	25	85
9/12/2017	1.0384%	0.000028448	\$6,091,446,854.10	1.000029	27	85
9/13/2017	1.0357%	0.000028376	\$6,087,702,635.37	1.000027	26	92
9/14/2017	1.0355%	0.000028371	\$6,128,801,809.27	1.000021	27	91
9/15/2017	1.0362%	0.000028389	\$5,994,083,791.97	1.000018	28	94
9/16/2017	1.0362%	0.000028389	\$5,994,083,791.97	1.000018	28	94
9/17/2017	1.0362%	0.000028389	\$5,994,083,791.97	1.000018	28	94
9/18/2017	1.0407%	0.000028512	\$5,960,153,225.70	1.000020	32	95
9/19/2017	1.0352%	0.000028361	\$5,943,266,420.01	1.000018	31	94
9/20/2017	1.0370%	0.000028410	\$5,899,099,544.63	1.000019	31	95
9/21/2017	1.0349%	0.000028353	\$5,859,190,938.36	1.000022	32	99
9/22/2017	1.0419%	0.000028546	\$5,830,466,724.70	1.000021	30	97
9/23/2017	1.0419%	0.000028546	\$5,830,466,724.70	1.000021	30	97
9/24/2017	1.0419%	0.000028546	\$5,830,466,724.70	1.000021	30	97
9/25/2017	1.0378%	0.000028434	\$5,904,480,972.93	1.000021	29	95
9/26/2017	1.0422%	0.000028553	\$5,889,252,644.88	1.000020	29	94
9/27/2017	1.0372%	0.000028416	\$5,860,666,935.86	1.000019	28	94
9/28/2017	1.0376%	0.000028427	\$5,868,569,876.65	1.000028	28	93
9/29/2017	1.0317%	0.000028266	\$5,841,986,573.82	1.000022	27	91
9/30/2017	1.0317%	0.000028266	\$5,841,986,573.82	1.000022	27	91
Average	1.0384%	0.000028449	\$5,866,176,283.59		28	92

TexSTAR Participant Services  
 FirstSouthwest, A Division of Hilltop Securities  
 1201 Elm Street, Suite 3500  
 Dallas, Texas 75270



### **TexSTAR Board Members**

<i>William Chapman</i>	<i>Central Texas Regional Mobility Authority</i>	<i>Governing Board President</i>
<i>Nell Lange</i>	<i>City of Frisco</i>	<i>Governing Board Vice President</i>
<i>Eric Cannon</i>	<i>City of Allen</i>	<i>Governing Board Treasurer</i>
<i>David Medanich</i>	<i>FirstSouthwest / Hilltop Securities</i>	<i>Governing Board Secretary</i>
<i>Jennifer Novak</i>	<i>J.P. Morgan Asset Management</i>	<i>Governing Board Asst. Sec./Treas.</i>
<i>Nicole Conley</i>	<i>Austin ISD</i>	<i>Advisory Board</i>
<i>Becky Brooks</i>	<i>Government Resource Associates, LLC</i>	<i>Advisory Board</i>
<i>Monte Mercer</i>	<i>North Central TX Council of Government</i>	<i>Advisory Board</i>
<i>Stephen Fortenberry</i>	<i>Plano ISD</i>	<i>Advisory Board</i>
<i>David Pate</i>	<i>Richardson ISD</i>	<i>Advisory Board</i>
<i>James Mauldin</i>	<i>University of North Texas System</i>	<i>Advisory Board</i>

For more information contact TexSTAR Participant Services ★ 1-800-839-7827 ★ [www.texstar.org](http://www.texstar.org)



**GENERAL MEETING OF THE BOARD OF DIRECTORS  
OF THE  
CENTRAL TEXAS REGIONAL MOBILITY AUTHORITY**

**RESOLUTION NO. 17-058**

**APPROVING THE ANNUAL COMPLIANCE REPORT  
TO THE TEXAS DEPARTMENT OF TRANSPORTATION  
REQUIRED BY 43 TEX. ADMIN. CODE § 26.65.**

WHEREAS, the Texas Transportation Commission has adopted rules codified at Title 43, Chapter 26, Subchapter G of the Texas Administrative Code (TAC) that require the Mobility Authority to file certain reports and conduct certain audits, as specified therein; and

WHEREAS, pursuant to 43 TAC § 26.65, the Mobility Authority is required to file a report with the Texas Department of Transportation (TxDOT) confirming that the Mobility Authority has complied with all the duties it is required to perform under Title 43, Chapter 26, Subchapter G of the Texas Administrative Code; and

WHEREAS, the Executive Director has prepared a compliance report containing the information in the form required by 43 TAC § 26.65 which is attached hereto as Exhibit A; and

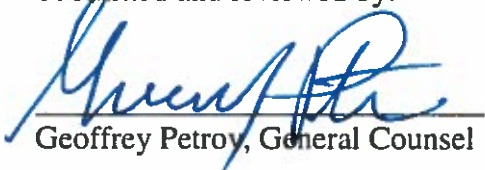
WHEREAS, the Executive Director certifies to the Board that the information contained in the compliance report attached hereto as Exhibit A is true and correct; and

WHEREAS, the compliance report must be approved by the Board prior to submission to TxDOT.


NOW THEREFORE, BE IT RESOLVED, that the Board hereby approves the compliance report in the form attached as Exhibit A, and authorizes the Executive Director to certify and submit the compliance report to the Texas Department of Transportation in accordance with Title 43, Chapter 26, Subchapter G of the Texas Administrative Code.

Adopted by the Board of Directors of the Central Texas Regional Mobility Authority on the 8<sup>th</sup> day of November 2017.

Submitted and reviewed by:

  
\_\_\_\_\_  
Geoffrey Petroy, General Counsel

Approved:

  
\_\_\_\_\_  
Ray A. Wilkerson  
Chairman, Board of Directors



**Exhibit A**

## Central Texas Regional Mobility Authority

### Compliance Report

Texas Administrative Code Title 43, Part I, Chapter 26, Subchapter G

§26.65(a) Annual Reports to the Commission

Compliance Rule	Compliance Statement	Certification
<b><i>Rule §26.61 Written Reports:</i></b>		
The annual operating and capital budgets adopted by the RMA year.	The Mobility Authority submits copies of the annual operating and capital budget adopted for the Fiscal Year 2018 beginning July 1, 2017, to Travis County and Williamson County.	The Board of Directors approved the FY 2018 Budget by Resolution No. 17-033 enacted on June 28, 2017.
Any annual financial information and notices of material events required to be disclosed under Rule 15c2-12 of the SEC.	No financial information or notices are required to be disclosed; not applicable.	
To the extent not disclosed in another report required in this compliance report, a statement of any surplus revenue held by the RMA and a summary of how it intends to use the surplus revenue.	The Mobility Authority did not hold any "surplus revenue" in FY 2016, as that term is defined by §370.003(12) of the Transportation Code.	
An independent auditor's review of the reports of investment transactions prepared under Government Code, §2256.023.	Included as part of the FY 2017 annual audit. See certification below.	Included as part of the FY 2017 annual audit. See certification below.
<b><i>Rule §26.62 Annual Audit:</i></b>		
The RMA shall maintain its books and records in accordance with generally accepted accounting principles in the United States and shall have an annual financial and compliance audit of such books and records.	The Mobility Authority received an unqualified opinion for FY 2017 from an independent certified public accountant.	The FY 2017 annual audit was accepted by the Board of Directors (acting through its Audit Committee) by resolution 17-056 enacted September 26, 2017.
The annual audit shall be submitted to each county or city that is a part of the RMA within 120 days after the end of the fiscal year, and conducted by an independent certified public accountant.	The Mobility Authority submitted copies of the FY 2017 annual audit to Travis County and Williamson County.	The Mobility Authority provided to Travis County and Williamson County a copy of the FY 2017 audit accepted by resolution September 26, 2017.
All work papers and reports shall be retained for a minimum of four years from the date of the audit.	Work papers and reports are and will be retained for a minimum of four years.	

<b>Rule §26.63 Other Reports to Counties and Cities:</b>		
Provide other reports and information regarding its activities promptly when requested by the counties or cities.	The Mobility Authority promptly provides reports and information regarding its activities when requested by Travis County or Williamson County. There is no city that is a part of the Central Texas Regional Mobility Authority.	
<b>Rule §26.64 Operating Records:</b>		
The Department will have access to all operating and financial records of the RMA. The executive director will provide notification if access is desired by the department.	The Mobility Authority will provide the Texas Department of Transportation access to all its operating and financial records when requested by the Department's executive director.	

**GENERAL MEETING OF THE BOARD OF DIRECTORS  
OF THE  
CENTRAL TEXAS REGIONAL MOBILITY AUTHORITY**

**RESOLUTION NO. 17-059**

**APPROVING AN INTERIM LOAN FROM REGIONS COMMERCIAL  
EQUIPMENT FINANCE, LLC FOR THE SETTLEMENT RELATED TO THE  
MOPAC IMPROVEMENT PROJECT**

WHEREAS, pursuant to Chapter 370, Texas Transportation Code, as amended (the "Act"), the Central Texas Regional Mobility Authority (the "Authority"), is authorized to: (i) study, evaluate, design, finance, acquire, construct, maintain, repair and operate transportation projects (as defined in the Act), individually or as a system (as defined in the Act); (ii) impose tolls, fees, fares or other charges for the use of each of its transportation projects and the different parts or sections of each of its transportation projects; (iii) borrow money from and enter into loan agreements or other arrangements with any public or private entity for any purpose authorized by the Act, including the design, engineering and construction of a transportation project, and (iv) pledge all or any part of its revenues and any other funds available to the Authority to the payment of any obligations of the Authority under agreements authorized by the Act; and

WHEREAS, the Board of Directors (the "Board") of the Authority has heretofore authorized the Authority to proceed with the design, engineering and construction of the Transportation Project (as defined below), and the Authority has incurred expenses relating thereto; and

WHEREAS, Regions Commercial Equipment Finance, LLC ("Regions") is willing to loan monies to the Authority in an aggregate principal amount not to exceed \$24,990,900, on the terms set forth in a secured loan agreement (the "Loan Agreement"), between Regions and the Authority, for the purpose of providing funds to pay or reimburse the Authority for a portion of the costs of the design, engineering and construction of the MoPac improvement project (as defined in the Loan Agreement, the "Transportation Project"); and

WHEREAS, the loan (as defined in the Loan Agreement, the "Loan"), made pursuant to the Loan Agreement shall be a limited obligation of the Authority, secured solely by the "Net Revenues" (as defined in the Loan Agreement), and payable from the Net Revenues and other legally available funds of the Authority, all as provided in and in accordance with the terms of the Loan Agreement; and

WHEREAS, the Board has determined to pledge the Net Revenues as security for the repayment of the Loan; and

WHEREAS, it is hereby found and determined that the meeting at which this Resolution is approved is open to the public and public notice of the time, place and

subject matter of the public business to be considered and acted upon at said meeting, including this Resolution, was given, all as required by the applicable provisions of Chapter 551, Texas Government Code, as amended;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE CENTRAL TEXAS REGIONAL MOBILITY AUTHORITY THAT:

Section 1. Findings. The findings and determinations contained in the preambles hereof are hereby incorporated herein for all purposes as if set forth herein in their entirety.

Section .2 Approval of Borrowing. The Board hereby authorizes the borrowing by the Authority of \$24,990,900 from Regions for the purpose of providing funds for the Transportation Project.

Section 3. Approval of the Loan Agreement. The form, terms and provisions of the Loan Agreement, evidencing the obligation of the Authority to repay the Loan, in the substantially final form presented at this meeting, are hereby approved, with such changes as may be approved by the officer executing such Loan Agreement, such approval to be evidenced by the execution thereof. The Chairman and Vice Chairman of the Board and the Executive Director of the Authority are hereby authorized, and each of them singly and individually, to execute the Loan Agreement and the promissory note (as defined in and in the form attached to the Loan Agreement, the "Note") on behalf of the Authority. The signature of such officer executing the Loan Agreement and the Note shall be attested by the Secretary or the Treasurer of the Board.

Section 4. Pledge of Net Revenues. The Board hereby pledges the Net Revenues as security for the payment of the Loan in accordance with the terms and provisions of the Loan Agreement.

Section 5. Authority's Obligations Under Loan Agreement. The Authority's obligations under the Loan Agreement, including its obligations to pay interest on and principal of the Loan, shall be as set forth in the Loan Agreement.

Section 6. Appointment of Authorized Officers. The Board hereby appoints the Chairman, Vice Chairman, Secretary and Treasurer of the Board, and the Executive Director, the Chief Financial Officer and the Controller of the Authority, and each of them singly and individually, to act in the capacity of "Authorized Officer" under the Loan Agreement and to execute and deliver a request for the disbursement of the Loan and such other instruments, certificates and documents as may be required from time to time to be delivered under or in connection with the Loan Agreement, the Loan and the Note.

Section 7. Further Actions. The Authorized Officers and staff of the Authority, and its professional consultants, are hereby authorized and directed to take any and all actions and to execute and deliver any and all instruments and documents as may

be necessary or desirable to carry out and effectuate the purposes of this Resolution and the Loan Agreement.

Section 8. Effective Date. This Resolution shall be in full force and effect from and upon its adoption.

Adopted by the Board of Directors of the Central Texas Regional Mobility Authority on the 8<sup>th</sup> day of November 2017.

Submitted and reviewed by:

  
\_\_\_\_\_  
Geoffrey Petrov, General Counsel

Approved:

  
\_\_\_\_\_  
Ray A. Wilkerson  
Chairman, Board of Directors

**Exhibit A**

**SECURED LOAN AGREEMENT**

**By and Between**

**CENTRAL TEXAS REGIONAL MOBILITY AUTHORITY**

**and**

**REGIONS COMMERCIAL EQUIPMENT FINANCE, LLC.**

**dated as of November \_\_\_, 2017**



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## **SECURED LOAN AGREEMENT**

THIS SECURED LOAN AGREEMENT (this “Loan Agreement” or “Agreement”), dated as of November \_\_, 2017, is made by and between the Central Texas Regional Mobility Authority (the “Authority”), a regional mobility authority and a political subdivision of the State of Texas (the “State”), and REGIONS COMMERCIAL EQUIPMENT FINANCE, LLC (the “Bank”). Capitalized terms set forth in the preamble and recitals are defined in Article II of this Agreement.

### RECITALS

WHEREAS, the Authority has been created and organized pursuant to and in accordance with the provisions of Chapter 361, Texas Transportation Code, as amended, and operates pursuant to the Constitution and laws of the State, including, particularly, Chapter 370, Texas Transportation Code, as amended (the “Act”), for the purposes of constructing, maintaining and operating transportation projects in Travis and Williamson Counties, Texas; and

WHEREAS, pursuant to the Act, the Authority is authorized to: (i) study, evaluate, design, finance, acquire, construct, maintain, repair and operate transportation projects (as defined in the Act), individually or as a system (as defined in the Act); and (ii) impose tolls, fees, fares or other charges for the use of each of its transportation projects and the different parts or sections of each of its transportation projects; and (iii) borrow money from and enter into loan agreements or other arrangements with any public or private entity for any purpose authorized by the Act, including the design, engineering and construction of a transportation project, and (iv) pledge all or any part of its revenues and any other funds available to the Authority to the payment of any obligations of the Authority under agreements authorized by the Act; and

WHEREAS, the Authority has heretofore incurred and paid the costs of the Transportation Project, as described herein, and hereafter will incur additional costs of the Transportation Project; and

WHEREAS, the Authority has determined to enter into this Loan Agreement for the purpose of providing funds to (i) reimburse the Authority for expenditures made by it to pay for a portion of the costs of the Transportation Project and (ii) pay additional costs of the Transportation Project; and

WHEREAS, the Bank is willing to loan monies to the Authority in an aggregate principal amount not to exceed \$24,990,900, on the terms set forth in this Loan Agreement for such purposes; and

WHEREAS, the Note (defined herein) will be secured solely by a senior lien pledge of the Net Revenues; and, in addition, the obligation of the Authority to pay the Note and other obligations under the Loan Agreement shall be an unsecured obligation of the Authority payable from any legally available funds of the Authority;

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Authority and the Bank hereby agree as follows:

## ARTICLE I

### FINDINGS AND DETERMINATIONS

The declarations, determinations and findings declared, made and found in the preamble and recitals to this Loan Agreement are hereby adopted, restated and made a part of the operative provisions hereof.

## ARTICLE II

### DEFINITIONS AND INTERPRETATIONS

2.1 Defined Terms. For purposes of this Loan Agreement, in addition to the terms defined elsewhere in this Loan Agreement, the following terms shall have the meanings set forth below:

“Act” shall mean Chapter 370 of the Texas Transportation Code.

“Affiliate” means with respect to a Person, any Person (whether for-profit or not-for-profit), that “controls,” or is “controlled” by, or is under common “control” with such Person. For purposes of this definition, a Person “controls” another Person when the first Person possesses or exercises directly, or indirectly through one or more other affiliates or related entities, the power to direct the management and policies of the other Person, whether through the ownership of voting rights, membership, the power to appoint members, trustees or directors, by contract, or otherwise. Without limiting the generality of the foregoing, a Person shall be deemed to be “controlled” by another Person if such other Person possesses, directly or indirectly, power to vote 50% or more the securities having ordinary voting power for the election of directors or the equivalent.

“Agreement” or “this Agreement” or “Loan Agreement” shall mean this Loan Agreement and any amendments, modifications and supplements hereto, any replacements, renewals, extensions and restatements hereof, and any substitutes herefor, in whole or in part, and all schedules and exhibits hereto, and shall refer to this Loan Agreement as the same may be in effect at the time such reference becomes operative.

“Annual Debt Service” shall have the meaning given to such term in Section 6.1(p).

“Applicable Rate Period” shall mean with respect to each Loan Disbursement a period commencing on either the Settlement Date or a Reset Date and, in each case, ending on the date one month, three months, six months or one year thereafter; provided that: (i) the Applicable Rate Period must commence on a Business Day; (ii) the last day for the Applicable Rate Period and the actual number of days during the Applicable Rate Period shall be determined by the Bank using the practices of the London interbank market (or, in the event the LIBOR Rate is no longer published, the market practices relating to the comparable or successor rate as determined according to this Loan Agreement); (iii) the Applicable Rate Period shall not extend beyond the Expiration Date and (iv) the duration of the Applicable Rate Period for a Loan Disbursement may be adjusted on any Reset Date.

“Applicable Spread” is 1.44%.

“Anti-Corruption Laws” means all laws, rules and regulations of any jurisdiction applicable to the Authority from time to time concerning or relating to bribery or corruption.

“Authority” shall mean the Central Texas Regional Mobility Authority, a regional mobility authority created and organized pursuant to and in accordance with the provisions of Chapter 361, Texas Transportation Code, and operating pursuant to the Act.

“Authorized Officer” shall mean the Chairman, Vice Chairman, Secretary/Treasurer, the Executive Director, the Chief Financial Officer, or Controller of the Authority and any other officer or employee of the Authority designated in writing and authorized by the Board to take the action specified herein.

“Bank” shall mean Regions Commercial Equipment Finance, LLC.

“Board” shall mean the Board of Directors of the Authority.

“Business Day” shall mean any day which is not a Saturday, Sunday, a legal holiday or a day on which commercial banks in the State are required or authorized by law or executive order to be closed.

“Change in Law” means the occurrence, after the date of this Agreement, of any of the following: (a) the adoption or taking effect of any Law, (b) any change in any Law or in the administration, interpretation, implementation or application thereof by any governmental authority or (c) the making or issuance of any request, rule, guideline or directive (whether or not having the force of law) by any governmental authority; provided that notwithstanding anything herein to the contrary, (x) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, guidelines or directives thereunder or issued in connection therewith and (y) all requests, rules, guidelines or directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority) or the United States or foreign regulatory authorities, in each case pursuant to Basel III, shall in each case be deemed to be a “Change in Law”, regardless of the date enacted, adopted or issued.

“Closing Date” shall mean the date the conditions set forth in Section 3.2 hereof are met.

“Default Rate” shall mean, for any day, the Interest Rate then in effect plus 3.00% per annum, provided, however, the Default Rate shall never exceed the Highest Lawful Rate. Interest at the Default Rate shall be calculated on the basis of the actual number of days elapsed in a 364/365-day year.

“Event of Default” shall have the meaning specified in Article IX hereof.

“Expiration Date” shall mean the first to occur of (i) December 1, 2021 or (ii) the occurrence of an Event of Default.

“Financial Assistance Agreement” shall mean that certain Financial Assistance Agreement between the Authority and the Texas Department of Transportation effective as of September 13,

2012, providing for the financing of the Transportation Project herein defined, a copy of which is attached hereto as Exhibit D.

“General Fund” shall mean the MOPAC General Fund established in Section 5.1.

“Governmental Authority” means any federal, state or local government (whether domestic or foreign), any political subdivision thereof or any other governmental, quasi-governmental, judicial, public or statutory instrumentality, authority, body, agency, bureau or entity (the Federal Deposit Insurance Corporation or the Federal Reserve Council, any central bank or any comparable authority), or any arbitrator with authority to bind a party at law.

“Highest Lawful Rate” shall mean the highest lawful rate permitted under Chapter 1204, Texas Government Code, as amended.

“Interlocal Agreement” shall mean that certain Interlocal Agreement between the Authority and the Capital Area Metropolitan Planning Organization effective as of June 27, 2012, a copy of which is attached hereto as Exhibit E.

“Interest Payment” shall mean each of the payments of accrued and unpaid interest payable under this Loan Agreement.

“Interest Payment Date” shall mean (i) the first day of each calendar month, commencing on the first day of the month immediately following the initial Settlement Date, (ii) each Reset Date in the event such Reset Date is not otherwise an Interest Payment Date, (iii) each date on which all or a portion of the Outstanding Principal Amount of the Loan is prepaid pursuant to Section 3.7, and (iv) the Stated Maturity Date.

“Interest Rate” shall mean, with respect to each Loan Disbursement, a per annum rate equal to the LIBOR Rate published two Business Days immediately preceding the Business Day of any Settlement Date or Reset Date (as hereinafter defined) for the Applicable Rate Period, plus the Applicable Spread; provided, however, the Interest Rate shall never exceed the Highest Lawful Rate. The Interest Rate shall be rounded up to the 4th decimal place.

“Investment Policy” shall mean the investment policy adopted by the Board on [September 28, 2011], as the same may be amended from time to time.

“Laws” means, collectively, all international, foreign, Federal, state and local statutes, treaties, rules, guidelines, regulations, ordinances, codes and administrative or judicial precedents or authorities, including the interpretation or administration thereof by any Governmental Authority charged with the enforcement, interpretation or administration thereof, and all applicable administrative orders, directed duties, requests, licenses, authorizations and permits of, and agreements with, any Governmental Authority, in each case whether or not having the force of law.

“LIBOR Rate” means, as of any date of determination, the London Interbank Offered Rate, as determined by ICE Benchmark Administration Limited (ICE) (or any successor or substitute therefor) for U.S. dollar deposits for a 1, 3, or 6 month or 1 year period as obtained by Bank from *The Wall Street Journal* or another commercially available source as may be designated by Bank

from time to time (the “Screen Rate”), as of the date that is two (2) Business Days before each Settlement Date and each Reset Date (as defined below). If the Screen Rate is less than zero, the Screen Rate shall be deemed to be zero. The Screen Rate for each Loan Disbursement shall be adjusted on the final Interest Payment Date of the Applicable Rate Period for such Loan Disbursement and shall be applicable to the subsequent Applicable Rate Period (each, a “Reset Date”). Any change in LIBOR Rate for a Loan Disbursement shall be effective from and including the related Reset Date. In the event such rate is no longer published (or published in any successor or substitute publication), the London Interbank Offered Rate with respect to such Interest Period shall be determined by reference to a comparable or successor rate, as determined by Bank with the consent of the Authority (which consent will not reasonably be withheld), that is published by a commercially available source providing such quotations as may be designated by Bank; and provided further that any such comparable or successor rate shall be applied by Bank, if administratively feasible, in a manner consistent with market practice.

“Loan” shall mean the loan of funds made by the Bank to the Authority pursuant to the terms of this Agreement.

“Loan Disbursement” shall mean any advance of Loan Proceeds pursuant to a Request For Loan Disbursement.

“Loan Payments” shall mean those certain payments consisting of (i) the Principal Repayments and (ii) the Interest Payments, to be made by the Authority to the Bank pursuant to and in accordance with the terms of this Agreement.

“Loan Proceeds” shall mean the proceeds of the Loan disbursed by the Bank to the Authority pursuant to and in accordance with the terms of this Agreement.

“Loan Repayment Fund” shall mean the MOPAC Loan Repayment Fund established in Section 5.1.

“Maintenance Expenses” shall mean the Authority’s reasonable and necessary expenses of repair and maintenance of the Transportation Project, including, without limiting the generality of the foregoing, periodic roadway resurfacing and repair, replacement of toll collection, vehicle identification, toll integration and video enforcement equipment and all administrative and engineering expenses relating to the repair and maintenance of the Transportation Project and any other expenses required to be paid by the Authority as shown in the annual maintenance budget for the Transportation Project.

“Maximum Principal Amount” shall mean \$24,900,900.

“Net Revenues” shall mean, with respect to any period of calculation, the Revenues for such period after deducting the Maintenance Expenses and the Operating Expenses for such period.

“Note” shall mean the promissory note in substantially the form attached hereto as Exhibit C.



“Operating Expenses” shall mean the Authority’s reasonable and necessary expenses of operation of the Transportation Project, including, without limiting the generality of the foregoing, expenses for toll collection, all premiums for insurance and payments into any self-insurance reserve fund, all administrative and engineering expenses relating to operation of the Transportation Project, fees and expenses of traffic consultants, general engineering consultants, periodic fees or charges required to administer the Loan, legal expenses, expenses for public safety officers and any other expenses required to be paid by the Authority as shown in the Authority’s annual operating budget for the Transportation Project.

“Operating Fund” shall mean the MOPAC Operating Fund established in Section 5.1.

“Outstanding Principal Amount” shall mean at any time of determination the aggregate principal amount of the Loan actually made as of such date by the Bank at the request of the Authority pursuant to a Request for Loan Disbursement, less any Principal Repayments previously made by the Authority to the Bank.

“Person” means any individual, corporation, not for profit corporation, partnership, limited liability company, joint venture, association, professional association, joint stock company, trust, unincorporated organization, government or any agency or political subdivision thereof or any other form of entity.

“Principal Repayments” shall mean each repayment of principal of the Outstanding Principal Amount payable under this Loan Agreement.

“Project Costs” shall mean some or all of the costs of the Transportation Project as more fully described in Exhibit B hereto.

“Request for Loan Disbursement” shall mean a Request for Loan Disbursement made by the Authority pursuant to a notice to the Bank in substantially the form attached hereto as Exhibit A.

“Reset Date” shall have the meaning given to such term in the definition of the term “LIBOR Rate.”

“Resolution” shall mean the resolution approving this Loan Agreement, which was adopted by the Board on November 8, 2017.

“Revenue Fund” shall mean the MOPAC Revenue Fund established in Section 5.1.

“Revenues” shall mean all income and revenues derived from the operation of the Transportation Project, including (i) all Tolls received by or on behalf of the Authority, (ii) the proceeds of any insurance covering business interruption loss relating to the Transportation Project or a portion thereof, (iii) any liquidated damages for delayed completion under a construction contract relating to the Transportation Project or a portion thereof, (iv) any other sources of revenues or funds of the Authority that the Authority chooses to designate as “Revenues” pursuant to an official action of the board of directors of the Authority, and (v) the interest and income earned on the Loan Repayment Fund.

“Sanctions” shall mean economic or financial sanctions or trade embargoes imposed, administered or enforced from time to time by the U.S. government, including those administered by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the U.S. Department of State.

“Settlement” shall mean each Settlement described in Section 3.1 hereof.

“Settlement Date” shall mean each date on which a Settlement occurs.

“State” shall mean the State of Texas.

“Stated Maturity Date” shall mean December 1, 2021.

“Tolls” shall mean all rates, rents, fees, charges, fines or other income derived by the Authority from the vehicular usage of the Transportation Project and the rights of the Authority to receive the same.

“Transportation Project” shall mean the MoPac Improvement Project, as more fully described in the Financial Assistance Agreement and the Interlocal Agreement.

2.2 Interpretations. All terms defined herein and all pronouns used in this Loan Agreement shall be deemed to apply equally to the singular and plural and to all genders. This Loan Agreement and all the terms and provisions hereof shall be liberally construed to effectuate the purposes set forth herein and to sustain the validity of this Loan Agreement and the validity of the lien on and pledge of the Net Revenues to secure the Loan Payments as provided in Section 4.1 hereof. Wherever the term “including” or a similar term is used in this Loan Agreement, it shall be read as if it were written “including by way of example only and without in any way limiting the generality of the clause or concept referred to.” The headings used in this Loan Agreement are included for reference only and shall not be considered in interpreting, applying or enforcing this Loan Agreement. All cross-references to articles, sections, exhibits or schedules, unless otherwise specified, shall refer to the applicable articles, sections, exhibits or schedules of this Loan Agreement. The words “shall” and “will” as used in this Loan Agreement have the same meaning.

### **ARTICLE III**

#### **AMOUNT, PURPOSE AND AUTHORIZATION**

3.1 Loan of Funds to the Authority. Subject to the terms and conditions set forth in this Loan Agreement and for and in consideration of the Loan Payments and the covenants and agreements herein contained and for the purpose of paying, or reimbursing the Authority for previously paid, Project Costs, the parties agree that the Authority may, on the date hereof or on any Business Day prior to the Expiration Date, submit a Request for Loan Disbursement in the form of Exhibit A attached hereto to the Bank not later than 10:00 a.m. (Central Time) on the third (3rd) Business Day prior to the proposed Settlement Date. The Bank will, subject to the terms and conditions hereof, accept such delivery and pay or cause to be paid the Loan Disbursement by wire transfer in immediately available funds to the Authority (all of the foregoing described transactions are herein referred to collectively as the “Settlement”). The amount total amount of Loan

Disbursements under this Agreement shall not exceed the Maximum Principal Amount. Loan Disbursement shall be in a minimum amount of \$1,000,000 and will be limited to one per month. Any two Authorized Officers may execute and deliver a Request for Loan Disbursement to the Bank. Upon the funding of the Loan Disbursement an authorized officer of the Bank shall enter the principal amount of such Loan Disbursement and the date of such funding in the Schedule of Loan Proceeds attached to the Note. This Loan is not revolving. Amounts borrowed hereunder and repaid may not be reborrowed.

3.2 Conditions Precedent to Effectiveness of Loan Agreement and Making of the Loan.

(a) The effectiveness of this Loan Agreement and the obligation of the Bank to make any disbursement of Loan Proceeds shall be subject to (i) the performance by the Authority of all of its covenants and obligations to be performed hereunder and under the Resolution at or prior to the Closing Date, (ii) the truth and accuracy in all material respects of the representations, warranties and covenants of the Authority contained herein as of the date hereof and as of the Closing Date and (iii) the receipt by the Bank at or prior to the Closing Date of the following:

(i) Legal Opinion. The approving opinion of the Authority's counsel addressed to the Bank, in form and substance reasonably acceptable to the Bank and its legal counsel to the effect that (a) the Authority has the authority under the laws of the State of Texas to execute and deliver the Loan Agreement and Note (b) that the Note has been duly issued and the Loan Agreement and Note have been duly authorized, executed and delivered by the Borrower, and (c) that the Note and the Loan Agreement are valid and binding obligations of the Borrower, duly enforceable in accordance with their respective terms (except to the extent that such enforceability may be limited by bankruptcy, insolvency, reorganization and other laws affecting the rights of creditors of political subdivisions generally) .

(ii) Authority Certificate. A certificate of the Authority dated the Closing Date and signed by an Authorized Officer of the Authority, and in form and substance reasonably satisfactory to the Bank and its legal counsel, to the effect that (1) since the date of the Resolution no material adverse change has occurred in the financial position of the Authority or results of operations of the Authority; (2) since the date of the Resolution, the Authority has not incurred any material liabilities other than in the ordinary course of business or as disclosed in writing to the Bank; (3) to his knowledge, no event materially affecting the Authority has occurred since the date of the Resolution which has not been disclosed in writing to the Bank; (4) since the date of the Resolution, the designation of officers or employees as Authorized Officers has not changed; (5) to his knowledge, the representations, warranties and covenants included in this Loan Agreement are true and correct in all material respects as of the Closing Date and all covenants and obligations to be performed by the Authority under the Resolution and this Loan Agreement on or prior to the Closing Date have been performed; and (6) there is no material litigation against the Authority relating to the Note, the Loan Agreement or any related documents that would have a material effect on the Authority's operations or its ability to collect the Net Revenue or in any way materially impair the Authority's ability to repay its obligations under the Note and the Loan Agreement.;

(iii) Financing Documents. Executed counterparts of the Resolution, this Loan Agreement and the original executed Note; and

(iv) Corporate Documentation. To the extent requested by the Bank and not previously provided to the Bank, certified copies of all documents evidencing the Authority's creation and governance including, but without limitation, all bylaws, board of directors' authorizing resolutions and incumbency certificates.

(b) Evidence that the Authority has paid in full its obligations under the Secured Loan Agreement with American Bank, N.A. and the related note.

(c) The obligation of the Bank to make a Loan Disbursement to the Authority is expressly conditioned upon, as of the date of such disbursement, (i) the truth and accuracy in all material respects of the Authority's representations, warranties and covenants contained herein and reaffirmed in the Request for Loan Disbursement, (ii) the performance by the Authority of all of its covenants and obligations contained herein, (iii) the Authority not being in default under this Loan Agreement or any other financing or other agreement with the Bank, and (iv) the absence of any legal or regulatory bar or restriction.

### 3.3 Unused Fee.

The Authority shall pay to the Bank annually an "unused fee" of 40 basis points calculated on the average undrawn balance of the Maximum Principal Amount. Such fee to be paid annually in arrears on December 1.

### 3.4 Payment of Principal and Interest.

(a) Interest with respect to each Loan Disbursement shall accrue at the applicable Interest Rate from the Settlement Date and continue until the Loan is repaid; provided, however, if an Event of Default specified in Section 9.1 has occurred and is continuing, interest with respect to the Outstanding Principal Balance, or any portion thereof, shall accrue at the Default Rate as provided in Section 9.3. Interest Payments shall be due on the Interest Payment Dates.

(b) For value received, the Authority hereby promises (i) to pay interest to the Bank as provided herein on the Outstanding Principal Amount on the dates and at the rates provided in this Loan Agreement and the Note, and (ii) to make Principal Repayments to the Bank on the Stated Maturity Date.

3.5 Use of Proceeds. The Loan Proceeds shall be used by the Authority to pay or reimburse the Authority for Project Costs as authorized by the Act. The Authority shall not submit a Request for Loan Disbursement containing any Project Costs not authorized by the Act.

3.6 Making of Loan Payments. All Loan Payments shall be payable, without offset and without exchange or collection charges, in any coin or currency of the United States of America, which on the date of payment is legal tender for the payment of debts due in the United States of America. If the date for making any Loan Payment is not a Business Day, then the date for such payment shall be the next succeeding Business Day, and payment on such date shall have the same force and effect as if made on the original date such payment was due.

3.7 Prepayments. The Outstanding Principal Amount is subject to prepayment, at the option of the Authority, in whole or in part, on any Interest Payment Date, at a price equal to the principal amount being prepaid plus accrued but unpaid interest thereon to the prepayment date. The Authority shall notify the Bank in writing of any such prepayment at least two Business Days prior to the prepayment date. Any such prepayment may be made from Net Revenues, the proceeds of the issuance of debt obligations or any other legally available funds of the Authority.

## ARTICLE IV

### SECURITY AND SOURCE OF PAYMENT FOR LOAN PAYMENTS;

#### ADDITIONAL OBLIGATIONS

4.1 Pledge and Source of Payment. The Note and the obligations under the Loan Agreement are secured by a senior lien pledge of the Net Revenues. In addition, the obligation of Authority to repay the Note and to make any other payment due under the Loan Agreement is an unsecured obligation of the Authority payable from any legally available funds of the Borrower.

4.2 Evidence of Indebtedness and Security Agreement.

(a) A fully executed copy of this Loan Agreement and the Note shall evidence the indebtedness of the Authority as provided herein and shall constitute a security agreement pursuant to applicable law, with the Bank as the secured party. The grants, charge, lien, pledge and security interest of the Bank created herein shall become effective immediately upon and from the Closing Date, and the same shall be continuously effective for so long as the Loan, or any portion thereof, is outstanding.

(b) A fully executed copy of this Loan Agreement and the proceedings authorizing same shall be kept at all times by the Authority and shall be filed and recorded as a security agreement among the permanent records of the Authority. Such records shall be open for inspection, at all times during regular business hours, to any member of the general public and to any individual, firm, corporation, governmental entity or other person proposing to do or doing business with, or having or asserting claims against, the Authority.

4.3 Additional Obligations. The Authority reserves the right, with the prior written consent of the Bank, to issue or incur, for any lawful purpose, lines of credit or additional debt obligations payable from and secured, in whole or in part, by Net Revenues, on a parity with or subordinate to the pledge of and lien on Net Revenues securing the Loan, subject to and in accordance with the terms of the Interlocal Agreement. The Authority confirms that on the Closing Date the Authority has no other senior lien debt payable from Net Revenues.

4.4 Perfection of Security. Section 370.114 of the Texas Transportation Code applies to the aforementioned pledge of, and lien on, the Net Revenues, and such pledge and lien are, therefore, enforceable against any person or entity having a claim, in tort, contract, or other remedy, against the Authority without regard to whether such person or entity has notice of the pledge and lien created hereby. Should Texas law be amended or modified at any time while the Loan, or any portion thereof, is outstanding, the result of such amendment or modification being

that the pledge of, and lien on, the Net Revenues is to be subject to the requirements of Chapter 9, Texas Business & Commerce Code (the “UCC”), in order to perfect the Bank’s security interest in the Net Revenues created hereby, the Authority agrees to take such measures as the Bank determines are reasonably necessary to enable such perfection under the UCC.

## **ARTICLE V**

### **CREATION OF FUNDS; APPLICATION OF LOAN PROCEEDS**

5.1 Creation of Funds. There is hereby established in the Authority’s name the following funds:

- (1) MOPAC Revenue Fund (the “Revenue Fund”);
- (2) MOPAC Operating Fund (the “Operating Fund”);
- (3) MOPAC Loan Repayment Fund (the “Loan Repayment Fund”); and
- (4) MOPAC General Fund (the “General Fund”).

All of such funds shall be maintained at a depository bank of the Authority as a separate, segregated account, separate and apart from all other funds and accounts of the Authority, and shall be maintained and applied in the manner provided herein. The Authority reserves the right to establish one or more additional funds for such purposes as the Authority may determine from time to time. The Authority further reserves the right to establish one or more accounts and subaccounts within each fund including, without limitation, accounts and subaccounts for the purpose of accounting for debt obligation proceeds, Revenues and other amounts relating to additional debt obligations and for such other purposes as the Authority may determine from time to time. Each such account or subaccount within a fund shall be designated in a manner that indicates the identity of such fund and that distinguishes such account or subaccount from all other accounts and subaccounts established by the Authority.

5.2 Flow of Funds. All Revenues shall be deposited as received and accounted for by the Authority into the Revenue Fund. Amounts on deposit in the Revenue Fund shall be deposited in, or credited to, as appropriate, the following funds on the twenty-fifth (25th) day of each month (each, a “Transfer Date”) following the date of execution and delivery of this Loan Agreement in the following amounts in the following order of priority:

First, to the Operating Fund, an amount sufficient to make the balance in the Operating Fund equal to one-sixth (1/6) of the budgeted Operating Expenses and Maintenance Expenses for such fiscal year; provided, the monthly payment may be increased or decreased, as necessary, to reflect amendments to the budgeted Operating Expenses and Maintenance Expenses or to take into consideration amounts then on deposit in the Operating Fund.

Second, to the Loan Repayment Fund, an amount equal to the sum of the following:

(i) the amount of interest next becoming due on the Loan on any Interest Payment Dates that will occur prior to the next Transfer Date; and

(ii) one-twelfth (1/12) of the principal amount of the Loan that will mature and become due and payable within the next twelve months.

In calculating such monthly deposit to the Loan Repayment Fund the Authority may take into account (a) any amounts deposited to the Loan Repayment Fund by the Authority from any source (other than the Revenue Fund) on or prior to the Transfer Date and (b) any investment income realized by the Authority from the investment of amounts on deposit in the Loan Repayment Fund.

On or before each Transfer Date, the Authority shall make up any deficiencies in deposits to the Loan Repayment Fund on prior Transfer Dates from and to the extent monies remain on deposit in the Revenue Fund.

Third, to such funds and accounts as may be established by the Authority in connection with subordinate lien debt obligations entered into by the Authority, such amounts as may be required by the instruments establishing and relating to such subordinate lien debt obligations; and

Fourth, to the General Fund all amounts remaining on deposit in the Revenue Fund.

5.3 MOPAC Operating Fund. There shall be deposited to the Operating Fund such amounts as are required pursuant to Section 5.2. The Authority reserves the right to deposit to the Operating Fund such other amounts as it deems necessary or desirable from any funds of the Authority that are lawfully available for such purpose. Amounts on deposit in the Operating Fund shall be applied by the Authority, from time to time, to pay Operating Expenses and Maintenance Expenses of the Transportation Project. In making payments from the Operating Fund, the Authority shall be deemed to be certifying that obligations in such amounts have been incurred by the Authority and that each item was properly incurred in operating the Transportation Project and has not been previously paid.

5.4 MOPAC Loan Repayment Fund. There shall be deposited to the Loan Repayment Fund such amounts as are required pursuant to Section 5.2. The Authority reserves the right to deposit to the Loan Repayment Fund such other amounts as it deems necessary or desirable from any funds of the Authority that are lawfully available for such purpose. The Authority shall pay out of the Loan Repayment Fund to the Bank (a) on or before each Interest Payment Date, the amount required for the payment of the interest becoming due on such Interest Payment Date and (b) on or before each date on which principal matures or becomes payable pursuant to an optional prepayment of the Loan, in whole or in part, by the Authority, the amount required for payment of the principal amount maturing or being prepaid on such date.

If at the time the Authority is required to make a withdrawal from the Loan Repayment Fund the moneys therein shall not be sufficient for such purpose, the Authority shall withdraw the amount of such deficiency from the moneys on deposit in the following funds and transfer the same to the Loan Repayment Fund in the following order: the Revenue Fund and the General Fund.

5.5 MOPAC General Fund. Moneys in the General Fund shall be used by the Authority as provided in Section 5.4 to restore deficiencies in the Loan Repayment Fund. Notwithstanding the foregoing, moneys in the General Fund may be expended by the Authority at any time for any of the following purposes, with no one item having priority over any of the others:

- (a) to make payments under, or to reimburse the Authority for payments made by the Authority under, the Interlocal Agreement;
- (b) to pay Maintenance Expenses and Operating Expenses;
- (c) to fund or reimburse costs of improvements, extensions and replacements of the Transportation Project; or
- (d) for any other lawful purpose.

5.6 Investment of Funds; Transfer of Investment Income. Money in the Revenue Fund, Operating Fund, Loan Repayment Fund, and General Fund may, at the option of the Authority, be invested as permitted by applicable law and in accordance with the Authority's Investment Policy; provided that all such investments shall be made in such manner that the money within such fund will be available at the time or times required for the disbursement of such amounts from such fund in accordance with the requirements of this Agreement. Any such investment shall be kept and held in such fund. All such investments shall be promptly sold when necessary to provide for the payment of amounts due hereunder or to pay or reimburse Project Costs. All interest and/or income derived from such investments shall be credited, as received, to such fund.

## **ARTICLE VI**

### **COVENANTS OF THE AUTHORITY**

6.1 General Covenants of the Authority. The Authority agrees, promises and covenants with and to the Bank, as follows:

(a) The Authority will (i) make or cause to be made each Loan Payment when due, according to the terms of this Loan Agreement, (ii) deposit or cause to be deposited at the times and in the manner prescribed by this Loan Agreement, the amounts of money to the accounts specified herein, and (iii) faithfully do and perform, and at all times observe, the agreements, promises, covenants, undertakings, stipulations and provisions contained in this Loan Agreement, the Note and the related documents.

(b) The Authority will provide the Bank, upon any Authorized Officer having actual knowledge thereof, with notice of any Event of Default hereunder or any event that, with the passage of time, the giving of notice, or both, would constitute or become an Event of Default.

(c) Commencing with the fiscal year ending June 30, 2017, the Authority will deliver to the Bank contemporaneously upon receipt, but in no event later than 180 days after the end of each fiscal year of the Authority for so long as the Loan or any portion thereof remains outstanding, the audited financial statements of the Authority as of and for the period ended as of the most



recently completed fiscal year of the Authority, prepared in accordance with generally accepted accounting principles or such other accounting principles as the Authority may be required to employ from time to time pursuant to State law or regulation, together with an opinion from an independent certified public accountant, or independent firm of certified public accountants, with respect thereto; provided, that the auditor's opinion shall not contain a qualification (i) to the effect that the Authority is not a going concern or (ii) on account of a limitation of scope within the control of the Authority.

(d) The Authority shall, no later than 30 days following the end of each month following the Closing Date and for so long as the Loan or any portion thereof remains outstanding, post on its website monthly financial statements.

(e) The Authority shall at any and all times, so far as it may be authorized by law, pass, make, do, execute, acknowledge and deliver, all and every such further resolutions, acts, deeds, conveyances, assignments, transfers and assurances as may be necessary or desirable to effect the transactions contemplated by this Loan Agreement assuring, conveying, granting, assigning, securing and confirming all and singular Bank's rights in and to the Net Revenues and other moneys, securities, funds and accounts, if any, hereby pledged or assigned, or intended so to be pledged or assigned, or which the Authority may become bound to pledge or assign, and the Net Revenues and other moneys, securities, funds and accounts, if any, so pledged are and will be free and clear of any pledge, lien, charge or encumbrance thereon or with respect thereto superior to, or on parity with, the pledge created by this Loan Agreement, other than as permitted by such documents, and all corporate action on the part of the Authority to that end has been duly and validly taken or will be duly and validly taken when required. This Loan Agreement and the Note are and will be valid and legally enforceable obligations of the Authority in accordance with their terms. The Authority shall at all times, to the extent permitted by law, defend, preserve and protect the pledge of the Net Revenues and other moneys, securities, funds and accounts, if any, pledged hereunder and all the rights of the Bank hereunder against all claims and demands of all persons whomsoever.

(f) The Authority shall use the Loan Proceeds only to pay or reimburse Project Costs.

(g) The Authority shall, within five (5) Business Days after the Authority learns of the occurrence, provide the Bank notice of any of the following events, setting forth details of such event:

(i) Events of Defaults - any Event of Default or any event which, given notice or the passage of time or both, would constitute or become an Event of Default by the Authority;

(ii) Litigation - the filing of any litigation, suit or action, or delivery to the Authority of any written claim, which could reasonably be expected to have a material adverse effect upon the Authority's revenues or expenses, or upon the Authority or its performance hereunder or under the Note; and

(iii) Other Adverse Events - the occurrence of any other event or condition which could reasonably be expected to have a material adverse effect upon the Authority or its performance hereunder or under the Note.

(h) Within thirty (30) days after an event specified in Section 6(g) above, the Authority shall provide a statement of an Authorized Officer setting forth the actions the Authority proposes to take with respect thereto.

(i) So long as the Loan, or any portion thereof, is outstanding, the Authority shall not extinguish the lien of this Loan Agreement (or any related UCC financing statement filed with respect thereto) with respect to the Note and the Net Revenues.

(j) So long as the Loan, or any portion thereof, is outstanding, the Authority shall not enter into any amendment or other modification of either the Financial Assistance Agreement or the Interlocal Agreement without the prior written consent of the Bank (which consent shall not be unreasonably withheld, conditioned or delayed) if such amendment or modification would adversely affect the rights of the Bank under this Loan Agreement.

(k) The Authority shall use its good faith efforts to maintain its existence as a regional authority and political subdivision of the State and shall not consolidate with or merge into any other person or entity unless provision is made for the payment of the Loan Payments required hereunder.

(l) When and to the extent required by applicable law, the Authority shall obtain and thereafter maintain at all times all licenses, permits or other approvals required for the overall operations of the Authority.

(m) The Authority shall pay when due from Net Revenues or other available funds the Note and other obligations of the Authority.

(n) The Authority will maintain its right to operate, maintain and collect Revenues from the Transportation Project.

(o) The Authority shall only invest its Revenues as provided by Texas law and the Authority's Investment Policy.

(p) The Authority hereby covenants that it will at all times budget and collect rates for services rendered by the Transportation Project as required by applicable Law. Additionally, the Authority shall budget and collect rates from services on the Transportation Project reasonably estimated to produce Net Revenues in an amount equal to 120% of the aggregate amount required to be paid in such year for principal and interest on all outstanding senior lien debt ("Annual Debt Service") of the Transportation Project. In the event that the 120% rate covenant is not met at the at the end of any fiscal year-end of the Authority, the Authority will engage a traffic & revenue consultant and implement such Consultant's recommendations for the following fiscal year. Failure by the Authority to satisfy this 120% rate covenant for two consecutive fiscal years shall constitute an Event of Default hereunder. Further, if the Authority shall become legally liable for any other indebtedness payable from the Revenues, the Authority will fix and maintain rates and

collect charges for the services of the Transportation Project sufficient to discharge such indebtedness.

## ARTICLE VII

### REPRESENTATIONS AND WARRANTIES

7.1 Warranties and Representations of the Authority. To induce the Bank to enter into this Loan Agreement and to make the Loan, the Authority hereby represents and warrants to the Bank as follows:

(a) Due Organization: Existence. The Authority is (i) a regional mobility authority and a political subdivision of the State, (ii) created and organized pursuant to and in accordance with the provisions of Chapter 361, Texas Transportation Code, and (iii) operating pursuant to the Act.

(b) Authority. The Authority has full right, power and authority to execute, deliver and perform its obligations under this Loan Agreement and the Note and to consummate the transactions contemplated by this Loan Agreement and the Note.

(c) Due Authorization. Pursuant to the Texas Constitution, general laws of the State of Texas and Chapter 370 Texas Transportation Code, the Authority has duly authorized all necessary action to be taken by it for (i) the execution and delivery of this Loan Agreement and (ii) the execution, delivery and receipt of any and all such other agreements and documents as may be required to be executed, delivered and received by the Authority in order to carry out, give effect to and consummate the transactions contemplated by this Loan Agreement, including but without limitation the Note. The Resolution (i) was duly and lawfully adopted by the duly appointed Board of Directors of the Authority at a meeting with respect to which notice was given as required by law and at which a quorum was in attendance, (ii) has not been amended, repealed, rescinded, supplemented or otherwise modified since the date thereof and no resolution conflicting with the terms of the Resolution has been adopted since the adoption of the Resolution and (iii) is now in full force and effect.

(d) Execution and Enforceability. On the Closing Date, the Resolution will be in full force and effect and will constitute the legal and valid act of the Authority, and this Loan Agreement and the Note will have been duly executed and delivered by the Authority, and, assuming the due authorization, execution and delivery of such instruments by the other parties thereto and their authority to perform such instruments, this Loan Agreement and the Note will constitute the legal, valid and binding obligation of the Authority, enforceable in accordance with their terms (except to the extent that such enforceability may be limited by bankruptcy, insolvency, reorganization and other laws affecting the rights of creditors of political subdivisions generally).

(e) No Conflict. The authorization, execution and delivery by the Authority of this Loan Agreement and any other documents contemplated hereby (including but without limitation the Note) and compliance by the Authority with the provisions of such documents do not and will not conflict with or constitute on the part of the Authority a breach of or a default under any provision of the Constitution of the State or any existing law, administrative regulation, or any court or administrative decree or order issued wherein the Authority is a party, or any agreement,

indenture, mortgage, lease or other instrument entered into by the Authority by which the Authority or its properties are, or on the Closing Date will be, bound, or result in the creation or imposition of any prohibited lien, charge or encumbrance of any nature whatsoever upon any of the property or assets of the Authority, or conflict with the organizational documents of the Authority.

(f) No Adverse Actions. Except as otherwise disclosed to the Bank in writing, to the knowledge of the Authority, there is no action, suit, proceeding, inquiry or investigation at law or in equity before or by any court, public board or body pending against or affecting the Authority or threatened against or affecting the Authority or contesting the due organization and valid existence of the Authority or the validity of the Act or wherein an unfavorable decision, ruling or finding would adversely affect (i) the transactions contemplated hereby or by the Resolution or the validity or due adoption of the Resolution or the validity, due authorization and execution of this Loan Agreement or any agreement or instrument or to which the Authority is a party and which is used or contemplated for use in the consummation of the transactions contemplated hereby (including but without limitation the Note); or (ii) the condition or operations of the Authority or the collection of Revenues by the Authority or on behalf of the Authority.

(g) No Consent. No consent or approval of any trustee, holder of any indebtedness of the Authority or any other person, and no consent, approval, permission, authorization, order or license of, or filing or registration with, any governmental entity is necessary in connection with the execution and delivery of this Loan Agreement or the Note, the consummation of any transaction herein contemplated, or the fulfillment of or compliance with the terms and conditions hereof, except as have been obtained or given and as are in full force and effect.

(h) No Defaults. The Authority will not be in default under the terms and provisions of this Loan Agreement on the Closing Date, and the Authority will not be, on the Closing Date, in default under any other agreement, indenture, lease, deed of trust, note or other instrument entered into by the Authority or by which it or its properties are or may be bound, which would have a material adverse effect on the condition of the Authority, financial or otherwise, or otherwise materially affect its ability to perform its covenants and obligations under this Loan Agreement.

(i) Validity. This Loan Agreement, when executed and delivered, will have been duly authorized, executed and delivered and will constitute the legal, valid and binding obligation of the Authority entitled to the benefits and rights hereof; further, this Loan Agreement establishes the valid pledge of and lien on the Net Revenues which it purports to create, and such pledge and lien are in full force and effect.

(j) No Prior Liens. Except to the extent set forth in or contemplated in the Interlocal Agreement, the Authority has never issued, assumed, guaranteed or otherwise become liable in respect of any bonds, notes, contracts, arrangements or obligations of any kind whatsoever that might give rise to any lien or encumbrance on the Net Revenues.

(k) No Change. Except as disclosed in writing to the Bank, the Authority has not incurred any liabilities or entered into any transactions, not in the ordinary course of business, that are material to the affairs of the Authority since the date of the Resolution, and there has not been

any material change in the financial structure of the Authority or any material change in the conditions or general affairs of the Authority since the date of the Resolution.

(l) Tax Matters. Neither the Authority nor the income of the Authority is subject to taxation under the Internal Revenue Code of 1986, as amended, or any taxation imposed by the State or any political subdivision thereof, and the delivery of the Loan Agreement and Note by the Authority is not subject to any transfer or other documentary or stamp taxes of the State or any political subdivision thereof.

(m) Payment of Indebtedness; Project Costs. The indebtedness of the Authority under this Loan Agreement and the Note is expected to be paid in full over their term from the Net Revenues and other available revenues of the Authority. The Loan Proceeds will be used only to pay or reimburse Project Costs.

Any inquiry undertaken by or on behalf of the Bank shall not affect the Bank's ability to rely on the representations and warranties set forth herein. Further, the Authority shall be deemed to restate and reaffirm each of the above representations and warranties as of the date of such Request for Loan Disbursement submitted by the Authority to the Bank.

## **ARTICLE VIII**

### **INVESTMENTS; SECURITY**

8.1 Investment of Deposits. The Authority may place amounts on deposit in the Loan Repayment Fund (including investment earnings thereon) in time deposits or invest the same as authorized by applicable law and the Authority's Investment Policy.

8.2 Security for Deposits. All deposits authorized or required by this Loan Agreement shall be secured to the fullest extent required by applicable law for the security of public funds.

## **ARTICLE IX**

### **EVENTS OF DEFAULT**

9.1 Events of Default. Each of the following occurrences or events, for the purpose of this Loan Agreement, shall be an Event of Default:

(a) failure to make any payment of debt service on any outstanding indebtedness owed by the Authority to the Bank including, but without limitation, any Loan Payment (or portion thereof) when due and payable;

(b) default in the performance or observance of any other covenant, agreement or obligation of the Authority expressly set forth in this Loan Agreement, and/or the Note and the continuation thereof for a period of thirty (30) days after written notice of such default is given by the Bank to the Authority;

(c) any representation or warranty made to the Bank by the Authority herein shall be determined to have been materially false, incorrect or incomplete when made;

(d) the Authority shall fail to maintain its existence as a political subdivision of the State without making provision for the repayment of its outstanding indebtedness (including but without limitation the Loan) or shall admit its inability to generally pay its debts as they mature, or shall make an assignment for the benefit of its creditors; or there shall be commenced against or by the Authority proceedings in bankruptcy, or for reorganization of the Authority, or for the readjustment of any of its debts under the United States Bankruptcy Code, as amended or any proceeding under any other applicable laws, whether state or federal, for the relief of debtors, or for a receiver of the Authority or any substantial part of its property, and, except with respect to any such proceedings instituted by the Authority, such proceedings shall not be discharged within sixty (60) days after their commencement;

(e) the Authority shall suffer a final judgment for the payment of money in excess of \$5,000,000 and shall not discharge the same within a period of sixty (60) days following such judgment unless, pending further proceedings, execution upon such judgment has not been commenced or, if commenced, has been effectively stayed; or

(f) a judgment or other creditor of the Borrower shall obtain, or seek to obtain, possession of the Net Revenues by levy, seizure or attachment.

9.2 Remedies Upon Default. Notwithstanding any other provision of this Loan Agreement and/or the Note to the contrary, and to the extent permitted by applicable law, upon the occurrence of any Event of Default hereunder, then and in every case, the Bank may declare the Outstanding Principal Amount and accrued but unpaid interest hereunder to be immediately due and payable, and the Bank may proceed against the Authority for the purpose of protecting and enforcing the Bank's rights under this Loan Agreement and/or the Note, including (but not limited to) enforcing the pledge of, security interest in and lien and charge on the Net Revenues against all parties in possession of any Net Revenues at any time, by mandamus or other suit, action or special proceeding in equity or at law, in any court of competent jurisdiction, for any relief permitted by applicable law, including (but not limited to) the specific performance of any covenant, obligation or agreement contained under this Loan Agreement and/or the Note, or thereby to enjoin any act or thing that may be unlawful or in violation of any right of the Bank hereunder or thereunder, or any combination of such remedies as the Bank, in its sole discretion, shall determine.

9.3 Default Rate. Upon the occurrence and during the continuance of an Event of Default under this Loan Agreement and/or the Note, the entirety of the Outstanding Principal Amount shall bear interest at the Default Rate, subject to the provisions of Section 12.10 herein.

9.4 No Waiver. No failure on the part of the Bank to exercise, and no delay on the part of the Bank in exercising, any right hereunder shall operate as a waiver thereof; nor shall any single or partial exercise of any such right preclude any other or further exercise thereof or the exercise of any other right. All rights and remedies of the Bank under this Loan Agreement and/or the Note are cumulative and concurrent and are in addition to, and not exclusive of, any rights or remedies afforded the Bank under any applicable law.

**ARTICLE X**

**DISCHARGE; TERMINATION**

10.1 Discharge By Payment. When all of the amounts due or to become due under this Loan Agreement and/or the Note have been paid in full by or on behalf of the Authority, this Loan Agreement shall terminate, the Authority's obligations and the lien on Net Revenues under this Loan Agreement shall be discharged and released and the Bank shall execute and deliver to the Authority such releases or other instruments as are reasonably required to release such lien or otherwise evidence such discharge.

**ARTICLE XI**

**NOTICE**

11.1 Notice. Any notice, demand, direction, request or other instrument authorized or required by this Loan Agreement to be given or filed with the Authority or the Bank shall be in writing and shall be deemed to have been given three (3) Business Days after mailing only upon receipt by the party to whom such is directed. Any such notice shall be sent by first class mail, postage prepaid, to the address specified below, or to such other address as may be designated in writing by the parties:

Authority:                   Central Texas Regional Mobility Authority  
3300 N IH-35, Suite 300  
Austin, TX 78705  
Attention: Chief Financial Officer

Bank:                       Regions Commercial Equipment Finance, LLC  
1900 5th Avenue North, Suite 2400  
Birmingham, Alabama 35203  
Attention: \_\_\_\_\_

**ARTICLE XII**

**MISCELLANEOUS**

12.1 Legal Holidays. If the date fixed for making any Loan Payment is not a Business Day, then payment need not be made on such date, but may be made on the next succeeding day which is a Business Day with the same force and effect as if made on the date fixed for payment, and no interest shall accrue on such Loan Payment for the period of time from the dated fixed for payment to the date of actual payment.

12.2 No Recourse Against Authority Officials. No recourse shall be had for the making of Loan Payments or for any claim based thereon or on this Loan Agreement against any Authorized Officer, any other official or representative of the Authority or any person executing this Loan Agreement on behalf of the Authority.

12.3 Authority Successors and Assigns. Whenever in this Loan Agreement the Authority is named and referred to it shall be deemed to include its successors and assigns, and all covenants, obligations and agreements in this Loan Agreement by or on behalf of the Authority, except as otherwise provided herein, shall bind and inure to the benefit of its successors and assigns whether or not so expressed.

12.4 Benefit of Agreement Provisions. Nothing in this Loan Agreement, express or implied, shall give or be construed to give any person, firm or corporation, other than the Authority and the Bank, any legal or equitable right or claim under or in respect of this Loan Agreement, the Note, or under any covenant, condition or provision herein or therein contained, such covenants, conditions or provisions being for the sole benefit of the Authority and the Bank.

12.5 Further Proceedings. The Authorized Officers and other appropriate officials of the Authority are hereby authorized and directed to do any and all things necessary and/or convenient to carry out the terms and provisions of this Loan Agreement.

12.6 Increased Costs and Reduced Return. If at any time after the date hereof, the Bank (which shall include, for purposes of this Section, any entity controlling the Bank) determines a (i) Change in Law has occurred resulting in changes to the Bank's required levels of reserves, deposits, insurance or capital (including any allocation of capital requirements or conditions), or similar requirements, or any interpretation or administration thereof by any court or applicable authority or compliance by the Bank with any of such requirements, has the effect of (a) increasing the Bank's costs relating to the Loan and the Note, or (b) reducing the yield or rate of return of the Bank on the Loan and the Note, to a level below that which the Bank could have achieved but for the adoption or modification of any such requirements, then the Authority, to the extent permitted by law, shall pay to the Bank, within sixty (60) days of any written request (specifying in reasonable detail the basis for and calculation of such additional amounts) by the Bank such additional amounts as will compensate the Bank for such increase in costs or reduction in yield or rate of return of the Bank. The Bank shall make such demand as soon as reasonably possible upon becoming aware of such determination; provided, however, no failure by the Bank to promptly demand payment of any additional amounts payable hereunder shall constitute a waiver of the Bank's right to demand payment of such amounts at any subsequent time. Nothing herein contained shall be construed or so operate as to require the Authority to pay any interest, fees, costs or charges greater than is permitted by applicable law.

12.7 Anti-Corruption Laws. To the undersigned's knowledge, the Authority and its board members, officers and employees are in compliance with Anti-Corruption Laws and applicable Sanctions in all material respects. To the knowledge of the Authority, no use of proceeds or other transaction contemplated by this Agreement will be used in a manner that would violate Anti-Corruption Laws or applicable Sanctions.

12.8 Severability. To the extent any provision of this Loan Agreement is prohibited by or invalid under applicable law, such provision shall be ineffective to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Loan Agreement. Counterparts. This Loan Agreement may be executed in any number of counterparts with the same force and effect as if there were only one single instrument.



If counterparts of this Loan Agreement are executed, the signatures of the parties affixed thereto may be combined and treated and given effect for all purposes as a single instrument.

12.10 Open Meeting. The Authority hereby officially finds and determines that the meeting at which this Loan Agreement and corresponding Note was approved was open to the public, and that public notice of the time, place and purpose of such meeting was given, all as required by the Texas Open Meetings Act.

12.11 Governing Law. THIS LOAN AGREEMENT SHALL BE CONSTRUED IN ACCORDANCE WITH AND GOVERNED BY THE LAWS OF THE STATE OF TEXAS, WITHOUT REGARD TO SUCH STATE'S CONFLICTS OF LAWS PRINCIPLES.

12.12 Usury Savings.

(a) Notwithstanding anything contained herein or in the Note to the contrary, to the extent permitted by law, (i) if at any time the Interest Rate or Default Rate, as the case may be, exceeds the Highest Lawful Rate, then (x) interest at the Highest Lawful Rate shall be due and payable and (y) interest at the rate equal to the difference between (A) the applicable rate and without regard to the limitation of this Section 12.13 and (B) the Highest Lawful Rate (the "Excess Interest Amount") shall be deferred until such date as the applicable rate ceases to exceed the Highest Lawful Rate, at which time the Authority shall pay to the Bank, with respect to amounts then payable to the Bank that are required to accrue interest hereunder, such portion of the Excess Interest Amount as will cause the rate of interest then paid to the Bank to equal the Highest Lawful Rate, which payments of the Excess Interest Amount shall continue to apply to such unpaid amounts hereunder and under the Note, to the greatest extent permitted by law, until all Excess Interest Amount is fully paid to the Bank; provided, however, that no payment of any portion of the Excess Interest Amount shall occur after the final maturity of the Note. Upon the termination of this Agreement, to the extent permitted by applicable law, in consideration for the limitation of the rate of interest otherwise payable hereunder, the District shall pay to the Bank a fee equal to the amount of all unpaid portions of the Excess Interest Amount; provided, that such fee shall not cause the net effective interest rate on the Note to exceed the Highest Lawful Rate.

(b) The provisions of this Section 12.12 shall control over any provision of this Loan Agreement with which it may be in conflict, notwithstanding that such other provision may provide that it controls.

12.13 Amendments. No amendment of any term or provision hereof shall be effective unless it is in writing and signed by the Bank and the Authority.

12.14 Entirety. This Loan Agreement and corresponding Note embodies the entire agreement among the parties regarding the subject matter hereof and thereof and supersede all prior agreements and understandings, if any, relating to the subject matter hereof and thereof. WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, THIS LOAN AGREEMENT AND CORRESPONDING NOTE REPRESENT THE FINAL AGREEMENT AMONG THE PARTIES AS TO THE SUBJECT MATTER HEREOF AND THEREOF AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS OR

SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES; AND THERE ARE NO UNWRITTEN ORAL AGREEMENTS AMONG THE PARTIES.

12.15 Fees and Expenses. The Authority hereby agrees to pay all costs and expenses of the Authority incurred in connection herewith, including but without limitation the reasonable fees and expenses of the Bank's legal counsel, in an amount not to exceed \$22,500.

12.16 Acknowledgements and Agreements of Bank. The Bank acknowledges and agrees as follows:

- (i) the Note will not be rated by any rating agency;
- (ii) the Note will not bear or be assigned any CUSIP number;
- (iii) the Note will not be registered with the The Depository Trust Company or other securities depository.
- (iv) the disbursement of all funds by the Texas Department of Transportation to the Authority pursuant to the Financial Assistance Agreement is subject to appropriation;
- (v) the Authority has furnished the Bank with all necessary information desired for the Bank to make an informed decision concerning the disbursement of Loan Proceeds to the Authority, and the Bank has made such inspections and investigations as deemed necessary by it to determine the investment quality of the Note and assess all risks associated with the disbursement of Loan Proceeds to the Authority and the Bank's ownership of the Note; and
- (vi) the Note is to be held for the account of the Bank for investment (and not on behalf of another), and the Bank has no present intention of reselling or assigning the Note or dividing the interest therein, either currently or after the passage of a fixed or determinable period of time or upon the occurrence or nonoccurrence of any predetermined event or circumstance.

12.17 Patriot Act. The Bank is subject to the Patriot Act (as hereinafter defined) and hereby notifies the Bank that pursuant to the requirements of the USA PATRIOT Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)), the Bank is required to obtain, verify, and record information that identifies the Authority which information includes the name and address of the Authority and other information that will allow the Bank to identify the Authority in accordance with the Patriot Act.

12.18 Waiver of Jury Trial. To the extent permitted by applicable law, each of the Authority and the Bank irrevocably and voluntarily waives any right it may have to a trial by jury with respect to any controversy or claim between the Authority and the Bank, whether arising in contract or tort or by statute, including but not limited to any controversy or claim that arises out of or relates to this Loan Agreement, the Note or the transactions contemplated herein and therein.

12.19 Transfer. The Bank currently intends to hold the Loan Agreement and Note within its loan portfolio, however, the Bank shall maintain the right to transfer and/or assign, in

whole or in part, its rights hereunder, under the laws of the State of Texas, or, in either case, any interest therein, to any person or entity in its sole and absolute discretion. The Authority may not assign its rights hereunder or under Loan Agreement or Note to any person without the prior written consent of the Bank.

12.20 No Fiduciary Relationship. In connection with all aspects of each transaction contemplated hereby (including in connection with any amendment, waiver or other modification hereof or of any other related document), the Authority acknowledges and agrees that: (i) (A) the arranging and other services regarding this Agreement provided by the Bank are arm's length commercial transactions between the Authority, on the one hand, and the Bank on the other hand, (B) the Authority has consulted its own legal, accounting, regulatory and tax advisors to the extent it has deemed appropriate, and (C) the Authority is capable of evaluating, and understands and accepts, the terms, risks and conditions of the transactions contemplated hereby and by the other related documents; (ii) (A) the Bank has been acting solely as a principal and, except as expressly agreed in writing by the relevant parties, has not been, is not, and will not be acting as an advisor (including as a municipal advisor), agent or fiduciary for the Authority, or any other Person and (B) the Bank does not have any obligation to the Authority with respect to the transactions contemplated hereby except those obligations expressly set forth herein and in the other related documents; and (iii) the Bank and its Affiliates may be engaged in a broad range of transactions that involve interests that differ from those of the Authority, and the Bank does not have any obligation to disclose any of such interests to the Authority.

12.21 EMMA Posting. Except as otherwise required by applicable law, rule or regulation, Authority shall not file or submit, or permit the filing or submission, of all or any portion of the Loan Agreement, the Note or any related document (containing any proprietary information of the Bank) with the Municipal Securities Rulemaking Board's Electronic Municipal Market Access system (or any successor continuing disclosure vehicle) unless such document or portion thereof, as applicable, to be so filed or submitted (i) has been submitted to the Bank in advance of such filing or submission and (ii) shall have been redacted to the extent required by the Bank.

12.22 Anti-Boycott Verification. The Bank represents that, to the extent this Agreement constitutes a contract for goods or services within the meaning of Section 2270.002 of the Texas Government Code, as amended, solely for purposes of compliance with Chapter 2270 of the Texas Government Code, and subject to applicable Federal law including without limitation, 50 U.S.C. Section 4607, none of the Bank, nor any wholly owned subsidiary, majority-owned subsidiary, parent company or affiliate of the Bank (i) boycotts Israel or (ii) will boycott Israel through the term of this Agreement. The terms "boycotts Israel" and "boycott Israel" as used in this paragraph have the meanings assigned to the term "boycott Israel" in Section 808.001 of the Texas Government Code, as amended.

12.23 Iran, Sudan and Foreign Terrorist Organizations. The Bank represents that, to the extent this Agreement constitutes a governmental contract within the meaning of Section 2252.151 of the Texas Government Code, as amended, solely for purposes of compliance with Chapter 2252 of the Texas Government Code, and except to the extent otherwise required by applicable federal law, neither the Bank, §or any wholly owned subsidiary, majority-owned subsidiary, parent company or affiliate of the Bank (i) engages in business with Iran, Sudan, or

any foreign terrorist organization as described in Chapters 806 or 807 of the Texas Government Code, or Subchapter F of Chapter 2252 of the Texas Government Code, or (ii) is a company listed by the Texas Comptroller of Public Accounts under Sections 806.051, 807.051, or 2252.153 of the Texas Government Code (to the extent such lists have been prepared and are maintained). The term "foreign terrorist organization" in this paragraph the meaning assigned to such term in Section 2252.151 of the Texas Government Code.

[SIGNATURE PAGES FOLLOW]

IN WITNESS WHEREOF, the parties hereto have caused this Secured Loan Agreement to be executed by their duly authorized officers effective as of the date first above written.

CENTRAL TEXAS REGIONAL MOBILITY  
AUTHORITY

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

ATTEST:

\_\_\_\_\_  
Nikelle Meade, Secretary  
Central Texas Regional Mobility Authority

REGIONS COMMERCIAL EQUIPMENT  
FINANCE, LLC.

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**EXHIBIT A**

**REQUEST FOR LOAN DISBURSEMENT**

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BANK: Regions Commercial Equipment Finance, LLC.

DATE OF REQUEST: \_\_\_\_\_, 2017.

BORROWER/ISSUER: Central Texas Regional Mobility Authority (the "Authority")

PERTAINING TO: \$24,990,900 Secured Loan Agreement (the "Loan Agreement"), authorized by Authority Resolution No. -\_\_\_\_\_

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This Request for Loan Disbursement is delivered pursuant to the Resolution No. -\_\_\_\_\_ adopted by the Board of Directors of the Authority on \_\_\_\_\_, 2017 (the "Resolution"), and pursuant to the Loan Agreement described above. All capitalized terms used and not otherwise defined herein shall have the same meanings as those set forth in the Resolution and the Loan Agreement.

The Authority hereby requests a Loan disbursement (the "Requested Loan Disbursement") as follows:

1. This is a Requested For Loan Disbursement in the principal amount of \$\_\_\_\_\_, (which amount does not exceed the Maximum Principal Amount) on the Settlement Date of \_\_\_\_\_ with an Applicable Rate Period of \_\_\_\_\_ (1,3 or 6 months or 1 year) and a Maturity Date of \_\_\_\_\_.
2. The Requested Loan Disbursement is to pay or reimburse the Authority for only Project Costs authorized by the Loan Agreement and the Act.
3. The amount advanced pursuant to this Request for Loan Disbursement shall bear interest at the rate established pursuant to the Loan Agreement.
4. As of the date hereof each and every representation and warranty contained in the Loan Agreement is true, correct and accurate in all respects, and is hereby affirmatively made and restated as of the date of this Request for Loan Disbursement.
5. As of the date hereof, no Event of Default (whether a current default or one subject to the giving of notice or passage of time, or both) has occurred and is continuing under the Loan Agreement.
6. No authorization or approval or other action by, and no notice to or filing with, any governmental authority with competent jurisdiction is required in connection with

the advancement of funds by the Bank to the Authority pursuant to this Request for Loan Disbursement or in connection with the performance by the Authority of its obligations and agreements under the Loan Agreement.

- 7. Except as disclosed to the Bank in writing, no litigation or other legal challenge is pending or, to the best knowledge of the undersigned, threatened, challenging the legality of the Authority, the Resolution, the Loan Agreement or the security therefor or in any way adversely affecting the ability of the Authority to perform its obligations and agreements under the Resolution or the Loan Agreement.

CENTRAL TEXAS REGIONAL MOBILITY  
AUTHORITY

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_



## **EXHIBIT B**

### **TRANSPORTATION PROJECT COSTS**

Project Costs consist of some or all of the following: (i) expenses of studying the cost and feasibility of the Transportation Project, the design and engineering of the Transportation Project and other expenses relating to the preparation and issuance of bonds for the proposed Transportation Project as defined herein, including but not limited to traffic estimates, revenue estimates, engineering and legal services, plan, specifications, surveys, appraisals, construction cost estimates, and other expenses necessary or incidental thereto; (ii) the costs of construction of the Transportation Project, (iii) the acquisition of right-of-way or other interest in real property or equipment of facilities relating to the Transportation Project; (iv) costs associated with securing the Loan Agreement; and (v) the reimbursement to the Authority of costs attributable to the design, engineering and construction of the Transportation Project incurred prior to the execution and delivery of this Loan Agreement.

## EXHIBIT C

### PROMISSORY NOTE

(this "Note")

THIS NOTE IS SECURED BY THE NET REVENUES UNDER AND AS DEFINED IN THE SECURED LOAN AGREEMENT BETWEEN THE AUTHORITY AND THE BANK. THE OBLIGATION OF THE AUTHORITY TO PAY THE NOTE IS AN UNSECURED OBLIGATION OF THE AUTHORITY PAYABLE FROM ANY LEGALLY AVAILABLE FUNDS OF THE AUTHORITY. THIS NOTE IS NOT AN OBLIGATION OF THE STATE, ANY COUNTY OR ANY OTHER GOVERNMENTAL ENTITY AND IS NOT PAYABLE EXCEPT AS PROVIDED IN THE SECURED LOAN AGREEMENT.

**Principal Amount: \$24,990,900**

**November \_\_, 2017**

**FOR VALUE RECEIVED, THE CENTRAL TEXAS REGIONAL MOBILITY AUTHORITY** (the "Authority"), does hereby promise to pay to the order of **AMERICAN BANK, N.A.** (the "Bank"), on or before December 1, 2021 in lawful money of the United States of America, the Principal Amount set forth above or the aggregate amount of the outstanding Loan Proceeds disbursed hereunder as set forth on the schedule attached to this Note, whichever is less, in accordance with the terms of the Secured Loan Agreement between the Authority and the Bank (the "Loan Agreement"). The Authority also will pay interest on the unpaid principal balance outstanding from time to time at a rate and at such times as set forth in the Loan Agreement, until the earlier of the maturity or prepayment hereof. The Authority may prepay the unpaid principal balance outstanding at any time in accordance with the terms of the Loan Agreement.

Notwithstanding any other provisions of this Note, interest payable on this Note, together with any other costs, consideration, or payments in the nature of and constituting interest under applicable law (whether denominated as interest or as any other type of payment hereunder or thereunder, respectively) shall not exceed, and shall automatically be reduced to, the maximum amount or rate of interest permitted by applicable law as from time to time in effect (the "Highest Lawful Rate"); and all such costs, consideration, and payments constituting interest shall be pro-rated, spread, and allocated, to the fullest extent permitted by applicable law, to such periods and loan amounts as will cause the money so paid or received to conform to and comply with applicable law and the Highest Lawful Rate.

All sums paid hereon shall be applied first to the satisfaction of interest, and then the balance to the unpaid principal amount of this Note.

**THIS NOTE** is referred to in the Loan Agreement as the "Note," and is subject to all of the terms, conditions, and provisions thereof, including but without limitation those respecting the prepayment and the acceleration of maturity hereof. Capitalized terms used but not defined herein shall have the meaning ascribed to such terms in the Loan Agreement.

**THIS NOTE** is a contract made under and shall be construed in accordance with and governed by the laws of the State of Texas, without regard to such state's conflicts of laws principles.

CENTRAL TEXAS REGIONAL MOBILITY  
AUTHORITY

By: \_\_\_\_\_  
Authorized Officer

LOAN PROCEEDS

Officer Initials

Date of Settlement

Amount of Loan  
Proceeds

Applicable Rate  
Period

Any failure by the Bank to make any entry on this Schedule shall not affect the absolute obligation of the Authority to repay the Loan together with interest as provided in the Loan Agreement.

**EXHIBIT D**  
**TXDOT FINANCIAL ASSISTANCE AGREEMENT**

**EXHIBIT E**  
**CAMPO INTERLOCAL AGREEMENT**

**GENERAL MEETING OF THE BOARD OF DIRECTORS  
OF THE  
CENTRAL TEXAS REGIONAL MOBILITY AUTHORITY**

**RESOLUTION NO. 17-060**

**AUTHORIZE PROCUREMENT OF PROFESSIONAL ENGINEERING  
DESIGN SERVICES FOR THE 183A PHASE III PROJECT**

WHEREAS, the Mobility Authority is currently seeking the environmental approvals required to develop the 183A Phase III Project, including the addition of tolled lanes from SH 29 to Hero Way; and

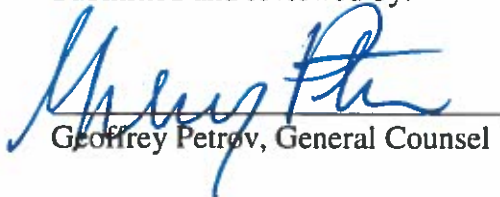
WHEREAS, the Executive Director anticipates obtaining the required environmental approvals in early 2018; and

WHEREAS, the Executive Director recommends that the Mobility Authority initiate a procurement for professional engineering design services for the 183A Phase III Project so that design may commence without delay following receipt of the environmental approvals.

NOW THEREFORE, BE IT RESOLVED that the Executive Director is hereby authorized and directed to initiate a procurement for professional engineering design services for the 183A Phase III Project.

Adopted by the Board of Directors of the Central Texas Regional Mobility Authority on the 8<sup>th</sup> day of November 2017.

Submitted and reviewed by:

  
Geoffrey Petrov, General Counsel

Approved:

  
Ray A. Wilkerson  
Chairman, Board of Directors

**GENERAL MEETING OF THE BOARD OF DIRECTORS  
OF THE  
CENTRAL TEXAS REGIONAL MOBILITY AUTHORITY**

**RESOLUTION NO. 17-061**

**AWARD A CONTRACT FOR GENERAL  
ENGINEERING CONSULTING SERVICES**

WHEREAS, in anticipation of the expiration of the current agreement for general engineering consulting services with Atkins North America, the Board authorized the Executive Director to initiate the procurement of a consultant to provide general engineering services to the Mobility Authority by issuing Resolution No. 17-045, dated July 26, 2017; and

WHEREAS, in accordance with the Board's direction, the Mobility Authority issued a request for qualifications to firms interested in providing general engineering consulting services to the Mobility Authority on August 11, 2017; and

WHEREAS, on September 11, 2017, the Mobility Authority received responses to its request for qualifications from two eligible firms; and

WHEREAS, the responses of both firms were reviewed and evaluated in accordance with the procedures set forth in the request for qualifications and the Mobility Authority Policy Code; and

WHEREAS, based on the results of the evaluation, the Executive Director recommends that the Board select and authorize negotiation of a contract for general engineering consulting services with Atkins North America, Inc.

NOW THEREFORE, BE IT RESOLVED that the Board hereby approves the selection of Atkins North America, Inc. to provide general engineering consulting services to the Mobility Authority; and

BE IT FURTHER RESOLVED that the Executive Director is authorized to negotiate a general engineering consulting services contract with Atkins North America, Inc. If the Executive Director and Atkins North America, Inc. cannot agree on the terms of a contract, the Executive Director may elect not to contract with Atkins North America, Inc., and may enter into negotiations with the next most highly ranked respondent as provided in Section 401.25 of the Mobility Authority Policy Code; and

BE IT FURTHER RESOLVED that once an agreement is reached the Executive Director shall present that proposed contract to the Board for its approval.

Adopted by the Board of Directors of the Central Texas Regional Mobility Authority on the 8<sup>th</sup> day of November 2017.

Submitted and reviewed by:

  
Geoffrey Petrov, General Counsel

Approved:

  
Ray A. Wilkerson  
Chairman, Board of Directors



**GENERAL MEETING OF THE BOARD OF DIRECTORS  
OF THE  
CENTRAL TEXAS REGIONAL MOBILITY AUTHORITY**

**RESOLUTION NO. 17-062**

**RESOLUTION AUTHORIZING ACQUISITION OF PROPERTY RIGHTS BY  
AGREEMENT OR CONDEMNATION OF CERTAIN PROPERTY IN TRAVIS  
COUNTY FOR THE 183 SOUTH / BERGSTROM EXPRESSWAY PROJECT  
(PARCEL E29)**

WHEREAS, pursuant to and under the authority of Subchapter E, Chapter 370, Texas Transportation Code and other applicable law, the Central Texas Regional Mobility Authority ("Mobility Authority") hereby finds and determines that to promote the public safety, to facilitate the safety and movement of traffic, and to preserve the financial investment of the public in its roadways and the roadways of the State of Texas, public convenience and necessity requires acquisition of a water and wastewater utility easement, as that easement is described by metes and bounds in Exhibit A to this Resolution (the "Property"), owned by Vargas Properties I, LTD. (the "Owner"), located adjacent to the US Hwy 183S in Travis County, for the construction, reconstruction, maintaining, widening, straightening, lengthening, and operating of the US 183 South / Bergstrom Expressway Project (the "Project"), as a part of the improvements to the Project; and

WHEREAS, an independent, professional appraisal report of the Property has been submitted to the Mobility Authority, and an amount has been established to be just compensation for the property rights to be acquired; and

WHEREAS, the Executive Director of the Mobility Authority, through agents employed or contracted with the Mobility Authority, has transmitted an official written offer to the Owner, based on the amount determined to be just compensation, and has entered into good faith negotiations with the Owner of the Property to acquire the Property; and

WHEREAS, as of the date of this Resolution, the Executive Director and the Owner have failed to agree on the amount determined to be just compensation due to said Owner for the Property; and

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors that the Executive Director is specifically authorized to negotiate and execute, if possible, an agreement to acquire the Property for consideration in an amount that does not exceed the official written offer previously transmitted to the Owner; and

BE IT FURTHER RESOLVED that the Executive Director is authorized and directed to negotiate an agreement to acquire the Property and all leasehold interests in the Property by agreement, subject to approval of the agreement and acquisition price by the Board of Directors; and

BE IT FURTHER RESOLVED that at such time as the Executive Director concludes that further negotiations with Owner to acquire the Property by agreement would be futile, the Executive Director or his designee is hereby authorized and directed to file or cause to be filed a suit in eminent domain to acquire the Property for the aforesaid purposes against the Owner and the owners of any interest in, and the holders of any lien secured by the Property described in the attached Exhibit A; and

BE IT FURTHER RESOLVED that the Executive Director or his designee is hereby authorized and directed to incur such expenses and to employ such experts as he shall deem necessary to assist in the prosecution of such suit in eminent domain, including, but not limited to, appraisers, engineers, and land use planners.

Adopted by the Board of Directors of the Central Texas Regional Mobility Authority on the 8<sup>th</sup> day of November 2017.

Submitted and reviewed by:

  
\_\_\_\_\_  
Geoffrey Petrov, General Counsel

Approved:

  
\_\_\_\_\_  
Ray A. Wilkerson  
Chairman, Board of Directors

**Exhibit A**

Field Notes for Parcel 29 Water and Wastewater Line Easement

**BEING A 0.082 ACRE WATER AND WASTEWATER LINE EASEMENT (3,559 SQUARE FEET) OUT OF A 3.76 ACRE (BY DEED) TRACT OF LAND CALLED TRACT III, DEEDED TO VARGAS PROPERTIES I, LTD., AS CONVEYED BY THE GENERAL WARRANTY DEEDS EXECUTED DECEMBER 27, 1996 AND FILED FOR RECORD DECEMBER 30, 1996 AS RECORDED IN VOLUME 12842, PAGE 527, VOLUME 12842, PAGE 531, VOLUME 12842, PAGE 537, VOLUME 12842, PAGE 543, VOLUME 12842, PAGE 550 & VOLUME 12842, PAGE 557, ALL OF THE REAL PROPERTY RECORDS OF TRAVIS COUNTY, TEXAS, SAID 0.082 ACRE WATER AND WASTEWATER LINE EASEMENT BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS AND AS SHOWN ON THE ATTACHED PLAT:**

**BEGINNING** at a calculated point (Grid Coordinates N=10,060,921.36 US Feet, E=3,131,346.47 US Feet, combined scale factor 1.00011) in the northeast line of said 3.76 acre tract of land and in the southwest line of U.S. Highway No. 183 (variable width right-of-way), from which a Texas Department of Transportation (TxDOT) Type II brass monument found for the northeast corner of said 3.76 acre tract and the intersection of the southwest line of said U.S. Highway No. 183 and the southeast line of Saxon Lane (50 foot wide right-of-way) bears, North 24 degrees 25 minutes 21 seconds West, along the northeast line of said 3.76 acre tract and the southwest right-of-way line of said U.S. Highway No. 183, a distance of 96.79 feet, said calculated point being the east corner of said 0.082 acre water and wastewater line easement described herein;

**THENCE** South 24 degrees 25 minutes 21 seconds East, with the northeast line of said 3.76 acre tract, the southwest right-of-way line of U.S. Highway No. 183, a distance of 84.70 feet to a calculated point, from which a 1 inch pinched pipe found in the southeast line of said 3.76 acre tract and the northwest right-of-way line of Vargas Road (60 foot wide right-of-way), bears South 24 degrees 25 minutes 21 seconds East, a distance of 191.79 feet and South 49 degrees 43 minutes 07 seconds West, passing a 1/2 inch iron pipe found at 1.28 feet, in all 488.84 feet, said calculated point being the southern most corner of said 0.082 acre water and wastewater line easement described herein;

**THENCE** North 45 degrees 10 minutes 02 seconds West, a distance of 154.76 feet to a calculated point in the northwest line of said 3.76 acre tract and in the southeast right-of-way line of Saxon Street (50 foot wide right-of-way) for the western most corner of said 0.082 acre water and wastewater line easement described herein;

**THENCE** North 31 degrees 43 minutes 47 seconds East, with the northwest line of said 3.76 acre tract and the southeast line of said Saxon Street, a distance of 30.80 feet to a calculated point for the northern most corner of said 0.082 acre water and wastewater line easement described herein;

**THENCE** South 45 degrees 10 minutes 02 seconds East, a distance of 82.54 feet to the **POINT OF BEGINNING**, and containing 0.082 acre or 3,559 square feet of land, more or less.

**BEARING BASIS:** The bearings and coordinates described herein are Texas State Plane, Central Zone 4203, NAD 83(HARN), U.S. Feet. Combined Scale factor of 1.00011. Published control points referenced for this project are U.S. 183 South Horizontal and Vertical Control points No. 141 having surface values of N= 10068786.90, E=313688 1.27 being a cotton spindle found and No. 143 having surface value of N=10067525.33 E=3133714.10 being a 5/8" iron rod found.

City Grid: L20

Exhibit "A"



Parcel E29 – Approximately 3,559 Square Feet (0.082 Ac).