

ARTICLE I.

DEFINITIONS

Section 1.01. Definitions. Throughout this Agreement, the following terms and expressions as used herein shall have the meanings set forth below, unless the context clearly indicates otherwise:

“Agreement” shall have the meaning set forth in the introductory paragraph of this Agreement.

“Authority” shall have the meaning set forth in the introductory paragraph of this Agreement.

“Authorizing Law” shall have the meaning set forth in the recitals of this Agreement.

“Bonds” or “Vehicle Registration Fee Revenue Bonds” shall mean one or more series of bonds issued by the Authority or an entity created by the Authority pursuant to this Agreement and the Bond Resolutions.

“County” shall have the meaning set forth in the introductory paragraph of this Agreement.

“Pledged Vehicle Fee Revenues” shall mean 100% of the funds collected by the County and the State of Texas from the levy of the Vehicle Fee, pursuant to Authorizing 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 Vehicle Fee; provided, only that Pledged Vehicle Fee 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 Vehicle Fee, but ultimately not retained by the County.

“Project” shall mean the acquisition, construction, maintenance and refinancing of any qualifying Authority long-term transportation project within the County, as approved by the Authority from time to time, and related improvements. There may be more than one Project.

“Resolution” shall mean the resolution authorizing the issuance of the Bonds.

“Vehicle Fee” shall have the meaning set forth in the recitals of this Agreement.

Section 1.02. Interpretations. All terms defined herein 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 the 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 hereof. This Agreement and all the terms and provisions hereof shall be liberally construed to effectuate the purposes set forth herein.

ARTICLE II.

SERVICES TO BE PROVIDED

Section 2.01. Construction of the Project. The Authority agrees to develop and/or finalize all engineering plans, specifications, and details required for the implementation of the Project. The Authority further agrees to implement the Project, including contracting with all individuals or entities necessary to complete the Project pursuant to State procurement and other applicable laws and in accordance with the engineering plans, specifications and other construction documents.

Section 2.02. Maintenance of the Project. Upon full and final completion of the Project, the Authority agrees to maintain the Project in a reasonably prudent manner. Pursuant to this Agreement and notwithstanding any other provision herein, (i) the County shall not have any obligation to maintain the Project and (ii) all obligations and liabilities with respect to the Project shall be the responsibility of the Authority.

Section 2.03. Issuance of the Bonds. The Authority agrees to sell the Bonds at the earliest, most feasible date. The Authority agrees to use a portion of the proceeds of the sale of the Bonds to finance the costs of the Project and to pay the costs associated with issuing the Bonds. The Resolution shall provide that the Bonds may be secured by a pledge of the Pledged Vehicle Fee Revenues and any interest earned thereon.

ARTICLE III.

OBLIGATIONS OF THE COUNTY

Section 3.01. Imposition, Collection and Remittance of Vehicle Fee by the County. In accordance with Section 502.402 of the Texas Transportation Code and in consideration of the construction of the Project by the Authority, the County covenants and agrees to take all steps necessary and authorized under the Authorizing Law and other applicable laws to continuously impose, collect and remit the Vehicle Fee during the term of this Agreement in the manner and to the maximum extent permitted by applicable law. The County also covenants and agrees that it will not cause a reduction, abatement, or exemption in the Vehicle Fee or in the amount in which it is authorized to be collected. The County further covenants and agrees that, during the term of this Agreement, within 30 days of receipt of the portion of the Pledged Vehicle Fee Revenues the County collects, it will pay to the Authority 100% of the Pledged Vehicle Fee Revenues the County collects, 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 Vehicle Fee or the Pledged Vehicle Fee Revenues.

Section 3.02. Obligations of County to be Absolute. During the term of this Agreement as set forth in Section 4.01 below, the obligation of the County to make the payments set forth in this Agreement shall be absolute and unconditional, and until such time as the Bonds and the paying agent/registrar's fees, if any, have been fully paid or provision for payment thereof shall have been made in accordance with the Resolution, 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 the 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 the 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. 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, 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 compel performance so long as this action does not abrogate the County's obligations to make the payments set forth in this Agreement. Nothing contained in this Section shall be construed to extend the term of this Agreement beyond the term set forth in Section 4.01 below.

Section 3.03. Collection and Calculation. Notwithstanding anything to the contrary contained in this Agreement:

- (a) 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 Vehicle Fees nor pay to the Authority pursuant to this Agreement any revenues other than the Pledged Vehicle Fee Revenues.
- (b) The County has no obligation to take any actions with respect to collection or enforcement of the Vehicle Fee; it being agreed that the obligations in Section 3.01 above are to impose the Vehicle Fee and to pay to the Authority the Pledged Vehicle Fee Revenues, and not to collect or enforce the Vehicle Fee.
- (c) In the event there is a conflict between the Parties in regards to the amount of the Pledged Vehicle Fee Revenues owed by the County, the Hidalgo County Auditor will make the final determination as to the amount of any Pledged Vehicle Fee Revenues owed by the County under this Agreement.

ARTICLE IV.

MISCELLANEOUS PROVISIONS

Section 4.01. Term. This Agreement shall be in force and effect from the date of execution hereof to the earlier of (i) maturity of the Bonds or the redemption or defeasance thereof and (ii) 40 years from the date hereof.

Section 4.02. Amendments and Supplements. This Agreement may be amended, supplemented or extended by mutual agreement of the parties hereto, but not in such manner as to impair the rights of the holders of the Bonds.

Section 4.03. Merger. This Agreement embodies the entire understanding between the parties hereto and there are no prior effective representations, warranties, or agreements between the parties hereto.

Section 4.04. 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 or circumstances shall not be affected thereby.

[Signature pages follow]

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

HIDALGO COUNTY, TEXAS

By: Ramon Garcia
Name: Ramon Garcia
Title: County Judge

RMA Agreement 7/9/13

ATTEST:

By: Arturo Guajardo Jr
Name: Arturo Guajardo, Jr
Title: County Clerk


Approved by Commissioners' Court
on 7/9/13 *W*

(SEAL)

HIDALGO COUNTY
REGIONAL MOBILITY AUTHORITY

By: 
Name: Dennis Burleson
Title: Chairman, Board of Directors

ATTEST:

By: 
Name: Ricardo Perez
Title: Secretary, Board of Directors