

THE STATE OF TEXAS §
§
COUNTY OF EL PASO §

**TRANSPORTATION PROJECT AND PLEDGE AGREEMENT
BETWEEN THE COUNTY OF EL PASO AND THE CAMINO REAL REGIONAL
MOBILITY AUTHORITY RELATING TO THE USE OF SPECIAL VEHICLE
REGISTRATION FEES**

THIS TRANSPORTATION PROJECT AND PLEDGE AGREEMENT (the “Agreement”) is entered into effective as of the ____ day of April, 2014, by and between **EL PASO COUNTY, TEXAS** (the “County”), and the **CAMINO REAL REGIONAL MOBILITY AUTHORITY** (the “Authority”), political subdivisions of the State of Texas (each a “Party” and, collectively, the “Parties”).

RECITALS

WHEREAS, the County is a county and a political subdivision of the State of Texas (the “State”); and

WHEREAS, the Authority is a regional mobility authority created pursuant to the request of the City of El Paso, Texas and operating within the geographic boundaries of the County pursuant to Chapter 370 of the Texas Transportation Code (the “Act”) and 43 TEX. ADMIN. CODE §§ 26.1 *et seq.* and is a body politic and corporate and political subdivision of the State; and

WHEREAS, Chapter 791 of the Texas Government Code provides that any one or more public agencies may contract with each other for the performance of governmental functions or services in which the contracting parties are mutually interested; and

WHEREAS, the 83rd Texas Legislature enacted H.B. 1198 (Acts 2013 83rd Leg.,R.S. ch.1273) which amends Section 502.402 of the Texas Transportation Code (the “Authorizing Law”) and authorizes certain counties, including the County, to impose an additional fee, not to exceed \$10.00, for vehicles registered in the county (the “Special Vehicle Registration Fee”) to be used for long-term transportation projects; and

WHEREAS, on August 30, 2013, the Commissioners Court of the County ordered the adoption and imposition of a Special Vehicle Registration Fee for vehicles registered in the County of \$10.00 per registered vehicle pursuant to and in accordance with the Authorizing Law (the “Order”); and

WHEREAS, the Authorizing Law requires that, if adopted, the County remit the revenue from the Special Vehicle Registration Fee to a regional mobility authority located in the County to fund long-term transportation projects; and

WHEREAS, the Parties entered into an Interlocal Agreement dated as of December 16, 2013 (the “ILA”) which requires that the Parties enter into a specific project agreement, such as

this Agreement, before the pledge of, or expenditure of revenues from, the Special Vehicle Registration Fee; and

WHEREAS, Section 370.033 of the Act permits the Authority to enter into an agreement under which the Authority may evaluate, design, finance, acquire, construct, maintain, repair, or operate a transportation project on behalf of another governmental entity if the transportation project is located in the Authority's area of jurisdiction or in a county adjacent to the Authority's area of jurisdiction; and

WHEREAS, the Projects (as hereinafter defined) will be located in the County which is in the Authority's area of jurisdiction or is adjacent to the Authority's area of jurisdiction; and

WHEREAS, the Projects are (i) roadways with a functional classification greater than a local road or rural minor collector or (ii) listed in the most recently approved state implementation plan for the County or (iii) improvements in a transportation reinvestment zone designated under Subchapter E, Chapter 222 of the Texas Transportation Code; and therefore are "transportation projects" under the Act and the Authorizing Law; and

WHEREAS, the Projects will benefit the County and its residents through improved mobility, increased safety, enhanced economic development, and expansion of the tax base which will result in increased revenues to support the County and the provision of services to its residents; and

WHEREAS, the Authority is in the process of issuing debt (the "RMA Obligations") to finance the development and construction of certain of the Projects, such RMA Obligations to be secured by and paid from the Special Vehicle Registration Fees;

NOW, THEREFORE, in consideration of the respective promises and mutual covenants and benefits hereinafter set forth, the undersigned Parties agree as follows:

ARTICLE I. DEFINITIONS

A. Definitions. Throughout this Agreement, the following terms and expressions shall have the meanings set forth below, unless the context clearly indicates otherwise:

"Act" shall mean Chapter 370 of the Texas Transportation Code, as amended from time to time.

"Authority" shall mean Camino Real Regional Mobility Authority, or its legal successors.

"Authorizing Law" shall mean Section 502.402 of the Texas Transportation Code, as amended from time to time.

"Bond Trustee" shall mean the bank, trust company or other financial institution designated as trustee or paying agent in the Trust Indenture or other agreement relating to the administration or payment of the applicable RMA Obligations.

“County” shall mean El Paso County, Texas.

“Default” shall mean a Party’s failure to perform or observe, in any material respect, any of the terms and conditions of this Agreement which are required to be performed or observed by such Party.

“Department” shall mean the Texas Department of Transportation.

“Final Acceptance” shall mean the achievement of final completion of construction to the satisfaction of the County after consultation with the Authority, and the occurrence of all other events and satisfaction of all the other conditions as set forth in the applicable design-build or construction contract for a Project, including payment.

“ILA” shall mean that Interlocal Agreement dated as of December 16, 2013 between the County and the RMA which requires that the Parties enter into a specific project agreement, such as this Agreement, before the pledge of, or expenditure of revenues from, the Special Vehicle Registration Fee.

“Order” shall mean the order of Commissioners Court of August 30, 2013 by which the Commissioners Court imposed and adopted the Special Vehicle Registration Fee pursuant to and in accordance with the Authorizing Law.

“Other Projects” shall mean (i) the long-term transportation projects identified in Exhibit A which are not Primary Projects or TRZ Projects; and (ii) such additional long-term transportation projects which are permitted to be funded with the Special Vehicle Registration Fee pursuant to the Authorizing Law and which may subsequently be added by the County.

“Pledged Revenues” shall mean 100% of the funds collected by the County and the State from the levy of the Special Vehicle Registration Fee, pursuant to applicable law, without deduction, offset, or credit for any administrative charges or expenses incurred by the County or the Authority in connection with the levy and collection of the Special Vehicle Registration Fee; provided only that Pledged Revenues shall not include, and the County may offset and deduct, the amount of any returned checks, declined credit cards and similar deductions for amounts initially received by the County from the levy of the Special Vehicle Registration Fee, but ultimately not retained by the County.

“Primary Projects” shall mean, initially, Project No. 2 (I-10 to Loop 375/Border Highway Connector), Project No. 13 (FM 1110 Improvements), Project No. 15 (Arterial 1 Construction), Project No. 16 (M.F. Aguilera Highway), as identified in Exhibit A, and other Projects which may be subsequently added by the County.

“Project Budget” shall have the meaning set forth in Article II hereof.

“Project Development Agreement” shall mean a written agreement detailing the specific terms and conditions under which one or more of the Projects shall be developed, designed, engineered, funded, constructed, and/or managed, and the respective duties and obligations of the parties thereto with respect to the specified Project(s).

“Projects” shall mean the design, development, construction, improvement, extension or expansion of the long-term transportation projects in the County identified in attached Exhibit A and Other Projects (to the extent they are not otherwise identified in Exhibit A).

“RMA Obligations” shall mean one or more series of bonds, loans, notes or other debt obligations which are secured in whole or part by the Pledged Revenues and which the Authority may incur from time to time to finance one or more of the Projects, including the Primary Projects.

“Special Vehicle Registration Fee” shall mean the additional motor vehicle registration fee authorized by the Authorizing Law and the Order in the amount of \$10.00 per registered vehicle in the County; such Special Vehicle Registration Fee to be effective as of January 1, 2014. It shall not include any fees collected pursuant to Section 502.401 of the Texas Transportation Code.

“State” shall mean the State of Texas.

“Surplus Revenues” shall mean the Pledged Revenues remaining after payment of all expenses required or permitted by the Trust Indenture, including all debt service payments, reserve fund requirements, fees, expenses and other revenue transfers described in the Trust Indenture.

“Trust Indenture” shall mean collectively one or more trust indentures, supplemental trust indentures, bond resolutions, loan agreements, resolutions and other applicable documents which authorize the issuance, and control the terms, of one or more RMA Obligations.

“TRZ Projects” shall mean, initially, Project No. 10 (Old Hueco Tanks Road), Project No. 11 (Eastlake Blvd. Phase 2), Project No. 12 (Rojas Ave. Improvements), Project No. 14 (Greg/Edgemere Construction), Project No. 15 (Arterial 1 Construction) and Project No. 17 (Berryville/Darrington Road), as identified in Exhibit A, and such other Projects which may be added or deleted from this definition pursuant to the mutual agreement of the Parties’ designated representatives identified in Article II hereof.

B. Interpretations. All terms defined and all pronouns used in this Agreement shall be deemed to apply equally to singular and plural and to all gender. The titles and headings of articles and sections of this Agreement have been inserted for convenience and shall not in any way modify or restrict any of the terms and provisions. This Agreement and all the terms and provisions shall be liberally construed to effectuate the purposes set forth in this Agreement. The recitals to this Agreement are deemed to be statements of fact or representations made jointly by the Parties and are hereby incorporated by reference; provided however, that the terms and phrases used in the recitals to this Agreement have been included for convenience of reference only and the meaning, construction and interpretation of such words and phrases for purposes of this Agreement shall be determined solely by reference to Article I. Any capitalized terms used herein which are not otherwise defined shall have the meanings ascribed to them in the Trust Indenture.

ARTICLE II. OBLIGATIONS OF THE AUTHORITY

A. Project Development.

1. For purposes of this Article and unless otherwise designated in writing by the respective Party, the Authority designates its Executive Director as its designated representative and the County designates its Director of Public Works as its designated representative.

2. The County and the Authority agree to cooperate in the development of the Projects to maximize efficiency and the use of State and federal funding and expedite construction. The County and the Authority shall mutually determine whether a Party, the Department and/or a qualified third party developer will be responsible for the planning, design, development, environmental permitting, right-of-way acquisition, procurement and construction of each Project funded, in whole or part, from the issuance of RMA Obligations and execute one or more Project Development Agreements with respect to such funded Projects as necessary.

3. The County and the Authority, acting through their respective designated representatives, will develop a budget (a "Project Budget") for each Project funded, in whole or in part, from the issuance of RMA Obligations. Each Project Budget will include a cash disbursement projection. If the Parties are not able to agree on an initial Project Budget, work on that Project shall stop and that Project will not be funded (or further funded) from proceeds of the RMA Obligations; however, in the event the Parties (acting through their respective designated representatives) mutually agree, another Project may be substituted therefore.

4. The Authority and the County, each through their respective designated representative, shall agree on each Project Budget and each Project Budget shall be approved as part of the approval of the applicable Project Development Agreement. A Project Budget may be amended in accordance with the terms of the applicable Project Development Agreement.

5. In the event the costs of a Project funded in whole or in part from RMA Obligations exceed, or due to a change in circumstances during development of such Project are expected to exceed, the amount specified in the applicable Project Budget and other lawfully available and designated funds, the Parties, through their respective designated representatives, will work together to identify the additional funding necessary for such Project. In the event additional funds cannot be identified to address such increased costs, the Parties shall work together to amend the scope of the Project to fit within the available funds or to otherwise address the Project funding shortfall.

6. A design/build or other construction contract for a Project, or the issuance of a notice to proceed for a Project, will not be executed until all of the funding identified in the Project Budget has been secured.

7. Responsibility for the acquisition of right-of-way will vary by Project and the Project Budgets shall appropriately reflect any third party costs associated with right-of-way acquisition.

8. The County and the Authority may observe or inspect all work done and materials furnished for each Project at reasonable times and places. If either Party notifies the party responsible for development of the Project that it believes such Project is not being constructed as agreed upon, the Parties' designated representatives shall meet to discuss appropriate actions to ensure that any defects in the Project are remedied.

9. The County shall notify the Authority in writing upon Final Acceptance of each Project funded, in whole or part, from the issuance of RMA Obligations. To the extent required by the applicable Project Development Agreement and upon Final Acceptance of a Project that the Authority has developed, the Authority will assign to the County, the Department, or other responsible entity all contractor warranties, guarantees, and bonds which it possesses with respect to such Project and which extend beyond the date of such Final Acceptance. Unless otherwise agreed by the Authority, the Authority shall have no further obligation with respect to a Project after Final Acceptance.

B. Summary of Project Financing Structure. Attached hereto as Exhibit B is a summary of the proposed financing structure, including (i) the estimated aggregate construction budget for the Primary Projects; (ii) the estimated debt service requirements on the RMA Obligations issued for the Primary Projects, such requirements to be paid from Pledged Revenues; (iii) the percentage of the current and projected Special Vehicle Revenue Fee necessary to be pledged to fund debt service on the RMA Obligations; and (iv) the proposed repayment term for the RMA Obligations. The Pledged Revenues will be pledged to secure the RMA Obligations as long as the RMA Obligations are outstanding.

C. Authority to Hold and Utilize Funds. The Authority (or the Bond Trustee on behalf of the Authority) shall receive and hold the Pledged Revenues to be used solely for (i) the Projects and (ii) to pay debt service on, and other costs and expenses associated with, the RMA Obligations as authorized under the Trust Indenture. The Authority (or the Bond Trustee on behalf of the Authority) shall maintain the funds in the same manner as it holds other comparable funds, in a segregated account(s) and subject to review and audit by the County. Interest on the account(s) shall be retained in the account for use for the same purposes as the principal funds in the account. Funds encumbered or pledged to support the RMA Obligations may be segregated and held pursuant to the requirement of the Trust Indenture. To the extent permitted by the Trust Indenture, Surplus Revenues may be used to finance the development of the TRZ Projects or otherwise as directed by the County in accordance with the Authorizing Law and the Trust Indenture, including to another regional mobility authority should one be subsequently formed by the County.

D. Issuance of RMA Obligations. As soon as commercially reasonable, the Authority agrees to issue RMA Obligations, in one or more series, to finance or otherwise fund the design and construction of one or more of the Primary Projects, using the Pledged Revenues as all or a portion of the repayment source for such RMA Obligations. The Authority agrees to use a portion of the proceeds of the RMA Obligations to finance the costs of one or more of the

Projects and to pay the costs associated with issuing the RMA Obligations. The Trust Indenture shall provide that the RMA Obligations issuance shall be secured by a pledge of the Pledged Revenues and any interest earned thereon. While it is anticipated that a majority of the costs of the Primary Projects and preliminary expenditures associated with the TRZ Projects will be paid from the proceeds of the sale of RMA Obligations, such proceeds may be used for any of the Projects to the extent permitted by applicable State law and the terms of the Trust Indenture.

E. Limitations on Project Development. Notwithstanding anything herein to the contrary, the Authority shall not be obligated to pursue or complete development or construction of any Project if the funds available from the RMA Obligations are not sufficient to pay all costs associated with such Project and the County fails to provide additional funding to cover the amount of any such deficiency.

F. County Right to Audit. At its expense, the County shall have the right to audit the expenditure of proceeds from the sale of RMA Obligations and the use of the Pledged Revenues. The Authority shall cooperate, and instruct the Bond Trustee to cooperate, with any such audit.

ARTICLE III. OBLIGATIONS OF THE COUNTY

A. Imposition, Collection and Remittance of Vehicle Fee. In accordance with the Authorizing Law and in consideration of the design, financing, development and/or construction of one or more of the Projects by the Authority, the County covenants and agrees to take all steps necessary and authorized under all applicable laws to continuously impose, collect and remit the Special Vehicle Registration Fee to the Authority as long as any RMA Obligations are outstanding in the manner and to the extent permitted by applicable law. The County also covenants and agrees that it will not cause a reduction, abatement or exemption in the Special Vehicle Registration Fee or in the amount in which it is authorized to be collected if any proposed reduction, abatement or exemption would violate any of the terms of the Trust Indenture. The County further covenants and agrees that, as long as any RMA Obligations are outstanding, the County will pay to the Authority, within thirty days of receipt from the County Tax Assessor of the portion of the Special Vehicle Registration Fee which the County collects, such collected revenues, without demand, notice, counterclaim or offset, including any administrative charges or expenses incurred by the County in connection with the levy and collection of the Special Vehicle Registration Fee, to be used as authorized under this Agreement and the Trust Indenture. The County authorizes the Authority to pledge and expend the Pledged Revenues in accordance with the terms of the Trust Indenture.

B. Limitations to Rescind or Alter the Special Vehicle Registration Fee. As long as any RMA Obligations are outstanding, the County shall not rescind the Order (i) except to the extent expressly permitted by the terms of the Trust Indenture, and (ii) only in the event that the County has otherwise provided for, or assumed, the RMA Obligations. In addition, the County shall not modify the Order in any way that would adversely affect the Authority's pledge of the Pledged Revenues or the holders of any associated RMA Obligations, or adopt any other order or take any other action to remove, reduce or rescind the Special Vehicle Registration Fee until the earliest of: (1) the date on which all principal of, premium, if any, and interest on any RMA Obligations are paid in full and all RMA Obligations are no longer outstanding; or (2) December

31, 2018, but only if no RMA Obligations secured by the Pledged Revenues have been issued by that date.

C. Order Remains Valid. The County hereby affirms that the Order remains valid and effective and no actions have been, or will be, taken which undermine or could adversely affect the imposition and collection of the Special Vehicle Registration Fee for any of the Projects.

D. Flow of Funds; Surplus Revenues.

1. As long as any RMA Obligations remain outstanding and to the extent required or permitted by the Trust Indenture, the Pledged Revenues shall be used in the following manner and order of priority:

First, to make any required rebate payments to the United States under Section 148 of the Internal Revenue Code;

Second, to the payment of any fees and expenses of the Bond Trustee, the Paying Agent, the Arbitrage Analyst or a Rating Agency;

Third, to pay debt service on any RMA Obligations issued as senior lien obligations;

Fourth, to fund any required debt service reserve account for the senior lien RMA Obligations;

Fifth, to pay debt service on any RMA Obligations issued as subordinate lien obligations;

Sixth, to fund any required debt service reserve account for the subordinate lien RMA Obligations;

Seventh, to make such other transfers or payments as specified in the Trust Indenture, including payment to the Authority of an administrative fee, which is part of the construction cost of the Projects, of an annual amount (which may be payable monthly) equal to one-tenth of one percent (0.1%) of the RMA Obligations issued hereunder; provided however, such fee shall terminate on the first to occur of (1) ten years from the date of issuance of the RMA Obligations or (2) the first day of the second calendar month immediately following Final Acceptance of the final Project funded, in whole or part, from the issuance of RMA Obligations; and

Thereafter, any Surplus Revenues shall be used to make up any deficiencies in such previously required deposits or held by or on behalf of the Authority pursuant to the terms of the Trust Indenture for use as directed by the County in accordance with the Authorizing Law and the Trust Indenture.

2. To the extent permitted by the Trust Indenture, the County shall retain the right to transfer Surplus Revenues to future transportation projects designed, engineered, and completed by other regional mobility authorities on behalf of the County in the event that such authorities are created in the future. Further, in the event another regional mobility authority qualified to receive and manage the Special Vehicle Registration Fee is created, the County may direct Surplus Revenues to the additional regional mobility authority to the extent and degree that re-directing such revenues will not violate this Agreement or the Trust Indenture or impair the rights of the holders of any outstanding RMA Obligations. Any such commitment of funding shall be done in a manner consistent with the goal of assuring consistent and adequate funding for the Projects for which the County and the Authority have previously entered into a Project Development Agreement, and to assure fulfillment of RMA Obligations issued by the Authority on behalf of a County project.

E. Maintenance of the Projects. Unless otherwise agreed to in writing between the Parties, upon Final Acceptance of a Project, the Authority shall not have any obligation to maintain or operate the Project. Any and all associated maintenance obligations and liabilities of the Projects shall be the responsibility of the County, the Department or a third party under a separate maintenance agreement.

F. Obligations of the County to be Absolute. The obligation of the County to make the payments set forth in this Agreement shall be absolute and unconditional. Until such time as the RMA Obligations and any associated Bond Trustee fees, if any, have been fully paid or provision for payment thereof shall have been made in accordance with the Trust Indenture, the County will not suspend or discontinue any payments provided for in this Agreement and will not terminate this Agreement for any cause, including, without limiting the generality of the foregoing: failure of the Authority to implement a Project at the cost estimated or in accordance with the final plans and specifications; any acts or circumstances that might constitute failure of consideration, eviction or constructive eviction; destruction of or damage to a Project; commercial frustration of purpose; or any failure of the Authority to perform and observe any agreement, whether express or implied, or any duty, liability or obligation arising out of or connected with this Agreement or related agreements. Nothing contained in this section shall be construed to release the Authority from performance of any of the agreements on its part contained in this Agreement or related agreements or to limit the right of the County with respect to its relationship with the Authority, and in the event the Authority shall fail to perform any such agreement on its part, the County may institute such action against the Authority as the County may deem necessary to perform the acts required of the Authority in this Agreement or related agreements.

G. Collection and Calculation. Notwithstanding anything to the contrary contained in this Agreement:

1. The County may offset and deduct the amount of any returned checks, declined credit cards and similar deductions for amounts initially received by the County but ultimately not retained by the County, it being agreed that, in accordance with applicable law, the County will neither retain for itself any collected Special Vehicle Registration Fees nor pay to the Authority pursuant to this Agreement any revenues other

than the Pledged Revenues. The County will diligently pursue amounts associated with any returned checks, declined credit cards and similar deductions and shall remit any collected Special Vehicle Registration Fees to the Authority.

2. In the event there is a conflict between the Parties in regards to the amount of the Pledged Revenues owed by the County, the Authority, at its expense (except as provided herein), shall have the right, at any time during the term of this Agreement and within the three (3) years after any termination hereof to audit those portions of the books and records of the County which relate to the calculation of the Special Vehicle Registration Fee and collection of the Pledged Revenues or as otherwise necessary to confirm the County's compliance with the terms of this Agreement. Any such audit will be commenced and conducted with reasonable promptness, after reasonable notice to the County and by an auditor whose fee for such audit is not calculated on a contingent basis.

3. In the event an audit performed by or on behalf of the Authority pursuant to Section III.G.2 hereof shall indicate that the County has failed to remit all Pledged Revenues collected for any period covered by such audit, the County shall pay to the Authority, or into the designated trust fund held by the Bond Trustee for the RMA Obligations, as applicable, within thirty (30) days after the County's receipt of a copy of such audit, the amount of such underpayment. In the event such audit indicates that the County has paid additional amounts not required to be paid hereunder during any period covered by such audit, the Authority shall cause the Bond Trustee to pay to the County the amount of such overpayment to the extent that Surplus Revenues are available to make such payments in accordance with the terms of the Trust Indenture. Such payment shall be made within thirty (30) days after the Authority's receipt of the annual audit to the extent permitted by the Trust Indenture.

4. In the event that the audit by or on behalf of Authority pursuant to Section III.G.2 hereof, shows an underpayment of Pledged Revenues equal to or in excess of Twenty-Five Thousand and no/100 Dollars (\$25,000.00), the County shall reimburse the Authority for all of the Authority's actual and reasonable out-of-pocket expenses in connection with such audit, including the engagement of an independent accountant or accounting firm, within thirty (30) days after County's receipt of a copy of such audit.

ARTICLE IV. AMENDMENT OR MODIFICATIONS; WAIVER

A. Amendment Before RMA Obligations. Prior to the issuance of any RMA Obligations, this Agreement may only be amended, supplemented or modified by an instrument signed in writing by both of the Parties.

B. Amendment After RMA Obligations. Following the issuance of any RMA Obligations, this Agreement may only be amended, supplemented or modified by an instrument signed in writing by both of the Parties; provided, however, that prior to the effectiveness of any such amendment, the Authority obtains the opinion of bond counsel set forth in subsection C below.

C. Bond Counsel Opinion. Notwithstanding anything herein to the contrary and subsequent to the issuance of any RMA Obligation, no amendment shall become effective until the Parties and the Bond Trustee shall have received an opinion of nationally-recognized bond counsel (selected by the Authority) to the effect that such amendment is permitted under the terms of the Trust Indenture and, in and of itself, will not adversely affect the exclusion from gross income for federal income tax purposes of interest on any RMA Obligations issued as tax exempt obligations.

D. Waiver. Neither this Agreement nor any of the terms hereof may be waived or modified orally, but only by an instrument in writing signed by the Party against which the enforcement of the waiver or modification shall be sought. No failure or delay of any Party, in any one or more instances (i) in exercising any power, right or remedy under this Agreement or (ii) in insisting upon the strict performance by the other Party of such other Party's covenants, obligations or agreements under this Agreement, shall operate as a waiver, discharge or invalidation thereof, nor shall any single or partial exercise of any such right, power or remedy or insistence on strict performance, or any abandonment or discontinuance of steps to enforce such a right, power or remedy or to enforce strict performance, preclude any other or future exercise thereof or insistence thereupon or the exercise of any other right, power or remedy.

ARTICLE V. TERMINATION

A. RMA Obligations Fully Paid. This Agreement shall terminate automatically at such time as all RMA Obligations issued for any of the Projects have been paid in full.

B. Before RMA Obligations. Prior to the issuance of any RMA Obligations, a Party may terminate its performance under this Agreement without cause only upon agreement in writing signed by both Parties.

C. RMA Obligations Outstanding. As long as any RMA Obligations are outstanding, a Party may terminate its performance under this Agreement without cause only (i) upon an agreement in writing signed by both Parties to the extent such termination does not adversely affect the outstanding RMA Obligations and (ii) with the express written consent of the Bond Trustee (or in the absence of a Bond Trustee, the holder/obligee of all outstanding RMA Obligations).

D. Limited Performance Termination Upon Default. Subject to section V. F. below, the Authority may, by sixty (60) days prior written notice to the County, terminate its performance under this Agreement upon Default by the County, and the County may, by sixty (60) days prior written notice to the Authority, terminate the authority of the Authority to issue additional RMA Obligations under this Agreement upon Default by the Authority. Should such a Default occur, the non-defaulting Party shall have the right to take the action described above on the sixty-first (61st) day following the receipt by the defaulting Party of a notice describing such Default and intended action if such Default is then continuing; provided, however, that such action may be stayed, at the sole option of the non-defaulting Party, pending cure of such Default following such sixtieth (60th) day.

E. Certain Additional Termination Events. In the event that the Chair, Executive Director or other officer of the Authority is convicted or otherwise pleads guilty to a crime of fraud or moral turpitude with respect to the financing, development or procurement of one or more of the Projects, then the County, upon written notice to the Authority, may terminate any existing Project development responsibilities and thereafter pursue all legal or equitable remedies associated with such a termination. In the event that the County Judge, a County Commissioner, the County Public Works Director or other County official is convicted or otherwise pleads guilty to a crime of fraud or moral turpitude with respect to the financing, development or procurement of one or more of the Projects, then the Authority, upon written notice to the County, may terminate any existing Project development responsibilities and thereafter pursue all legal or equitable remedies associated with such a termination.

F. Termination Does Not Affect Transfer of Special Vehicle Registration Fee. Notwithstanding anything in this Agreement or the ILA to the contrary and as long as any RMA Obligations remain outstanding, no termination of this Agreement, the ILA or any Project Development Agreement will affect the obligations of the County to levy and collect the Special Vehicle Registration Fee, make the payments in accordance with the terms of this Agreement and transfer the Pledged Revenues to the Authority in accordance with the terms of this Agreement.

G. Remedies. Upon Default by a Party, the non-defaulting Party may proceed against the other Party for the purpose of protecting and enforcing its rights, 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 law, including the specific performance of any covenant or agreement, or to enjoin any act or thing that may be unlawful or in violation of any right of the non-defaulting Party hereunder or any combination of such remedies. No remedy conferred or reserved is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given or existing at law or in equity. The exercise of any remedy conferred or reserved shall not be deemed a waiver of any other available remedy.

H. Substitution. To the extent permitted by applicable law and if requested by the County, a regional mobility authority subsequently formed by the County may (i) directly assume the RMA Obligations upon the consent of the holders of all outstanding RMA Obligations, the Bond Trustee and, if required by applicable law, Departmental rule or any project-related agreement, the Department; and enter into any necessary supplemental indenture to reflect such assumption; or (ii) issue notes, bonds or other debt obligations to defease all the outstanding RMA Obligations to the extent permitted by, and in accordance with the terms of, the applicable Trust Indenture. All costs associated with any such assumption, bond issuance and/or defeasance, including the cost of any consent solicitation of the bond holders, would be the responsibility of the County or such County-created regional mobility authority.

ARTICLE VI. MISCELLANEOUS

A. Term. This Agreement shall be in full force and effect from the date first written above until terminated pursuant to Article V.

B. Merger. This Agreement embodies the entire understanding between the Parties hereto and there are no prior effective representations, warranties or agreements between the Parties.

C. Severability. The provisions of this Agreement are severable and if any provision or part of this Agreement or the application hereof to any person or circumstance shall ever be held by any court of competent jurisdiction to be invalid or unconstitutional for any reason, the remainder of this Agreement and the application of such provision or part of this Agreement to other persons shall not be affected thereby.

D. Governing Law. THIS AGREEMENT AND THE ACTIONS OF THE PARTIES SHALL IN ALL RESPECTS BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF TEXAS NOTWITHSTANDING ANY CHOICE-OF-LAW OR CONFLICT-OF-LAW PRINCIPLE THAT MIGHT DICTATE A DIFFERENT GOVERNING LAW.

E. Venue. For any and all disputes arising under this Agreement or the ILA, venue shall be in El Paso County, Texas.

F. Conflict. In the event of any conflict between the terms of the ILA or any other agreement between the Parties which affects the Special Vehicle Registration Fee or the Pledged Revenues and this Agreement, the terms of this Agreement shall control.

G. Project Agreement. The Parties agree that this Agreement fully satisfies all of the terms of the ILA, including the requirement that the Parties enter into a "Project Agreement" (as defined in the ILA) with respect to the Projects.

H. Survival. As long as any of the RMA Obligations are outstanding, the following terms and provisions of this Agreement shall survive any expiration or termination of this Agreement: Sections III.A., III.B., III.F., III.G.2 through III.G. 4, V.F, V.G. and this VI.H.

EXECUTED in multiple counterparts as of the date first written above.

THE COUNTY OF EL PASO, TEXAS

By: _____
Veronica Escobar
County Judge

ATTEST:

Delia Briones
County Clerk

Approved as to form only:

Erich A. Morales
Assistant County Attorney

CAMINO REAL REGIONAL MOBILITY
AUTHORITY

By: _____
Scott McLaughlin
Chairman

ATTEST:

Board Secretary

EXHIBIT A

Projects

Project	CSJ	Project Name	Project Description
1.	2121-02-137	I-10 CD Lanes	CD Lanes, connection to Border Highway West
2.+	2121-03-131	I-10 to Loop 375/Border Highway Connector	Construct New Connectors from I-10 to Loop 375
3.	2121-03-154	I-10 @ Fountains	Ramp Improvements
4.	1046-03-005	LP 375 @ Spur 601	NB to WB Direct Connector
5.	1281-02-006	I-10 @ FM 1110 Bridge Widening	Widen Bridge from 2 to 4 lanes
6.	2121-02-150	I-10 @ Mesa Park Interchange	I-10 Frontage Road & Mesa Park Overpass
7.	2121-04-093	I-10 @LP 375 Interchange	SB-EB, NE-EB, frontage road, cloverleaf improvements
8.	0924-06-436	Delta St. @ UPRR	New overpass at UPRR tracks
9.	0924-06-436	Eastlake Blvd. Phase 1	Widen from 4 to 6 lanes divided
10. *	0924-06-111	Old Hueco Tanks Rd.	Construct new 4-lane divided arterial
11. *	TBD	Eastlake Blvd. Phase 2	Construct/reconstruct 4 lane divided arterial
12. *	TBD	Rojas Ave. Improvements	Widen from 4 to 6 lanes divided
13.+	TBD	FM 1110 Improvements	Construct/upgrade to 4-lane divided arterial
14.*	TBD	Greg/Edgemere Construction	Construct new 4-lane divided arterial
15.+*	TBD	Arterial 1 Construction	Construct new 4-lane divided arterial from Pellicano Drive to Paseo del Este Street
16.+	0924-06-311	M.F. Aguilera Highway	Construct new location arterial highway from south of SH 20 to I-10
17.	TBD	Berryville/Darrington Road	Expansion and improvement to roadway

+ Initially designated as Primary Projects.

* Initially designated as TRZ Projects. It is estimated that these Projects will be primarily funded by revenues or debt associated with the County's Transportation Reinvestment Zone No. 1.

EXHIBIT B

Project Financing Structure¹

1. The list of Projects is set forth in Exhibit A.
2. The aggregate, preliminary, estimated construction budget for the Primary Projects is \$72 million. Additional funding will have to be obtained to construct the remaining Projects.
3. The estimated par value of the RMA Obligations to be issued under the terms of this Agreement for the Primary Projects is \$71.04 million. It is anticipated that a debt service reserve fund will have to be established for the RMA Obligations and funded from the proceeds of the RMA Obligations.
4. It is estimated that 100% of the Pledged Revenues will be required to be pledged to the RMA Obligations for the life of such obligations in accordance with the terms of the Trust Indenture.
5. The estimated final maturity of the RMA Obligations issued under the terms of this Agreement is June 1, 2045.
6. Based on market conditions as of March 19, 2014, the projected debt service requirements on the RMA Obligations to be issued to fund the Primary Projects are as follows:

Period Ending	Principal	Interest	Debt Service	Annual Debt Service
12/01/2014		1,829,572.50	1,829,572.50	
12/31/2014				1,829,572.50
06/01/2015	1,095,000	1,742,450.00	2,837,450.00	
12/01/2015		1,731,500.00	1,731,500.00	
12/31/2015				4,568,950.00
06/01/2016	1,120,000	1,731,500.00	2,851,500.00	
12/01/2016		1,714,700.00	1,714,700.00	
12/31/2016				4,566,200.00
06/01/2017	1,160,000	1,714,700.00	2,874,700.00	
12/01/2017		1,691,500.00	1,691,500.00	
12/31/2017				4,566,200.00
06/01/2018	1,215,000	1,691,500.00	2,906,500.00	
12/01/2018		1,661,125.00	1,661,125.00	
12/31/2018				4,567,625.00
06/01/2019	1,275,000	1,661,125.00	2,936,125.00	
12/01/2019		1,629,250.00	1,629,250.00	
12/31/2019				4,565,375.00
06/01/2020	1,340,000	1,629,250.00	2,969,250.00	
12/01/2020		1,595,750.00	1,595,750.00	
12/31/2020				4,565,000.00
06/01/2021	1,410,000	1,595,750.00	3,005,750.00	
12/01/2021		1,560,500.00	1,560,500.00	
12/31/2021				4,566,250.00
06/01/2022	1,485,000	1,560,500.00	3,045,500.00	
12/01/2022		1,523,375.00	1,523,375.00	
12/31/2022				4,568,875.00
06/01/2023	1,560,000	1,523,375.00	3,083,375.00	
12/01/2023		1,484,375.00	1,484,375.00	
12/31/2023				4,567,750.00

¹ All of the financial and transactional information provided in this Exhibit are estimates only. Such information is provided in compliance with the ILA and as a matter of information only. The estimates and projections are not limitations on the terms under which the RMA Obligations, or any series of them, may be issued.

Period Ending	Principal	Interest	Debt Service	Annual Debt Service
06/01/2024	1,640,000	1,484,375.00	3,124,375.00	
12/01/2024		1,443,375.00	1,443,375.00	
12/31/2024				4,567,750.00
06/01/2025	1,725,000	1,443,375.00	3,168,375.00	
12/01/2025		1,400,250.00	1,400,250.00	
12/31/2025				4,568,625.00
06/01/2026	1,810,000	1,400,250.00	3,210,250.00	
12/01/2026		1,355,000.00	1,355,000.00	
12/31/2026				4,565,250.00
06/01/2027	1,905,000	1,355,000.00	3,260,000.00	
12/01/2027		1,307,375.00	1,307,375.00	
12/31/2027				4,567,375.00
06/01/2028	2,000,000	1,307,375.00	3,307,375.00	
12/01/2028		1,257,375.00	1,257,375.00	
12/31/2028				4,564,750.00
06/01/2029	2,105,000	1,257,375.00	3,362,375.00	
12/01/2029		1,204,750.00	1,204,750.00	
12/31/2029				4,567,125.00
06/01/2030	2,210,000	1,204,750.00	3,414,750.00	
12/01/2030		1,149,500.00	1,149,500.00	
12/31/2030				4,564,250.00
06/01/2031	2,325,000	1,149,500.00	3,474,500.00	
12/01/2031		1,091,375.00	1,091,375.00	
12/31/2031				4,565,875.00
06/01/2032	2,445,000	1,091,375.00	3,536,375.00	
12/01/2032		1,030,250.00	1,030,250.00	
12/31/2032				4,566,625.00
06/01/2033	2,570,000	1,030,250.00	3,600,250.00	
12/01/2033		966,000.00	966,000.00	
12/31/2033				4,566,250.00
06/01/2034	2,700,000	966,000.00	3,666,000.00	
12/01/2034		898,500.00	898,500.00	
12/31/2034				4,564,500.00
06/01/2035	2,840,000	898,500.00	3,738,500.00	
12/01/2035		827,500.00	827,500.00	
12/31/2035				4,566,000.00
06/01/2036	2,985,000	827,500.00	3,812,500.00	
12/01/2036		752,875.00	752,875.00	
12/31/2036				4,565,375.00
06/01/2037	3,140,000	752,875.00	3,892,875.00	
12/01/2037		674,375.00	674,375.00	
12/31/2037				4,567,250.00
06/01/2038	3,300,000	674,375.00	3,974,375.00	
12/01/2038		591,875.00	591,875.00	
12/31/2038				4,566,250.00
06/01/2039	3,470,000	591,875.00	4,061,875.00	
12/01/2039		505,125.00	505,125.00	
12/31/2039				4,567,000.00
06/01/2040	3,645,000	505,125.00	4,150,125.00	
12/01/2040		414,000.00	414,000.00	
12/31/2040				4,564,125.00
06/01/2041	3,835,000	414,000.00	4,249,000.00	
12/01/2041		318,125.00	318,125.00	
12/31/2041				4,567,125.00
06/01/2042	4,030,000	318,125.00	4,348,125.00	
12/01/2042		217,375.00	217,375.00	
12/31/2042				4,565,500.00
06/01/2043	4,240,000	217,375.00	4,457,375.00	
12/01/2043		111,375.00	111,375.00	
12/31/2043				4,568,750.00
06/01/2044	4,455,000	111,375.00	4,566,375.00	
12/31/2044				4,566,375.00
	71,035,000	67,788,922.50	138,823,922.50	138,823,922.50