

**REGULAR MEETING
TOLL BRIDGE BOARD
HELD ON MARCH 23, 2015, AT 12:00 P.M.
CITY HALL, 118 S. CAGE BLVD., 2ND FLOOR, PHARR, TEXAS**

On the 23rd day of March 2015, the Toll Bridge Board met in a regular Bridge Board Meeting. Following is the record of attendance.

MEMBERS PRESENT: Adalberto Campero, Chairman
Edgar Delgadillo, Secretary
Romeo Cuellar, Member
Artemio Palacios, Member

MEMBER ABSENT: Rick Martinez, Vice-Chairman

EX-OFFICIO MEMBER PRESENT: Mayor Pro-Tem Adan Farias

EX-OFFICIO MEMBER ABSENT: Mayor Leopoldo Palacios, Jr

STAFF PRESENT: Fred Brouwen, Director of Operations
Luis Bazan, Industrial Development Manager
Vanessa Guzman, Administrative Assistant
Cleo Salinas, Administrative Assistant

OTHER PRESENT: Juan G. Guerra, CFO
Bill Ueckert, City Engineer
Ezequiel Oedonez, Bridge Liaison
Efrain Solis, CBP
Javier Cantu, CBP
Jose Diaz, CBP
Medardo De La Garza, CBP
Guillermo Aguilar

There being a quorum established Chairman Adalberto Campero called the meeting to order. Following is the agenda:

1. Roll Call-Excuse absent members
2. Pledge of Allegiance/Invocation
3. Consideration and action on approval of minutes-February 18, 2015
4. Crossings and revenues comparison for February 2015
5. Expenditures report for February 2015

6. Project engineer report
7. Director's Administrative Report
8. Discussion and action, if any, on Rio Grande Council, Boys Scouts of America Sponsorship for \$1,000
9. Discussion and action, if any, on participating in NASCO Competitiveness Summit Sponsorship for \$2,500
10. Adjournment

A. CALL TO ORDER:

ITEM "1": ROLL CALL-EXCUSE ABSENT MEMBERS

Chairman Campero called the meeting to order. All members were present during roll call except Vice-Chairman Martinez. Member Cuellar made a motion to excuse Vice-Chairman Martinez. Member Palacios seconded the motion and was then carried on unanimously. Chairman Campero moved to the next item.

ITEM "2": PLEDGE OF ALLEGIANCE/INVOCATIONS

Chairman Campero introduced the item and led them in the Pledge of Allegiance. Mr. Juan G. Guerra, CFO led the group in a prayer. Chairman Campero moved to the next item.

B. CONSENT AGENDA: *(All items listed under consent Agenda are considered to be routine and non-controversial by the Governing body and will be enacted by one motion. Any Board Member may remove items from the consent agenda by making such request prior to a motion and vote on the Consent Agenda)*

ITEM "3": CONSIDERATION AND ACTION ON APPROVAL OF MINUTES-FEBRUARY 18, 2015

Chairman Campero introduced the next item. Member Palacios made a motion to approve the minutes from February 18, 2015. Chairman Campero seconded the motion and was then carried on unanimously. Chairman Campero moved to the next item.

C. DIRECTOR'S ADMINISTRATIVE REPORT: *(Director's Administrative Reports and discussion, if any, with Bridge Board. The Director may also assign a designated spokesperson for any particular listed topic)*

ITEM "4": CROSSING AND REVENUES COMPARISON FOR FEBRUARY 2015

Chairman Campero introduced the next item. Mr. Brouwen, Director of Operations stated that for the month of February car crossings were 56,818, which represents a (-9,763) cars or (-14.66%) compared to last year. He stated that car crossings for the first five months of the fiscal year showed a decrease of (-38,210), which represents a -10.25% compared to last year. Mr. Brouwen then showed a graph of all the car crossings from all the bridges across the board. He stated that Brownsville had a -4,458, which represents a -2%; Eagle Pass had an increase of 17,721 or 10%; Laredo had an increase of 12,706 or 4%; McAllen-Hidalgo had a decrease of -4,768, Anzalduas had an increase of 1,257, a total combination of both had a loss of -3,511 or -1% decrease; Progreso had a decrease of -4,638, which represents -11.59%; Donna had a decrease -3,099, which represents -8.30% decrease; the Pharr Bridge had a decrease of -9,763, which represents a -14.66%. Chairman Campero stated that if our staff was looking in to the websites that monitor bridge traffic for cars, because he knows that when people choose what bridge to cross they check about two-three websites, so he wanted to know if our staff monitors or knows what websites are the ones that monitor the congestion. Mr. Brouwen stated that they have one from CBP and the other from TX-DOT, but that they are working on their new webpage that should be implemented in a couple of months and they will be able to put that on their page and hopefully they can show the public that information. Chairman Campero stated that he talks to people he knows that cross every day and there is a website that is called palotrolado.com and right away they say how long the waiting time is at the different bridges and they are up to date, but does not know where they are getting their information from. Several discussions then took place regarding this item. Member Cuellar stated that an important point here is that they are not losing the traffic to anybody they are just not crossing. Several discussions then took place regarding this issue.

Mr. Brouwen reported that total truck crossings for the month of February were 43,235, and had an increase of 2,591 trucks, which represents an increase of 6.37%. Mr. Brouwen stated that for the first five months of the fiscal year they have a total of 13,330 trucks increase. Mr. Brouwen then showed a graph of all the truck crossings from all the other bridges across the board. He stated that Brownsville had a decrease of -461, which represents a -3%, Eagle Pass had an increase of 274 trucks, which represents 3%; Laredo had an increase of 6,757 trucks or 5% increase; the Pharr Bridge shows 2,591 trucks, which represents 6%, and Progreso showed an increase 966, which represents 54%.

Mr. Brouwen reported that the total revenues collected for the month of February was \$1,040,566 with an increase of \$57,156 or 5.81% over the same period a year ago. He added that the total amount for the first five months of the fiscal year were \$308,271, which represents an increase of 6.25%. Several discussions then took place regarding this issue. Chairman Campero moved to the next item.

ITEM "5": EXPENDITURES REPORT FOR FEBRUARY 2015

Chairman Campero introduced the next item. Mr. Juan G. Guerra, CFO stated that on the revenues side they had budgeted 12.8 million dollars, and have collected 5.4 to date, which is 43% of the budget. He reported that there is a two-million dollars under

other revenues, that they are probably not going to collect this year and that was pretty much loan proceeds to do either the International Trade Center Building or to do a Spec Building at the Produce District, so as of right now they are not trying to get any of those debt service funds. He added that the major revenues source here is 10.2 million dollars of toll collections, they have a 5.2 million dollar, which is slightly above a million dollars a month in toll collections. He added that if the board remembers he had added about a 30% decrease, which is about three-million dollars from prior fiscal years for this new fiscal year, due to Anzalduas being projected to open up on January the first, it hasn't happened yet so they are looking at collecting the full fifteen million dollars as of today.

Mr. Guerra reported that on the expenditures sides they have 14.3 million dollars budgeted, and have spent just under three-million dollars, about 21% of their budget. Mr. Guerra stated that the major reason is that they have some transfers-out that they have not done yet and as well as the major debt service that has not been paid yet. He added that there were some funds put in there just in case that they did the trade center building, and that's probably not going to happen, so chances are that they are going to stay with in there budget this year, so the fund looks very healthy and is well funded and seems to be in line to where they need to be. Member Cuellar stated that on the transfers-out they budgeted about 8.2, how do they decide if they don't need that and if they do, do they keep it there or move it, or do they usually use the 100% of that. Mr. Guerra stated that they usually use the 100%, that what they do is try to identify bridge projects that are needed and then they will fund them and once they fully fund those immediate projects, then they will go ahead and give the remaining fund to the general fund. He stated that for example the bridge has roughly 3.5 million dollars set aside in a bank account that is separate from everything else and the 3.5 is what was needed to do all the projects that they expected to do and its around 7-8 projects, so before they do anything else, they have to do these 7-8 projects and they are fully funded on the revenues side to include grants. Chairman Campero moved to the next item.

ITEM "6": PROJECT ENGINEER REPORT

Chairman Campero introduced the next item. Mr. Ueckert, City Engineer stated that one of the projects that is ongoing right now is the resurfacing of the streets there at the Capote Industrial Park area, especially on Capote Drive. He added that they are looking at about three-month period for construction in that area and then they will move to the north to that other subdivision. He added that the bids for the expansion joint will be going out this week hopefully in the newspaper to be advertised and they are looking at a three-month period for the project itself. Mr. Ueckert stated that before they award they are going to sit down with Fred to see what the status on the other side of the bridge so that they can make sure to coordinate. Some discussions took place regarding the construction on Capote Drive. Member Delgadillo stated that on the Mexican side right now that they are pouring the concrete, if you drive on the new concrete doesn't it feel the same way as the old one, and they are suppose to be pouring at night he assumes and he is not much of a construction guy, but if they are pouring while the traffic is flowing isn't the concrete going to settle wavy, and are they suppose to be using concrete that dries quickly but he doesn't think it's going to dry in seconds, and that it just feels the same to him when you drive on it. Mr. Brouwen stated

that he drove on it Friday afternoon and it does feel the same. Several discussions took place regarding that issue. Mr. Ueckert stated that on the project at Capote they are using concrete dry raise, which requires that the concrete cures for three-days, before they have any traffic on it, which gives the concrete enough strength within three days. He added that he does not know how they are driving on it the next day. Member Delgadillo stated that he doesn't think that they are driving on it the next day, but they are driving next to it and obviously the bridge has movement and if it hasn't cured completely the bottom will have that type of feeling. Mr. Brouwen stated that what he has seen is that they are working during the day, setting up the rebar's and they are pouring the cement around twelve mid-night, and according to the engineer it is suppose to cure in five-six hours, that's what they are saying, and hopefully it will be good but we will see. He added that supposedly that construction is going to last about 15 years, and believe it or not he has seen about 4-5 remodeling on the Mexican side, and this is the one that he has seen where they are putting rebar and the others it was only concrete, this one they do have rebars. Several discussions took place regarding this issue. Mr. Brouwen stated that he will bring in the Director of CAPUFE to give the board an update on the construction, and an engineer from Mexico to answer whatever questions the board may have. Several discussions then took place regarding this issue. Chairman Campero moved to the next item.

ITEM "7": DIRECTOR'S ADMINISTRATIVE REPORT

Chairman Campero introduced the next item. Mr. Fred Brouwen, Director of Operations stated that they went to Mexico City Ezequiel Ordonez and himself, as well as a member of the State of Tamaulipas to meet with the Aduana Mexicana. He added that one of the issues that they discussed was the hours of operations, because the hours of operations with CBP are from 7:00 in the morning to 10:00 p.m., and usually CBP stays until 12 mid-night until they clear most of the traffic if they have traffic at night, and on the weekends CBP opens 8:00 am and closes at 4:00 pm, and on the Mexican side they open at 10:00 am and close at 2:00pm on the weekends. He stated that Monday-Friday they open at 7:00am same as CBP on the U.S. side, but it is only for empties and they open at 8:00am for regular cargo. He added that he commented to the General Administrator of the Aduana in Mexico was that because of the traffic that they have, the increase that they have on traffic, 12 years ago they use to cross 250 thousand trucks in one year, in 2014 they went over 521 thousand trucks in one year. Mr. Brouwen added that 7 years ago they use to cross 400-500 trucks on a Saturday, and right now they are crossing 800-1,000 trucks from Mexico to the U.S. and they still have the same hours of operations as when they opened the bridge. He added that that was the point that they discussed, and that the gentlemen said that he would like to meet with them again in about 10-15 days, because he is going to meet with the Port Director of the Aduanas Mr. Marcolini, and they are definitely going to meet with him as well to go over this same issue. Mr. Brouwen stated that another issue that they discussed was the remodeling of the aduana on the Mexican side, as the board knows they just donated a piece of land on the Mexican side to have two exit booths to exit the gates as you exit the Mexican customs. He added that right now they only have one, where cars or trucks exit at a time, so they need to have at least two exits lanes, one for

cars and one for trucks. He also added that there are other issues that they discussed and he will give them a presentation to show them what it is that they discussed in Mexico. Chairman Campero asked that what hours are the ones he is asking for. Mr. Brouwen stated that 7:00 in the morning, that it's open at 7:00 am but only for empties not for regular cargo, but if they opened at 7:00 am for regular cargo, empties or all trucks they would have less of a waiting time on top of the bridge. Several discussions then took place regarding this item. Mr. Brouwen stated that another item that he has to bring up is that the Donna Bridge increased its toll on the cars so now they are charging \$3.50, so he wanted to let the board know and maybe in a couple of months if the board would like to increase the toll on the cars it is up to them or they can just wait, but there are a lot of projects that they are working on inside of the port and he just wanted to bring this information to the board so that they are aware. Several discussions then took place regarding this item. Mr. Brouwen stated that they also met with Margil from TX-DOT on the BSIF, and they are still working on the joints and they stated that it would last until the beginning of 2016. Several discussions then took place regarding this item. Mr. Brouwen then showed a photo of the BSIF to the board, and explained how the trucks would flow through the BSIF. Member Delgadillo asked that if TX-DOT is not going to finish until 2016, when will they finish that or when will everything get started. Mr. Brouwen stated that everything should be finished by 2016, and that right now they are working on the design and it will take a couple of months, construction should start in about six month and it's going to take about another six-months. Some discussions then took place regarding this issue. Member Cuellar asked that what was their cut on that. Mr. Brouwen stated that cost estimate on that is 1.2 million dollars and that is money that they are going to get through the CBI funds, because if the board remembers that they were going to do some electronic signs on top of the bridge, well they are not going to do those sign instead they are going to do this to make sure that they have a better movement of trucks inside the port. He added that this is definitely going to help them move those trucks faster inside the port. Member Cuellar asked that if that is a grant that they are getting and if it's not costing them. Mr. Brouwen stated that once they get that CBI money the city has to put up about 15% of the 1.5 million dollars. Several discussions then took place regarding that item, as well as other projects that are in the future. Chairman Campero moved to the next item.

D. ADMINISTRATIVE:

ITEM "8": DISCUSSION AND ACTION, IF ANY, ON RIO GRANDE COUNCIL, BOYS SCOUTS OF AMERICA SPONSORSHIP FOR \$1,000

Chairman Campero introduced the next item. Member Cuellar asked if they were asking for \$10,000. Mr. Fred Brouwen, Director of Operations stated that usually they send them the request and it is up to them to decide on how much they want to sponsor, and for the past two years they have been helping with a \$1,000, and that is the amount that he is bringing to the board, but that they can go up if they like but he is recommending \$1,000. Member Cuellar stated that it has only been the last two years that they have done this. Mr. Brouwen replied yes, only the past two years. Member Palacios asked that they have a range from \$1,000 to \$1,499, so which one is it. Mr.

Brouwen stated that they sent the agenda so that they can choose one of the packages, and what he is choosing is \$1,000. Member Palacios stated that he is looking at the Flying Eagle and that there is a range there and they can go from \$1,000 or \$1,100. Mr. Brouwen stated that yes that they can go up if they want too but for the past two years they have done \$1,000. Member Palacios made a motion to approve the sponsorship for \$1,000. Member Cuellar seconded the motion and was then carried on unanimously. Chairman Campero moved to the next item.

ITEM "9": DISCUSSION AND ACTION, IF ANY, ON PARTICIPATING IN NASCO COMPETITIVENESS SUMMIT SPONSORSHIP FOR \$2,500

Chairman Campero introduced the next item. Mr. Fred Brouwen, Director of Operations stated that this is the first time that they have been asked to participate in the NASCO Competitiveness Summit Sponsorship, they have been to several events from NASCO and they have been very helpful to them and have been promoting our bridge as well and they need to be more pro-active with them and participate with NASCO. He added that the amount he is requesting to sponsor is \$2,500, again the board is welcomed to go higher or lower on the participation. Member Palacios stated that the only difference that he sees there from the \$2,500-\$1,000, is the 10 and 5, 10 free registrations to attend or 5, that's the difference and they don't know what the cost is to register there if they are going to attend. Several discussions then took place regarding this item. Member Delgadillo stated that one of the things that they saw in Mexico City when they went, that the next event that they are going to do will be in Canada and the people from the city that were going to host the event that were in Mexico City had mentioned that six of the largest Canadian trucking companies are within that region and Beto and himself know that if they have Canadian trucks they can get any contract that they want from any customer in Mexico, because if you can handle the Canadian freight they'll give you everything else, so it's very difficult for those here that are in transportation to get drivers that have a record that can go in to Canada, so by them getting a flow of Canadian carriers it's going to promote more commerce, because you will have somebody to either give the freight too or outsource it to the companies that are already here and there is a lot of them that go through Laredo and there is a lot of them that come through here for a lot of the produce, and believe it or not there are customers that would send their Canadian freight through Laredo and just leave the rest of it here, just to be able to cover that freight, and he believes it would be a good investment not just to buy in to it but to actually go and promote ourselves even before that to get some of those carriers in. Chairman Campero stated that like what Member Delgadillo said they cannot have a criminal record going to Canada, and for drivers that is tough and number two they cannot even have child support to go in to Canada, and number three who wants to drive in the snow, so what Member Delgadillo said is true and it's a tough lane to handle, it's a booming economic center because besides those issue they also have a lot of people putting their corporate in Canada because of the tax breaks right now. Several discussions then took place regarding this item. Member Cuellar made a motion to approve the NASCO Competitiveness Summit Sponsorship for \$2,500. Member Palacios seconded the motion and was then carried on unanimously. Chairman Campero moved to the next item.

E. ADJOURNMENT:

ITEM "10": ADJOURNMENT

Chairman Campero introduced the next item. Member Palacios made a motion to adjourn the meeting. Member Delgadillo seconded the motion and was then carried on unanimously.

APPROVED AS SUBMITTED:

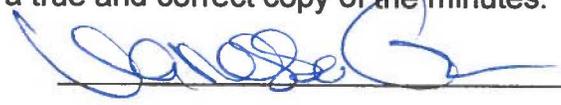

ADALBERTO CAMPERO, CHAIRMAN

ATTEST:


EDGAR DELGADILLO, SECRETARY

STATE OF TEXAS §
COUNTY OF HIDALGO §
CITY OF PHARR §

ON THE 23th DAY OF MARCH 2015, the Toll Bridge Board convened in a Regular Meeting at the Pharr International Bridge, the meeting being open to the public and notice of said meeting, giving the date, place and subject thereof, having been posted to the public and notice of said meeting, given in accordance to Chapter 551, of the Texas Government Code, (Open Meetings Act) and their being present a quorum, I, **VANESSA GUZMAN, BRIDGE ADMINISTRATIVE ASSISTANT**, of the City of Pharr, Texas, certify that this is a true and correct copy of the minutes.


VANESSA GUZMAN, BRIDGE
ADMINISTRATIVE ASSISTANT

DATE APPROVED: 4-16-15
Word/C:BoardMeetings/BoardMtgMinutes3-23-15