

THE STATE OF TEXAS           §  
COUNTY OF CAMERON       §

BE IT REMEMBERED on the 8<sup>th</sup> day of June 2017, there was conducted a Special Meeting of the Cameron County Regional Mobility Authority, at the Joe G. Rivera and Aurora de la Garza County Annex thereof, in San Benito, Texas, for the purpose of transacting any and all business that may lawfully be brought before the same.

THE BOARD MET AT:

12:00 Noon

PRESENT:

FRANK PARKER, JR.  
CHAIRPERSON

RUBEN GALLEGOS, JR.  
DIRECTOR

DAVID N. GARZA  
DIRECTOR

MICHAEL F. SCAIEF  
DIRECTOR

MARK ESPARZA  
DIRECTOR

NAT LOPEZ  
DIRECTOR

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DIRECTOR

HORACIO BARRERA  
ABSENT

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ABSENT

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ABSENT

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The Meeting was called to order by Chairman Frank Parker, Jr., at 11:02 A.M. At this time, the Board considered the following matters as per RMA Agenda posted and filed for Record in the Office of the County Clerk on this 5<sup>th</sup> day of June, 2017 at 9:46 A.M.



FILED AND RECORDED  
OFFICIAL PUBLIC RECORDS  
Jun 05, 2017 at 09:46A  
ent Number: 00000848

Sylvia Garza-Perez  
County Clerk  
By  
Diana Gomez, Deputy  
Cameron County

## **AGENDA**

### **Special Meeting of the Board of Directors of the Cameron County Regional Mobility Authority**

**Joe G. Rivera and Aurora de la Garza County Annex  
1390 West I69E  
San Benito, Texas 78586**

**Thursday, June 08, 2017**

**11:00 AM**

#### **PUBLIC COMMENTS:**

1. Public Comments.

#### **PRESENTATIONS, RESOLUTIONS AND/OR PROCLAMATION ITEMS:**

2. Presentations/Resolutions/Proclamations.

A. Presentation and Status on the CCRMA's Legislative Agenda for the 85<sup>th</sup> Legislature.

#### **CONSENT ITEMS:**

3. All Item(s) under the Consent RMA Agenda are heard collectively unless opposition is presented, in which case the contested Item will be considered, discussed, and appropriate action taken separately.

A. Consideration and Approval of the Minutes for:

May 11, 2017 – Regular Meeting.

#### **ITEMS FOR DISCUSSION AND ACTION:**

4. Action Items.

A. Approval of Claims.

B. Consideration and Approval of the Financial Statements and Budget Amendments for the month of May 2017.

- C. Consideration and Approval of Cameron County Regional Mobility Authority's Improvement Action Plan.
- D. Consideration and Adoption of the Cameron County Regional Mobility Authority's Ethics and Compliance Policy.
- E. Consideration and Approval of Contract between the Cameron County Regional Mobility Authority and Foremost Paving, Inc.
- F. Consideration and Approval of Work Authorization No. 10 with S&B Infrastructure for the SPI 2<sup>nd</sup> Access Project.
- G. Consideration and Approval of Work Authorization No. 11 with S&B Infrastructure for the SPI 2<sup>nd</sup> Access Project.
- H. Discussion and Possible Action Regarding the Amendment of the Cameron County Regional Mobility Authority's Toll Policies.
- I. Discussion and Possible Action regarding RFQ's for Port Connector Road, SH 32, SH 550 Gap 2, SPI 2<sup>nd</sup> Access and GEC Services.
- J. Discussion and Possible Action regarding RFQ 2017-001 General Legal Services.

#### **EXECUTIVE SESSION**

##### **5. Executive Session.**

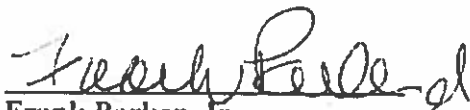
- A. Confer with Legal Counsel regarding Legal Issues with the SPI 2<sup>nd</sup> Access Project, pursuant to Vernon Texas Code Annotated (V.T.C.A.), Government Code, Section 551.071 (2).

##### **6. Action Relative to Executive Session.**

- A. Possible Action.

#### **ADJOURNMENT:**

Signed this 5<sup>th</sup> day of June 2017.



Frank Parker, Jr.  
Chairman

#### **NOTE:**

Participation by Telephone Conference Call – One or more members of the CCRMA Board of Directors may participate in this meeting through a telephone conference call, as authorized by Sec. 370.262, Texas Transportation Code. Each part of the telephone conference call meeting that by law must be open to the public shall be audible to the public at the meeting location and will be recorded. On conclusion of the meeting, the recording will be made available to the public.

## **PUBLIC COMMENTS**

### **1 PUBLIC COMMENTS**

None were presented.

## **PRESENTATIONS, RESOLUTIONS AND/OR PROCLAMATION ITEMS**

### **2-A Presentation and Status on the CCRMA's Legislative Agenda for the 85<sup>th</sup> Legislature.**

Mr. Pete Sepulveda, Jr., RMA Executive Director went over the Status of the CCRMA's Legislative Agenda for the 85<sup>th</sup> Legislature with the Board. (see attached update Report)

Vice Chair Gallegos moved to acknowledge the Presentation and Status of the CCRMA's Legislative Agenda for the 85<sup>th</sup> Legislature. The motion was seconded by Director Esparza and carried unanimously.

**The Report is as follows:**

## **CONSENT ITEMS**

**ALL ITEM(S) UNDER THE CONSENT RMA AGENDA ARE HEARD COLLECTIVELY UNLESS OPPOSITION IS PRESENTED, IN WHICH CASE THE CONTESTED ITEM WILL BE CONSIDERED, DISCUSSED AND APPROPRIATE ACTION TAKEN SEPARATELY**

### **3-A Consideration and Approval of the Minutes for:**

**May 11, 2017 – Regular Meeting**

Director Esparza moved to approve the minutes for May 11, 2017 Regular Meeting. The motion was seconded by Secretary Garza and carried unanimously.

## **ACTION ITEMS**

### **4-A Approval of Claims**

The attached claims were presented to the Board of Directors for approval.

Mr. Adrian Rincones, RMA Chief Financial Officer went over the Claims.

Director Esparza moved to approve the Claims as presented. The motion was seconded by Vice Chair Gallegos and carried unanimously.

**The Claims are as follows:**

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**4-B Consideration and Approval of the Financial Statements and Budget Amendments for the months of May 2017.**

Mr. Adrian Rincones, RMA Chief Financial Officer went over the Financial Statements for the months of May 2017.

Director Esparza moved to approve the Financial Statements for the month of May 2017. The motion was seconded by Vice Chair Gallegos and carried unanimously.

**The Financial Statements are as follows:**

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**4-C Consideration and Approval of Cameron County Regional Mobility Authority's Improvement Action Plan.**

Mr. Adrian Rincones, RMA Chief Financial Officer went over the Cameron County Regional Mobility Authority's Improvement Action Plan with the Board. Mr. Rincones explained to the Board that revisions required by the Texas Department of Transportation were being addressed in order to be in compliance with the Improvement Action Plan.

Secretary Garza moved to approve the Cameron County Regional Mobility Authority's Improvement Action Plan. The motion was seconded by Director Esparza and carried unanimously.

**The Improvement Action Plan is as follows:**

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**4-D Consideration and Adoption of the Cameron County Regional Mobility Authority's Ethics and Compliance Policy.**

Mr. Adrian Rincones, RMA Chief Financial Officer went over the Cameron County Regional Mobility Authority's Ethics Compliance Policy. Mr. Rincones informed the Board that the recommended policies included updated language previously not included in the policies that were adopted in 2009. These policies are required to be adopted and in place in order for the Cameron County Regional Mobility Authority to be eligible to enter into funding agreements with the Texas Department of Transportation.

Secretary Garza moved to approve the Cameron County Regional Mobility Authority's Ethics Compliance Policy. The motion was seconded by Director Esparza and carried unanimously.

**The Policy is as follows:**

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**4-E Consideration and Approval of Contract between the Cameron County Regional Mobility Authority and Foremost Paving, Inc.**

Mr. Pete Sepulveda, Jr., RMA Executive Director went over the Item with the Board. Mr. Sepulveda advised the Board that the Contract had been prepared by Legal Counsel.

Director Scaief moved to approve the Contract between the Cameron County Regional Mobility Authority and Foremost Paving, Inc. The motion was seconded by Director Esparza and carried unanimously.

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**4-F Consideration and Approval of Work Authorization No. 10 with S&B Infrastructure for the SPI 2<sup>nd</sup> Access Project.**

Vice Chair Gallegos moved to **TABLE** the Item. The motion was seconded by Director Esparza and carried unanimously.

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**4-G Consideration and Approval of Work Authorization No. 11 with S&B Infrastructure for the SPI 2<sup>nd</sup> Access Project.**

Mr. Pete Sepulveda, Jr., RMA Executive Director went over the need for the Work Authorization.

Vice Chair Gallegos moved to approve Work Authorization No. 11 with S&B Infrastructure for the SPI 2<sup>nd</sup> Access Project subject to Texas Department of Transportation approval. The motion was seconded by Secretary Garza and carried unanimously.

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**4-H Discussion and Possible Action Regarding the Amendment of the Cameron County Regional Mobility Authority's Toll Policies.**

Mr. Adrian Rincones, RMA Chief Financial Officer went over the item with the Board. Discussion took place, and Mr. Rincones explained the purpose of the amendment is to provide larger commercial companies incentives for road usage. Mr. Rincones responded to questions from Chairman and Board Members regarding the administration of the program. The Amendment passed with a slight modification to read as follows

- (a) **"Registration by License Plate:** As an alternative to maintaining a Toll Tag account, customers may set up a registration by license plate account through the CCRMA. Toll rates for registration by license plate accounts will be equivalent to VTC. Commercial clients who enter into a contract for toll road usage with the CCRMA may qualify for discounted rates on toll usage. Minimum requirements for a toll road usage contract would be; minimum of two (2) year period, twenty five (25) or more vehicles registered, and submission toll road usage projections. Discounts will be equivalent to the toll tag rate, or other negotiated rate.

Secretary Garza moved to approve the Amendment of the Cameron County Regional Mobility Authority's Toll Policies with the change above. The motion was seconded by Director Esparza and carried unanimously.

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**4-I Discussion and Possible Action regarding RFQ's for Port Connector Road, SH 32, SH 550 Gap 2, SPI 2<sup>nd</sup> Access and GEC Services.**

Mr. Pete Sepulveda, Jr., RMA Executive Director went over the item with the Board. Mr. Sepulveda went over the various projects that require professional services including an RFQ for GEC Services. Mr. Sepulveda recommended that the Board authorize an RFQ for GEC Services once the Texas Department of Transportation gives approval of the language in the RFQ.

Vice Chair Gallegos moved to proceed with an RFQ for GEC Services. The motion was seconded by Director Esparza and carried unanimously.

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**4-J Discussion and Possible Action regarding RFQ 2017-001 General Legal Services.**

Mr. Pete Sepulveda, Jr., RMA Executive Director went over the item with the Board.

Director Scaief moved to proceed with RFQ 2017-001 General Legal Services and to include Secretary Garza, Director Lopez and Executive Director Pete Sepulveda, Jr., as members of the Selection Committee. The motion was seconded by Vice Chair Gallegos and carried unanimously.

### **EXECUTIVE SESSION ITEMS**

Secretary Garza made a motion at 11:03 A.M. to go into Executive Session. The motion was seconded by Director Scaief and carried unanimously.

**NOTE: Vice Chair Gallegos came in to Executive Session at 11:17 A.M.**

**EXECUTIVE SESSION:**

- 5-A Confer with Legal Counsel regarding Legal Issues with the SPI 2<sup>nd</sup> Access Project, pursuant to Vernon Texas Code Annotated (V.T.C.A.), Government Code, Section 551.071 (2).**

Director Lopez moved to come back into open session at 11:35 A.M. The motion was seconded by Secretary Garza and carried unanimously.

**ACTION RELATIVE TO EXECUTIVE SESSION:**

- 6-A Confer with Legal Counsel regarding Legal Issues with the SPI 2<sup>nd</sup> Access Project, pursuant to Vernon Texas Code Annotated (V.T.C.A.), Government Code, Section 551.071 (2).**

Vice Chair Gallegos moved to proceed as discussed in Executive Session. The motion was seconded by Secretary Garza and carried unanimously.

### **ADJOURNMENT**

There being no further business to come before the Board and upon motion by Director Scaief and seconded by Vice Chair Gallegos and carried unanimously the meeting was **ADJOURNED** at 12:09 P.M.

APPROVED this 13<sup>th</sup> day of July 2017.

  
CHAIRMAN FRANK PARKER, SR.

ATTESTED:   
SECRETARY DAVID N. GARZA

**2-A PRESENTATION AND STATUS ON THE CCRMA'S LEGISLATIVE  
AGENDA FOR THE 85<sup>TH</sup> LEGISLATURE.**



# SULLIVAN PUBLIC AFFAIRS

## *Transportation Issues for 2017 Regular Legislative Session*

*June 1, 2017*

**TRANSPORTATION BUDGET:** Out of the approximately \$217 billion, two-year (2018-2019) Texas budget, lawmakers appropriated \$26.6 billion in all funds to Texas Department of Transportation. That includes \$2.9 billion in funding from anticipated state sales tax deposits to the State Highway Fund associated with voter approval of Proposition 7 in 2015; \$2.5 billion in funding from oil and natural gas tax-related transfers to the State Highway Fund (Proposition 1 from 2014); and all available State Highway Funds from traditional transportation tax and fee revenue sources (estimated to be \$8.8 billion for the 2018-19 biennium). Prop. 1 and Prop. 7 funds cannot be used on tolled roadways.

Significantly, the Legislature approved a sizable increase in FTEs (full-time employees) for TxDOT, authorizing approximately 300 new positions. This session saw a continuation of the pendulum swing away from innovative road financing and tolling. Lawmakers eliminated toll equity in the Sunset bill and refused to re-authorize comprehensive development (P3) agreements for TxDOT and RMAs.

*It's notable* that 2017 saw the **lowest bill passage percentage in memory**, with just about 12% of the 10,022 bills filed passing to the Governor's desk. That compares to the 21% passing rate for the 11,356 bills in 2015, 24% of the 10,630 in 2013, 23% of the 10,315 bills in 2011 and 19.7% of the 12,238 bills filed in 2009.

Among the significant transportation measures passed by the Legislature and awaiting Governor Abbott's signature are:

**SB312**, the TxDOT Sunset bill. This legislation continues the functions of TxDOT for 12 years, through September 1, 2029. Among the major provisions of the Sunset bill are:

- Requires a **long-term plan for statewide passenger rail**, including its effects on road construction and maintenance and connectivity, including commercial, oversize and overweight traffic;
- Purchasing agreements for aesthetic and ornamental overpass decorations;
- **Statewide Transportation Dashboard** for the system's strategies, goals and measurable targets;
- **Report on completed highway construction projects** including being ahead or behind schedule and over or under budget;
- Creating a policy on public engagement and transparency related to the UTP in collaboration with stakeholders;
- Creating **District Project Portfolios** containing all strict projects, letting targets, performance evaluations;
- Rules on the roles and responsibilities of **MPOs**, including federal funding forecasts, alignment with project recommendation criteria, MPOs' access to TxDOT IT and technical assistance;
- Rules establishing **contractor performance remedies** for low-bid highway contracts, liquidated damages, corrective action plans, and bidding prohibitions for contractors with a record of completion delays. Plus, **E-Verify verification** for contractors.
- Changes in toll invoice/collection processes. Limits collection and administrative fees.

- **Limits on toll facilities.** The Sunset bill prohibits toll conversion and the operation of tolled segments along non-tolled highways unless the Commission designated the segment as a tolled project prior to contracting, the highway is reconstructed to ensure the same or a greater number of nontolled lanes, or the segment was designated a tolled segment before September 2005.
- **Toll road repayment of GR, Texas Mobility Fund or State Highway Fund monies:** A toll authority must repay state funds from "tolls or other revenue of the turnpike project on which the money was spent." *If a project commenced the environmental review process before January 1, 2014, funds contributed by the department are not required to be paid back.*

**SB 28** creates the **Ship Channel Improvement Revolving Fund**, a revolving fund account in the general revenue fund administered by the Texas Transportation Commission. The bill requires a project, for purposes of qualifying, to deepen or widen a ship channel, to be authorized by the United States Congress, and to meet any other standards provided by commission rule. A project for maintenance dredging is not a qualified project under the loan program.

S.B. 28 replaces the authorization for the commission to use money from the Texas mobility fund to provide funding, including through a loan, for a port security project, a port transportation project, or certain projects eligible for port development funding with the authorization for the commission to use money from the fund to provide funding for the construction or improvement of public roadways that will enhance connectivity to ports. The bill increases the number of members serving on the port authority advisory committee from seven to nine by adding one member appointed by the lieutenant governor and one member appointed by the speaker of the house of representatives.

**SB 128** requires new commercial truck drivers to get training on recognizing and preventing human trafficking.

**SB 533** Relating to state agency contracting. This measure is aimed in part at fixing last session's SB20 procurement reform bill. **REVOLVING DOOR PROVISIONS:** SB533 would prohibit a former state officer or employee of a state agency who during the period of state service or employment participated on behalf of the state agency in a procurement or contract negotiation involving a person from accepting employment from that person before the second anniversary of the date the contract is signed or the procurement is terminated or withdrawn (current law prohibits the officer or employee from accepting employment from that person before the second anniversary of the date the officer or employee's service with the state agency ceased).

SB533 requires state agencies to adopt a policy on the interaction between their employees and vendors. The bill would clarify that state law and rules do not prohibit the exchange of information between a state agency and a vendor related to future solicitations or to monitor an existing contract.

The bill would require the Comptroller to employ a chief procurement officer to serve as the chief procurement officer for this state. The chief procurement officer would have authority over state agency procurement. The chief procurement officer would coordinate with DIR and QAT to conduct contract solicitation reviews for certain IT projects and with the Contract Advisory Team (CAT) to conduct reviews of certain solicitation and contract documents for contracts that have a value of \$5 million or more.

**FOR IT COMMODITY CONTRACTS,** the bill would require state agencies to submit a request for pricing for contracts with a value of more than \$50,000, but not more than \$1 million, to at least three vendors (current law imposes that restriction on such contracts with a value of more than \$50,000, but not more than \$150,000). The bill would require state agencies to submit a request for pricing for an information technology commodity contract with a value of more than \$1 million, but not more than \$5 million, to at least six vendors (current law imposes that restriction on such contracts with a value of more than \$150,000, but not more than \$1 million). The bill would prohibit a state agency from entering a contract to purchase an information technology

commodity if the value of the contract exceeds \$5 million (current law imposes that prohibition on such contracts with a value of more than \$1 million).

**CONFLICTS POLICY:** SB533 would require a state agency employee or official to disclose any potential conflict of interest during the procurement process or the term of a contract with a private vendor. The requirement would apply only to a contract for the purchase of goods and services solicited through a purchase order where the amount of the purchase order exceeds \$25,000. The bill would make the requirement inapplicable to the conflicts of interest of the members of the governing board of an institution of higher education; such conflicts of interest are currently addressed by certain provisions of the Education Code.

**CONSTRUCTION CONTRACTS:** The bill updates contracting and delivery procedures for construction projects by requiring a state agency that considers a construction contract using a procurement method authorized by Government Code provisions pertaining to contracting and delivery procedures for construction projects, other than that competitive bidding, to publish in the request for proposals or qualifications, a detailed methodology for scoring each criterion.

**DESIGN-BUILD:** The bill would require a response to a request by a governmental entity for detailed proposals from design-build firms pertaining to the evaluation of such firms, to be submitted on or before the earlier of the time for submission requested by the governmental entity or the 180th day after the date the governmental entity makes a public RFP from the selected firms (*current law requires the response to be submitted on or before the 180th day after the date the governmental entity makes a public request for the proposals from the selected firms*).

**SB 1133** navigation districts and their property are exempt from all taxes and special assessments imposed by this state or a political subdivision of this state.

**SB 1179** clarifies which purchases of goods and services by the **Denton County Transportation Authority** (DCTA) may be made without a competitive sealed bid, including: items only available from one source; gas, water, and utility services; captive replacement parts; and contracts for planning services. By aligning its purchasing authority with that of other local entities, this bill allows DCTA to partner with its member cities to build infrastructure in Denton County

**SB 1490** allows insurers to set the premium surcharge rate for insureds convicted of certain offenses.

**SB 1524 The Heavy Haul Truck bill.** The bill would amend the Transportation Code, to authorize the Texas Department of Motor Vehicles (TxDMV) to issue an annual permit authorizing the movement of sealed intermodal shipping containers as defined by the bill.

The bill would establish certain restrictions regarding axle weight and configurations and other conditions for vehicles that may operate under this permit. An applicant for a permit would be required to designate each counties and municipality in which the permit would be used. The bill would require an applicant to pay a permit fee of \$6,000, of which 50 percent would be deposited to the State Highway Fund (SHF), 30 percent would be divided equally among and distributed to the counties designated in the permit application, 16 percent would be divided equally among and distributed to the municipalities designated in the permit application; and four percent would be deposited to the credit of the TxDMV Fund. The bill requires TxDOT) in each even-numbered year beginning in 2022, to conduct and publish the results of a study on vehicles operating under a permit issued under the provisions of the bill.

**HB 561** allows properly equipped golf carts, ATVs, and similar vehicles to be used for package delivery.

**HB 920** expands public service uses for all terrain vehicles on streets.

**HB 1140** splits urban transit funding into large and small urbanized area categories.

**HB 1793** exempts from annual safety inspections a vehicle not domiciled in the state, provided the vehicle is registered in the state or under the International Registration Plan and has been issued a certificate of inspection in compliance with federal motor carrier safety regulations. Commercial motor vehicles exempted from safety inspections must pay the same safety inspection fees required for commercial vehicles not exempted from safety inspections by the bill.

**HB 4156** authorizes oversize/overweight service to Port Freeport and increases the maximum port imposed fee from \$80 to \$120.

**SB 570** requires used or scrap tire generators who store used or scrap tires outdoors to store the tires in a secure manner and requires Texas Commission on Environmental Quality (TCEQ) to establish requirements for financial assurance for certain generators, transporters and processors of used or scrap tires removed from vehicles during the purchase of tires. The bill would regulate the retention, storage, transportation and disposal of used or scrap tires and specify penalties for violations. The bill would require TCEQ to adopt rules necessary to implement the changes required by the bill no later than March 1, 2018, and would not require a regulated person to register, per the requirements of the bill, until September 1, 2018.

**SB 693** applies seat belt requirement to more school buses

**SB 840** authorizes drone photography by telecommunications and insurance companies, and also within 25 miles of the US border for border security purposes

**SB 869** makes it easier to transfer a vehicle's ownership in case of death

**SB 975** establishes requirements relating to the **security of high-speed rail**. The measure requires DPS and TxDOT to engage in rail security oversight, and requires a high-speed rail operator to implement all security requirements of the Transportation Security Administration, conduct periodic risk-based threat and vulnerability assessments; and implement appropriate security measures in response to results of the assessments.

**SB 977 prohibits the use of state money for high-speed rail**. Except as required by federal law (including NEPA) or other state law, the legislature may not appropriate money to pay for a cost of planning, facility construction or maintenance, or security for, promotion of, or operation of, high-speed rail operated by a private entity. The state shall prepare a semiannual report of each expense described by this section.

**SB 1004** regulates **network nodes for Driverless Vehicles** in public rights of way.

**SB 1004** specifies that a "network node" includes equipment associated with wireless communications; a radio transceiver, an antenna, a battery-only backup power supply, and comparable equipment, regardless of technological configuration; and coaxial or fiber-optic cable that is immediately adjacent to and directly associated with a particular collocation. The bill provides for the construction and enforcement of its provisions.

The bill prohibits a municipality from entering into an exclusive arrangement with any person for use of the public right-of-way for the construction, operation, marketing, or maintenance of network nodes or node support poles.



SB 1004 requires the governing body of a municipally owned utility to allow collocation of network nodes on municipally owned utility poles on nondiscriminatory terms and conditions and under a negotiated pole attachment agreement, including any applicable permitting requirements of the municipally owned utility. The bill requires the annual pole attachment rate for the collocation of a network node supported by or installed on a municipally owned utility pole to be based on a pole attachment rate consistent with certain Utilities Code anti-discrimination provisions, applied on a per-foot basis. The bill excludes a network node supported by or installed on a municipally owned utility pole from the application of certain requirements of the bill relating to use of the public right-of-way, access and approvals, and applications and permits that otherwise apply to the installation of a network node supported by or installed on a service pole, municipally owned utility pole, node support pole, or utility pole.

**SB 1024** allows DFW Airport security vehicles to have flashing blue and amber lights

**SB 1062** requires the DMV to accept electronic signatures for motor vehicle title documents

**SB 1023** specifies personal information that DFW Airport must keep confidential

**SB 1051** requires the Texas Department of Licensing and Regulation to offer a driver education course online in American Sign Language

**SB 1179** clarifies contracting and purchasing for a coordinated county transportation authority

**SB 1187** requires that a citation for no insurance include a confirmation that the officer was unable, at the time of the offense, to verify financial responsibility and prohibits DPS from assessing a surcharge under the Driver Responsibility Program (DRP) for no insurance if the affected driver provides proof that they had insurance at the time the offense occurred.

**SB 1289 American Steel Bill.** SB1289 “requires state entities with projects relating to the construction, remodeling, or altering of a building, a structure, or infrastructure, including a road or highway, or who supply a material for such projects, to source iron or steel products used in such projects from the United States. The bill would permit exceptions to the requirement if these products are not produced in sufficient quantities in the United States; if the use of products produced in the United States will increase the total cost of the project by more than 20 percent; or if complying with the requirement is inconsistent with the public interest. The bill would include iron preference in the Transportation Code provisions pertaining to steel preference with regards to contracts awarded by the Texas Department of Transportation (TxDOT) for the improvement of the state highway system without federal aid.

**SB 1291** clarifies the portion of SH99 included in the Chambers County overweight truck corridor

**SB 1305** repeals county energy transportation reinvestment zones (CETRZ)

**SB 1395** makes changes to the powers and duties of navigation districts and port authorities

**SB 1501** moves the regulation of booting (vehicle immobilization) from the state to the local level and allows sheriffs in counties around Harris County to tow vehicles that are impeding traffic.

**SB 1864** updates administrative aspects of the Port of Houston

**SB 1877** authorizes the Texas Department of Transportation (TxDOT) to send notification of proposed highway contracts by email.

**SB 2006** reinstates regulation of commercial signs (previously called outdoor advertising)

**SB 2075** makes a number of changes to laws affecting **vehicle registration and county tax assessor-collectors**, including prohibiting “a distinguishing license plate from being renewed by an owner of a farm trailer or farm semitrailer with a gross weight of more than 4,000 pounds but not more than 34,000 pounds that is used exclusively for certain purposes unless the vehicle’s owner provides a registration number issued by the comptroller of public accounts or the vehicle is owned by a farmers’ cooperative society or a marketing association. The bill clarifies that a commercial farm motor vehicle registration may not be issued or renewed unless the vehicle’s owner provides a registration number issued by the comptroller.”

**SB 2076** “The bill would amend provisions in the Transportation Code regarding the titling of motor vehicles. The bill would amend §501.002 regarding the length and width of certain trailers defined as a “travel trailer.” The bill would amend §501.004(b) to specify that the provisions of Chapter 501 do not apply to a farm trailer or farm semitrailer with a gross weight of not more than 34,000 pounds. The bill would amend §501.032 and add §501.0321 and §501.0322 regarding requirements for a motor vehicle, trailer, or semitrailer to have an identification number inspection. The bill would authorize the Texas Department of Motor Vehicles (TxDMV) or another entity that provides an inspection under these sections to impose a fee not to exceed \$40. A county or municipality that performs an inspection would be required to credit the fee revenue its general fund. Fees collected by TxDMV for these inspections would be credited to the TxDMV Fund. The bill would amend §501.134 to authorize TxDMV to revalidate a previously superseded or invalidated title or certified copy of title. The bill would add new §501.109(g) to make it a criminal offense to knowingly provide false or incorrect information or sign the name of another person without legal authority regarding the title of a nonrepairable or salvage motor vehicle. An offense under this subsection would be a third degree felony. The bill would require the Department of Public Safety (DPS) and TxDMV to conduct a study on the efficiency and necessity of titling, including the related actions of vehicle registration and inspection, and submit a report of results and recommendations to the Legislature.” (Source: LBB Fiscal Note)

**SB 2205** regulates automated vehicles (includes **autonomous or self-driving cars**). When an automated driving system installed on a motor vehicle is engaged, the owner of the automated driving system is considered the operator of the automated motor vehicle solely for assessing compliance with applicable traffic or motor vehicle laws, regardless of whether the person is physically present in the vehicle while the vehicle is operating; and the automated driving system is considered to be licensed to operate the vehicle.

**HB 62 Texting While Driving bill.** Establishes a misdemeanor offense punishable by a fine of not more than \$99 for a first time offense or \$200 if the offender has been previously convicted for the same offense, for using a hand held device to read, write, or send a text based communication while operating a moving vehicle that is not stopped. The bill requires TxDOT to post a sign on each highway at the entrance to this state informing motor vehicle operators of the prohibition of using a wireless communication device while driving.

**HB 100 TNC/Uber bill.** The bill authorizes the Texas Department of Licensing and Regulation (TDLR) to set fees for a permit to operate a transportation network company under this chapter's provisions. The bill would define a transportation network company as an entity that uses a digital network service to connect passengers to digitally prearranged rides provided by personal vehicles.

The bill would allow an airport owner or operator or governmental entity with jurisdiction over a cruise ship terminal to impose regulations, including a reasonable fee, on a transportation network company that provides rides to and from the terminal.

Other than these exceptions, the bill defines the regulation of TNCs as an exclusive power and function of the state. TNCs must perform annual criminal background checks on all drivers.

**HB 590** provides that a first responder who in good faith provides roadside assistance is not liable in civil damages for damage to the motor vehicle affected by the incident for which the roadside assistance is provided that is caused by an act or omission that occurs during the performance of the act of roadside assistance unless the act or omission constitutes gross negligence, recklessness, or intentional misconduct.

**HB 2501** exempts transportation network companies from nonemergency medical transportation insurance requirements

**HB 2557** Provides for the development of certain Port-related rail facilities and the issuance of bonds for those facilities. Applies only to a county that is adjacent to a county with a population of four million or more, has a population of 300,000 or more, and has created a rural rail transportation district (district) by concurrent order with an adjacent county pursuant to Section 172.052 (Creation of District by More Than One County).

Authorizes a county acting through the commissioners court or a local government corporation to adopt an order that authorizes the county and a navigation district located wholly or partly in the county to develop rail facilities as a qualifying project under Chapter 2267 (Public and Private Facilities and Infrastructure), Government Code, and issue bonds for rail facilities secured by a pledge of the revenues of the facilities, including contract revenue, grant revenue, or other revenue collected in connection with the facilities.

**HB 2252** creates a joint interim committee to study a coastal barrier system

**HB 2615** repeals the dual tow operator/vehicle storage facility employee license and allows those with any of three other licenses to also work in a vehicle storage facility.

**HB 2774** creates an offense for installing unsafe motor vehicle tires.

**HB 3101** authorizes alcohol service on certain passenger buses.

**HB 3504** authorizes Fort Bend County to create a County Assistance District (CAD). H.B. 3504 expands the purposes for which a CAD may use available money from the performance of maintenance or improvement on a road and the associated drainage areas included in the district to the performance of any function of the CAD under county assistance district provisions on a road or public right-of-way, including associated drainage areas, or any property included in the CAD.

Under current law, CAD's sales tax revenue cannot be used to fund county facilities like parks, libraries, and county offices within the city limits of a city. HB3504 allows a CAD, with permission of the city, to use CAD sales tax revenue to fund county facilities within the city's city limits, saving the county from having to allocate AV taxes to these projects when they could be funded through the use of CAD funding, possibly avoiding the use of AV taxes or calling for bond elections to fund various facility projects. H.B. 3504 amends current law relating to the authority of certain county assistance districts to annex public rights-of-way and county-owned property.

#####

**4-A APPROVAL OF CLAIMS.**





## Admin Claims 6.8.17

Vendor ID	Vendor Name	Invoice/Credit Number	Cash Required	Invoice/Credit Description
Adrian	Adrian Rincones	AR 5.31.17	253.96	CFO reimbursement for postage, office supplies and background checks
Culligan	Culligan of the Rio Grar May 2017		131.90	Drinking water delivery for May 2017
Locke Lord	Locke Lord LLP	1331381	1,182.19	General Legal Services for the month of April 2017
Locke Lord	Locke Lord LLP	1331382	17,686.23	Legal Services for legislative support the month of April 2017
Lone Star Shredding	Lone Star Shredding Dr 1934049		67.50	Monthly Shredding Services
PEDRO SEPULVEDA JR	PEDRO SEPULVEDA JR. PSJ 6.6.17		488.07	Executive Director Travel Reimb for Meetings with TxDOT Administration
The Rentfro Law Fir	The Rentfro Law Firm, 021450		2,080.00	Legal Services for West Rail Mitigation for May 2017
The Rentfro Law Fir	The Rentfro Law Firm, 021451		1,184.92	Legal Services for West Rail ROW Matters for May 2017
TollPlus LLC	TollPlus LLC	O17021	14,335.00	BOS System Maintenance April 2017
Xerox	Xerox	089345915	457.89	Printer Rent for Admin
Report Total			37,867.66	

## Tolls Claims 6.8.17

Vendor ID	Vendor Name	Invoice/Credit Number	Cash Required	Invoice/Credit Description
Adrian	Adrian Rincones	AR 5.31.17	687.80	CFO reimbursement for postage, office supplies and
Clore Construction	Clore Construction LLC 3		146,085.85	SH550 Maintenance Project
Emp Ema Jaramillo	Ema Jaramillo	EJ 5.31.17	7.65	CSR EJ Travel Reimbursement for Mail
Fagan Consulting	Fagan Consulting LLC	CCOS1705	20,664.00	Toll Operations Support and RFP development
Fagan Consulting	Fagan Consulting LLC	CCOS1705	6,720.00	Toll Operations Support and RFP development
Kapsch - Maintenance	Kapsch TrafficCom Trai 488018SI00113		12,937.50	Toll Lane System Provider monthly maintenance
Matus Contractor Co	Matus Contractor Com; 50		4,000.00	SH550 cutting grass, garbage collection and
Printograph Inc	Gotprint.com	US-GP-100-21904084	3,165.37	Envelopes for Mailing Services
PUB	Public Utilities Board	May 2017 - 600710	262.93	SH550 - DC Energy Utilities
S&B	S&B Infrastructure, LTI U2299.700-06		3,356.92	Environmental Services Spur 54
S&B	S&B Infrastructure, LTI U2299.800-04		9,415.82	Construction Management SH550 Maintenance
The Rentfro Law Fir	The Rentfro Law Firm, 021449		608.00	Legal Services SH550 GAP I
Xerox	Xerox	089345916	287.48	Tolls Printer Rent
Xerox Corporation	Xerox Financial Service: 830283		1,000.77	TPS Mailing Printer Rent
Report Total			209,200.09	

**4-B    CONSIDERATION AND APPROVAL OF THE FINANCIAL STATEMENTS  
AND BUDGET AMENDMENTS FOR THE MONTH OF MAY 2017.**

# **CCRMA**

**CAMERON COUNTY REGIONAL MOBILITY AUTHORITY**



## **MAY 2017 FINANCIAL REPORT**

**PETE SEPULVEDA, JR., EXECUTIVE DIRECTOR**

**JESUS ADRIAN RINCONES, CPA, CFE, CHIEF FINANCIAL OFFICER**

## CCRMA MONTHLY FINANCIALS

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**CAMERON COUNTY REGIONAL MOBILITY AUTHORITY**  
Statement of Revenues, Expenses And Changes in Net Position - Unposted Transactions Included In Report  
From 5/1/2017 Through 5/31/2017  
(In Whole Numbers)

	Current Period Actual	Current Year Actual	YTD Budget - Original	YTD Budget Variance - Original
Operating Revenues				
Vehicle registration fees	250,653	2,005,223	3,100,000	(1,094,777)
TRZ revenue	0	0	175,000	(175,000)
Other revenue	0	165,834	3,390,213	(3,224,379)
Total Operating Revenues	<u>250,653</u>	<u>2,171,057</u>	<u>6,665,213</u>	<u>(4,494,156)</u>
Operating Expenses				
Personnel costs	45,450	451,316	633,159	181,843
Professional services	7,500	154,756	290,300	135,544
Contractual services	26,240	135,551	185,000	49,449
Debt interest	0	2,509,110	5,703,666	3,194,556
Project expenses	0	0	314,688	314,688
Advertising & marketing	7,435	9,061	25,000	15,939
Data processing	0	2,328	10,000	7,672
Dues & memberships	4,500	6,365	25,000	18,635
Education & training	199	597	10,000	9,403
Fiscal agent fees	0	4,920	45,000	40,080
Insurance	0	1,988	10,000	8,012
Maintenance & repairs	0	1,890	22,400	20,510
Office supplies	1,063	17,220	36,000	18,780
Rent	3,658	17,739	30,000	12,261
Travel	1,107	12,853	30,000	17,147
Utilities	1,004	4,364	10,000	5,636
Other expenses	0	0	5,000	5,000
Total Operating Expenses	<u>98,155</u>	<u>3,330,059</u>	<u>7,385,213</u>	<u>4,055,154</u>
Non Operating Revenue				
Interest income	914	5,176	15,000	(9,824)
Other Financing sources	0	0	705,000	(705,000)
Total Non Operating Revenue	<u>914</u>	<u>5,176</u>	<u>720,000</u>	<u>(714,824)</u>
Changes in Net Assets	<u>153,412</u>	<u>(1,153,826)</u>	<u>0</u>	<u>(1,153,826)</u>
Net Assets Beginning of Year	<u>(1,307,238)</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Assets End of Year	<u><u>(1,153,826)</u></u>	<u><u>(1,153,826)</u></u>	<u><u>0</u></u>	<u><u>(1,153,826)</u></u>

**CAMERON COUNTY REGIONAL MOBILITY AUTHORITY**  
Toll Operations Revenues & Expenditures - Accrual - Unposted Transactions Included In Report  
From 5/1/2017 Through 5/31/2017

	Current Period Actual	Current Year Actual	YTD Budget - Original	YTD Budget Variance - Original	Prior Year Actual
<b>Toll Operating Revenues</b>					
Toll Operating Revenues					
Toll Revenue	1,169.34	165,096.21	475,200.00	(310,103.79)	275,643.43
Toll Violation Revenue	6,172.56	153,935.77	665,280.00	(511,344.23)	158,069.86
Interop Revenue	<u>48,030.73</u>	<u>382,249.66</u>	<u>550,000.00</u>	<u>(167,750.34)</u>	<u>321,386.99</u>
Total Toll Operating Revenues	55,372.63	701,281.64	1,690,480.00	(989,198.36)	755,100.28
<b>TPS Accrued Revenues</b>					
TPS Toll Revenues	47,006.59	280,433.35	0.00	280,433.35	0.00
TPS RBP Revenue	37,649.15	104,464.09	0.00	104,464.09	0.00
TPS Violation Revenue	<u>215,210.97</u>	<u>513,022.38</u>	<u>0.00</u>	<u>513,022.38</u>	<u>0.00</u>
Total TPS Accrued Revenues	<u>299,866.71</u>	<u>897,919.82</u>	<u>0.00</u>	<u>897,919.82</u>	<u>0.00</u>
<b>Total Toll Operating Revenues</b>	<u>355,239.34</u>	<u>1,599,201.46</u>	<u>1,690,480.00</u>	<u>(91,278.54)</u>	<u>755,100.28</u>
<b>Toll Operating Expenses</b>					
Payroll - Indirect	14,118.40	102,573.39	159,640.00	57,066.61	50,535.97
Payroll Taxes	1,049.87	7,412.14	12,212.00	4,799.86	3,866.00
Payroll Benefits - Retirement	1,191.50	6,786.31	16,732.00	9,945.69	5,042.48
Payroll Benefits TCDRS GTL	14.80	53.90	0.00	(53.90)	0.00
Payroll Benefits - Health	3,034.52	18,922.06	48,000.00	29,077.94	9,419.88
Accounting Software & Services	0.00	0.00	0.00	0.00	250.00
Advertising & Marketing	1,825.01	32,761.08	50,000.00	17,238.92	33,578.75
Contractual	3,581.95	17,101.92	40,000.00	22,898.08	12,250.00
Legal Expense	0.00	27,840.00	50,000.00	22,160.00	0.00
Dues & Memberships	0.00	2,995.46	10,000.00	7,004.54	0.00
Education & Training	0.00	1,812.36	4,000.00	2,187.64	0.00
Maintenance & Repairs	1,945.00	13,233.18	15,000.00	1,766.82	0.00
Maintenance - SH 550	5,000.00	36,894.03	100,000.00	63,105.97	39,699.74
Returned Bank Pmt Fees	12.00	60.00	0.00	(60.00)	0.00
Interop Collection Fees	3,256.56	25,742.74	55,000.00	29,257.26	21,015.76
PBM Add on Fees	123.16	17,496.04	25,000.00	7,503.96	30,406.47
PBM Image Review	0.00	11,539.40	30,000.00	18,460.60	41,507.35
PBM Pre-Court Program	0.00	673.55	4,000.00	3,326.45	3,259.64
Office Supplies	861.23	10,213.41	25,000.00	14,786.59	0.00
Postage	225.00	55,764.15	100,000.00	44,235.85	100.15
Rent	1,447.81	9,041.09	35,000.00	25,958.91	910.00
Travel	78.22	6,373.97	8,000.00	1,626.03	0.00
Utilities	5,069.39	32,078.82	40,000.00	7,921.18	10,515.24
Transfer to General Operations	0.00	0.00	280,000.00	280,000.00	0.00
Toll Road Property Insurance	0.00	47,257.75	75,000.00	27,742.25	39,155.00
Toll Operational Support	6,720.00	40,116.00	100,000.00	59,884.00	59,257.05
Toll System Provider	12,937.50	92,312.50	225,000.00	132,687.50	150,000.00
BOS System Provider	0.00	57,356.68	175,000.00	117,643.32	0.00
Merchant Card Services	1,721.23	4,613.45	45,000.00	40,386.55	0.00
Maintenance & Debt Reserve	<u>0.00</u>	<u>0.00</u>	<u>312,896.00</u>	<u>312,896.00</u>	<u>0.00</u>
Total Toll Operating Expenses	<u>64,213.15</u>	<u>679,025.38</u>	<u>2,040,480.00</u>	<u>1,361,454.62</u>	<u>510,769.48</u>
<b>Changes in Net Assets</b>	<u>291,026.19</u>	<u>920,176.08</u>	<u>(350,000.00)</u>	<u>1,270,176.08</u>	<u>244,330.80</u>

**CAMERON COUNTY REGIONAL MOBILITY AUTHORITY**  
Toll Operations Revenues & Expenditures - Cash - Unposted Transactions Included In Report  
From 5/1/2017 Through 5/31/2017

	Current Period Actual	Current Year Actual	YTD Budget - Original	YTD Budget Variance - Original	Prior Year Actual
<b>Toll Operating Revenues</b>					
Toll Operating Revenues					
Toll Revenue	1,169.34	165,096.21	475,200.00	(310,103.79)	275,643.43
Toll Violation Revenue	6,172.56	153,935.77	665,280.00	(511,344.23)	158,069.86
Interop Revenue	<u>48,030.73</u>	<u>382,249.66</u>	<u>550,000.00</u>	<u>(167,750.34)</u>	<u>321,386.99</u>
Total Toll Operating Revenues	55,372.63	701,281.64	1,690,480.00	(989,198.36)	755,100.28
<b>TPS Revenues</b>					
	<u>112,057.89</u>	<u>307,845.91</u>	<u>0.00</u>	<u>307,845.91</u>	<u>0.00</u>
Total TPS Revenues	<u>112,057.89</u>	<u>307,845.91</u>	<u>0.00</u>	<u>307,845.91</u>	<u>0.00</u>
Total Toll Operating Revenues	<u>167,430.52</u>	<u>1,009,127.55</u>	<u>1,690,480.00</u>	<u>(681,352.45)</u>	<u>755,100.28</u>
<b>Toll Operating Expenses</b>					
Payroll - Indirect	14,118.40	102,573.39	159,640.00	57,066.61	50,535.97
Payroll Taxes	1,049.87	7,412.14	12,212.00	4,799.86	3,866.00
Payroll Benefits - Retirement	1,191.50	6,786.31	16,732.00	9,945.69	5,042.48
Payroll Benefits TCDRS GTL	14.80	53.90	0.00	(53.90)	0.00
Payroll Benefits - Health	3,034.52	18,922.06	48,000.00	29,077.94	9,419.88
Accounting Software & Services	0.00	0.00	0.00	0.00	250.00
Advertising & Marketing	1,825.01	32,761.08	50,000.00	17,238.92	33,578.75
Contractual	3,581.95	17,101.92	40,000.00	22,898.08	12,250.00
Legal Expense	0.00	27,840.00	50,000.00	22,160.00	0.00
Dues & Memberships	0.00	2,995.46	10,000.00	7,004.54	0.00
Education & Training	0.00	1,812.36	4,000.00	2,187.64	0.00
Maintenance & Repairs	1,945.00	13,233.18	15,000.00	1,766.82	0.00
Maintenance - SH 550	5,000.00	36,894.03	100,000.00	63,105.97	39,699.74
Returned Bank Pmt Fees	12.00	60.00	0.00	(60.00)	0.00
Interop Collection Fees	3,256.56	25,742.74	55,000.00	29,257.26	21,015.76
PBM Add on Fees	123.16	17,496.04	25,000.00	7,503.96	30,406.47
PBM Image Review	0.00	11,539.40	30,000.00	18,460.60	41,507.35
PBM Pre-Court Program	0.00	673.55	4,000.00	3,326.45	3,259.64
Office Supplies	861.23	10,213.41	25,000.00	14,786.59	0.00
Postage	225.00	55,764.15	100,000.00	44,235.85	100.15
Rent	1,447.81	9,041.09	35,000.00	25,958.91	910.00
Travel	78.22	6,373.97	8,000.00	1,626.03	0.00
Utilities	5,069.39	32,078.82	40,000.00	7,921.18	10,515.24
Transfer to General Operations	0.00	0.00	280,000.00	280,000.00	0.00
Toll Road Property Insurance	0.00	47,257.75	75,000.00	27,742.25	39,155.00
Toll Operational Support	6,720.00	40,116.00	100,000.00	59,884.00	59,257.05
Toll System Provider Maintenance	12,937.50	92,312.50	225,000.00	132,687.50	150,000.00
BOS System Provider	0.00	57,356.68	175,000.00	117,643.32	0.00
Merchant Card Services	1,721.23	4,613.45	45,000.00	40,386.55	0.00
Maintenance & Debt Reserve	0.00	0.00	312,896.00	312,896.00	0.00
Total Toll Operating Expenses	<u>64,213.15</u>	<u>679,025.38</u>	<u>2,040,480.00</u>	<u>1,361,454.62</u>	<u>510,769.48</u>
<b>Changes in Net Assets</b>	<u>103,217.37</u>	<u>330,102.17</u>	<u>(350,000.00)</u>	<u>680,102.17</u>	<u>244,330.80</u>



**CAMERON COUNTY REGIONAL MOBILITY AUTHORITY**  
 Combined Statement of Revenues and Expenses - Unposted Transactions Included In Report  
 From 5/1/2017 Through 5/31/2017

	Current Period Actual	Current Year Actual	YTD Budget - Original	YTD Budget Variance - Original	Prior Year Actual
Operating Revenues					
Vehicle registration fees	250,652.86	2,005,222.86	3,100,000.00	(1,094,777.14)	2,116,366.25
Toll revenues	355,239.34	1,599,201.46	1,715,480.00	(116,278.54)	755,100.28
TRZ revenue	0.00	0.00	175,000.00	(175,000.00)	0.00
Other revenue	<u>0.00</u>	<u>165,973.20</u>	<u>3,440,213.00</u>	<u>(3,274,239.80)</u>	<u>166,012.61</u>
Total Operating Revenues	<u>605,892.20</u>	<u>3,770,397.52</u>	<u>8,430,693.00</u>	<u>(4,660,295.48)</u>	<u>3,037,479.14</u>
Operating Expenses					
Personnel costs	64,858.72	587,063.89	869,743.00	282,679.11	474,091.45
Accounting software and services	0.00	0.00	10,300.00	10,300.00	3,541.00
Professional services	7,500.00	154,756.00	280,000.00	125,244.00	72,500.00
Contractual services	29,821.50	180,492.68	275,000.00	94,507.32	79,589.54
Debt interest	0.00	2,509,110.07	5,303,666.00	2,794,555.93	2,213,466.00
Project expenses	0.00	0.00	1,027,584.00	1,027,584.00	0.00
Advertising & marketing	9,260.01	41,822.19	75,000.00	33,177.81	57,162.56
Data processing	0.00	2,327.52	10,000.00	7,672.48	5,488.07
Dues & memberships	4,500.00	9,360.46	35,000.00	25,639.54	11,470.00
Education & training	199.00	2,409.36	14,000.00	11,590.64	7,544.65
Fiscal agent fees	0.00	4,920.00	45,000.00	40,080.00	8,886.00
Insurance	0.00	49,246.13	85,000.00	35,753.87	45,879.16
Maintenance & repairs	1,945.00	15,123.18	37,400.00	22,276.82	14,270.00
Office supplies	2,149.30	83,197.24	161,000.00	77,802.76	19,182.04
Road maintenance	19,658.73	191,176.66	545,000.00	353,823.34	189,699.74
Rent	5,105.70	26,780.54	65,000.00	38,219.46	10,171.01
Toll services	10,111.72	95,627.73	494,000.00	398,372.27	155,446.27
Travel	1,185.17	19,227.42	38,000.00	18,772.58	15,228.49
Utilities	6,073.01	36,443.07	50,000.00	13,556.93	19,612.68
Other expenses	<u>0.00</u>	<u>0.00</u>	<u>5,000.00</u>	<u>5,000.00</u>	<u>0.36</u>
Total Operating Expenses	<u>162,367.86</u>	<u>4,009,084.14</u>	<u>9,425,693.00</u>	<u>5,416,608.86</u>	<u>3,403,229.02</u>
Non Operating Revenue					
Interest income	913.51	5,175.78	15,000.00	(9,824.22)	10,525.54
Other Financing sources	<u>0.00</u>	<u>0.00</u>	<u>980,000.00</u>	<u>(980,000.00)</u>	<u>0.00</u>
Total Non Operating Revenue	<u>913.51</u>	<u>5,175.78</u>	<u>995,000.00</u>	<u>(989,824.22)</u>	<u>10,525.54</u>
Changes in Net Assets	<u>444,437.85</u>	<u>(233,510.84)</u>	<u>0.00</u>	<u>(233,510.84)</u>	<u>(355,224.34)</u>



**CAMERON COUNTY REGIONAL MOBILITY AUTHORITY**  
**Capital Project Expenses - Summarized - Unposted Transactions Included In Report**  
**From 5/1/2017 Through 5/31/2017**  
**(In Whole Numbers)**

	Current Period Actual	Current Year Actual	YTD Budget - Original	YTD Budget Variance - Original
Capital Projects				
South Padre Island 2nd Access	0	183,020	1,250,000	1,066,981
Outer Parkway	45,517	476,136	1,000,000	523,864
FM 1925	0	0	500,000	500,000
West Rail Relocation	1,901	80,092	2,500,000	2,419,908
SH 550	155,502	372,382	5,250,000	4,877,618
SH 32 (East Loop)	0	55,699	1,000,000	944,301
Port Isabel Access Rd	0	0	50,000	50,000
Spur 54 Project	3,357	17,394	44,000	26,606
Toll Equipment & Operational Infrastructure	20,664	735,036	1,250,000	514,964
Total Capital Projects	<u>226,940</u>	<u>1,919,758</u>	<u>12,844,000</u>	<u>10,924,242</u>

**CAMERON COUNTY REGIONAL MOBILITY AUTHORITY**  
**Capital Project Expenses - Detail - Unposted Transactions Included In Report**  
**From 5/1/2017 Through 5/31/2017**  
**(In Whole Numbers)**

	Current Period Actual	Current Year Actual	YTD Budget - Original	YTD Budget Variance - Original
<b>Capital Projects</b>				
South Padre Island 2nd Access				
CAPITALIZED PROJECT COSTS				
CIP - Planning & Coordination	0	32,206	550,000	517,794
CIP - Preliminary Engineering & Design	0	0	200,000	200,000
CIP - Environmental Studies	0	140,013	500,000	359,987
CIP - Direct Legal Costs	0	10,800	0	(10,800)
Total South Padre Island 2nd Access	0	183,020	1,250,000	1,066,981
Outer Parkway				
CAPITALIZED PROJECT COSTS				
CIP - Planning & Coordination	7,133	20,547	200,000	179,453
CIP - Preliminary Engineering & Design	38,384	315,977	125,000	(190,977)
CIP - Environmental Studies	0	139,612	675,000	535,388
Total Outer Parkway	45,517	476,136	1,000,000	523,864
FM 1925				
CAPITALIZED PROJECT COSTS				
CIP - Environmental Studies	0	0	500,000	500,000
Total FM 1925	0	0	500,000	500,000
West Rail Relocation				
CAPITALIZED PROJECT COSTS				
CIP - Mitigation	32	7,857	0	(7,857)
CIP - Right of Way	1,741	70,463	0	(70,463)
CIP - Construction	0	0	2,500,000	2,500,000
CIP - Construction Management	0	1,100	0	(1,100)
CIP - Direct Legal Costs	128	672	0	(672)
Total West Rail Relocation	1,901	80,092	2,500,000	2,419,908
SH 550				
CAPITALIZED PROJECT COSTS				
CIP - Mitigation	0	24,300	100,000	75,701
CIP - Public Presentations, RFP, RFQ, Bidding &	0	8,479	0	(8,479)
CIP - Construction	155,501	0	5,000,000	5,000,000
CIP - Construction Management	0	28,522	150,000	121,478
CIP - Direct Legal Costs	0	16,528	0	(16,528)
Total SH 550	155,501	77,829	5,250,000	5,172,171
SH 32 (East Loop)				
CAPITALIZED PROJECT COSTS				
CIP - Planning & Coordination	0	10,070	250,000	239,930
CIP - Environmental Studies	0	23,417	750,000	726,583
CIP - Public Presentations, RFP, RFQ, Bidding &	0	21,730	0	(21,730)
CIP - Direct Legal Costs	0	482	0	(482)
Total SH 32 (East Loop)	0	55,699	1,000,000	944,301
Port Isabel Access Rd				
CAPITALIZED PROJECT COSTS				
CIP - Planning & Coordination	0	0	15,000	15,000
CIP - Environmental Studies	0	0	35,000	35,000
Total Port Isabel Access Rd	0	0	50,000	50,000
Spur 54 Project				
CAPITALIZED PROJECT COSTS				
CIP - Planning & Coordination	0	5,351	10,000	4,649
CIP - Environmental Studies	3,357	12,043	34,000	21,957
Total Spur 54 Project	3,357	17,394	44,000	26,606
Toll Equipment & Operational Infrastructure				
CAPITALIZED PROJECT COSTS				
Toll Equipment & Software in Process	20,664	735,036	1,250,000	514,964
Total Toll Equipment & Operational Infrastructure	20,664	735,036	1,250,000	514,964
Total Capital Projects	226,940	1,625,205	12,844,000	11,218,795

**CAMERON COUNTY REGIONAL MOBILITY AUTHORITY**

Balance Sheet  
As of 5/31/2017  
(In Whole Numbers)

Current Year

**ASSETS****Current Assets:****Cash and cash equivalents**

CCRMA Claims Account	19,954
CCRMA Operating Fund	694,739
CCRMA Merchant Card Account	86,779
CCRMA Mail Payments Account	79,373
CCRMA Line of Credit Account - TRB	988
Toll Operators Cash	60
TxDMV Escrow Account	21,001
TxTag - Replenishment Account	10,120
CCRMA Bond/Debt Funds	<u>1,313,496</u>

Total Cash and cash equivalents 2,114,451

**Restricted cash accounts - debt service**

CCRMA Toll Revenue Funds	60,576
2010 A & B Pledged Revenue Funds	444,894
2010 A Debt Reserve	1,044,031
2010 B Debt Reserve	1,224,597
2012 Bond CAPI funds	999
2012 Bond Operating Fund	5,471
2012 Bonds Rate Stabilization Fund	1,600,000
2012 Bonds Debt Service	954,585
2012 Bond Renewal & Replacement Fund	40,000
2012 Pass Thru Pay Revenue ACCU	1,385,000
2014 Refunding Series Escrow Account	671
2014 Refunding Series 10 Proceeds	5,125
Series 2014 Revenue and Tax	<u>1,750</u>

Total Restricted cash accounts - debt service 6,767,700

**Accounts receivable**

TPS Accounts Receivable	495,541
TPS RBP Accounts Receivable	94,654
Vehicle Registration Fees - Receivable	375,246
Employee Receivables	<u>150</u>

Total Accounts receivable 1,077,649

**Accounts receivable - other agencies**

Accounts Receivable - Other Agencies	1,102
Due from Other Agencies	<u>240,656</u>

Total Accounts receivable - other agencies 241,758

**Prepaid expenses**

Prepaid Rent	1,750
Prepaid Other Expense	<u>5,866</u>
Total Prepaid expenses	<u>7,616</u>

Total Current Assets: 10,209,173

**Non Current Assets:****Capital assets, net**

Land & Right of Way	98,750
Buildings	202,803

# **CAMERON COUNTY REGIONAL MOBILITY AUTHORITY**

Balance Sheet  
As of 5/31/2017  
(In Whole Numbers)

Accumulated Depreciation-Buildings	(15,210)
Improvements	20,791
Accumulated Depreciation-Improvements	(768)
Furnishings & Equipment	7,591,215
Accumulated Depreciation-Furnishings & Equipment	(1,128,395)
Software & Technology	19,792
Accumulated Depreciation Software & Technology	(11,875)
Infrastructure & Utilities	64,200,349
Improvements - Infrastructure	148,467
Accumulated Depreciation-Infrastructure	(2,790,385)
Total Capital assets, net	68,335,533
Capital projects in progress	
CIP - Planning & Coordination	898,694
CIP - Preliminary Engineering & Design	4,105,236
CIP - Environmental Studies	15,305,448
CIP - Mitigation	291,026
CIP - Public Presentations, RFP, RFQ, Bidding & Letting	67,099
CIP - Right of Way	93,796
CIP - Construction Management	81,139
CIP - Direct Legal Costs	311,643
CIP - Capitalized Interest	61,658
CIP - Direct Administration	493,049
CIP - Indirect Administration and Overhead	570,258
Toll Equipment & Software in Process	<u>1,852,263</u>
Total Capital projects in progress	24,131,308
Other assets	
Other Assets	46,621,328
Deferred Outflow - Changes of Assumption	<u>1,138</u>
Total Other assets	46,622,466
Unamortized bond prepaid costs	
2012 Bonds Prepaid Insurance	108,002
2014 Bond Prepaid Insurance	<u>10,888</u>
Total Unamortized bond prepaid costs	<u>118,890</u>
Total Non Current Assets:	<u>139,208,198</u>
Total ASSETS	<u>149,417,371</u>

## **LIABILITIES**

Current Liabilities	
Accounts payable	
AP - Operations	105,208
AP - Project Expenditures	<u>510,536</u>
Total Accounts payable	615,743
Accrued expenses	
TxTag Customer Deposits	704
Toll Refunds from MSB	6,848
Accrued Expense	(1)
Total Accrued expenses	7,551

# **CAMERON COUNTY REGIONAL MOBILITY AUTHORITY**

Balance Sheet  
As of 5/31/2017  
(In Whole Numbers)

Payroll liabilities	
Federal Tax Withholding	(8)
Payroll Tax Payable	(192)
Retirement Contribution Payable	3,926
Health Insurance Payable	1,200
Aflac Employee Liabilities	116
Dental Insurance Payable	165
Employee Vision Insurance	25
Total Payroll liabilities	5,233
Deferred revenue	
UFV Fund Deposits	1,665
Deferred Revenue	2,043
TPS Customer Deposits	27
Restricted Funds - West Rail	<u>309,507</u>
Total Deferred revenue	<u>313,241</u>
Total Current Liabilities	941,768
Non Current Liabilities	
Due to other agencies	
Cameron County	167,500
Procurement Deposits and Other	89,758
Due to other Entity's	<u>2,014,428</u>
Total Due to other agencies	2,271,686
Due to TxDot	
Union Pacific - West Rail Project	29,522,370
Union Pacific - Olmito Switchyard	9,919,811
TxDot FAA - South Padre Island	12,991,920
TxDot FAA - West Parkway	2,244,589
TxDot FAA - Outer Parkway	<u>54,365</u>
Total Due to TxDot	54,733,055
Long term bond payable	
2010A Bonds Payable	4,480,000
2010A Unamortized Premium	13,761
2010B Bonds Payable	15,535,000
2012 Bonds Payable	25,660,000
2012 Unamortized Premium	3,862,351
2014 Bonds Payable	4,305,000
2014 Bond Premium	139,882
2010A Refund Series 2014	5,475,000
2010A Refund Premium Series 2014	97,922
2010A Refunding Deferred Charge 2014 Series	31,341
2015 CO Bonds	4,255,000
2015 CO Bonds Discount	(37,186)
2016 Refunding Series Toll Revenue	15,805,000
2016 Refunding Series Bond Premium	100,180
2016 Refunding Series Deferred Amount on Refunding	<u>(251,775)</u>
Total Long term bond payable	<u>79,471,476</u>
Total Non Current Liabilities	<u>136,476,217</u>

**CAMERON COUNTY REGIONAL MOBILITY AUTHORITY**

Balance Sheet  
As of 5/31/2017  
(In Whole Numbers)

Total LIABILITIES	<u>137,417,985</u>
NET POSITION	
Beginning net position	
	<u>13,225,338</u>
Total Beginning net position	13,225,338
Changes in net position	
	<u>(755,415)</u>
Total Changes in net position	(755,415)
Total NET POSITION	<u>12,469,923</u>
TOTAL LIABILITIES AND NET POSITION	<u>149,887,909</u>

**CAMERON COUNTY REGIONAL MOBILITY AUTHORITY**

Statement of Cash Flows

As of 5/31/2017

	<u>Current Period</u>	<u>Current Year</u>
Cash Flows from Operating Activities		
Receipts from Vehicle Registration Fees	0.00	1,615,330.00
Receipts from MSB/Interop Toll revenues	55,372.65	701,281.64
Receipts from TPS Toll Revenues	112,057.89	307,845.91
Receipts from Other Operating Revenues	0.00	1,943,102.47
Payments to Vendors	(128,391.38)	(1,876,996.72)
Payments to Employees	(73,325.27)	(585,520.62)
Total Cash Flows from Operating Activities	(34,286.11)	<u>2,105,042.68</u>
Cash Flows from Capital and Related Financing Activities		
Acquisitions of Property and Equipment	(9,415.82)	(148,466.99)
Acquisitions of Construction in Progress	(82,123.01)	(1,944,644.79)
Payments on Bond Interest and Principal	0.00	(1,675,751.97)
Proceeds related to Redevelopment Assets	0.00	60,839.14
Advances on FAA and Grant Proceeds	0.00	<u>1,199,228.49</u>
Total Cash Flows from Capital and Related Financing Activities	(91,538.83)	<u>(2,508,796.12)</u>
Cash Flows from Investing Activities		
Receipts from Interest Income	<u>913.51</u>	<u>5,175.78</u>
Total Cash Flows from Investing Activities	<u>913.51</u>	<u>5,175.78</u>
Beginning Cash & Cash Equivalents		
	<u>8,782,295.73</u>	<u>9,084,307.55</u>
Ending Cash & Cash Equivalents	<u>8,657,384.30</u>	<u>8,685,729.89</u>

**4-C CONSIDERATION AND APPROVAL OF CAMERON COUNTY REGIONAL  
MOBILITY AUTHORITY'S IMPROVEMENT ACTION PLAN.**





# Improvement Action Plan (IAP)

Form PTN-136  
(Rev. 10/14)  
Page 1 of 2

**Agency:** Cameron County Regional Mobility Authority (CCRMA)

**IAP Number:** CMP-CCRMA

## Improvement Action Plan Information

### Finding:

1. CCRMA does not have a policy that addresses the requirement that reasonable steps are being taken to achieve compliance with compliance standards and procedures by using monitoring and auditing systems that are designed to reasonably detect noncompliance.

### Federal or State Citation:

43 TAC §10.51(b)(5)(A)- Reasonable steps are being taken to achieve compliance with the compliance standards and procedures by using monitoring and auditing systems that are designed to reasonably detect noncompliance

### Improvement Action Taken Or To Be Taken:

The CCRMA will revise its policies to incorporate provisions which require that reasonable steps are being taken to achieve compliance with compliance standards and procedures by using monitoring and auditing systems that are designed to reasonably detect noncompliance.

If already taken, date of completion:

n/a

If to be taken, estimated date of completion:

The CCRMA will revise its policies at the June 2017 meeting of the Board of Directors.

### Agency Response:

The CCRMA previously provided clarification to the Texas Department of Transportation (TxDOT) regarding the review of CCRMA's Internal Ethics and Compliance Program (ICP). As stated in the CCRMA's last response, the following efforts currently take place.

Our practice has been to satisfy this requirement through our numerous oversight and compliance obligations reflected in both written policies and the laws and regulations applicable to the CCRMA, as well as through efforts undertaken as matters come before the CCRMA Board of Directors. For instance, the CCRMA undergoes an annual financial and compliance audit conducted by an independent certified public accountant in accordance with generally accepted auditing standards as required by Transp. Code §370.182 and 43 TAC §26.62. The CCRMA also files a compliance report with TxDOT that lists each duty that the CCRMA is required to perform under 43 TAC Ch. 26, Subch. G, and that states that the CCRMA has performed that requirement for that fiscal year. See 43 TAC §26.65(a). Additionally, the CCRMA requires respondents to procurements to review the Conflict of Interest Policies and to disclose any known relationships with the CCRMA that could create a conflict of interest or the appearance of a conflict of interest, and the CCRMA conducts a review of potential bidders' financial condition and audited financial statements before they are qualified to bid on authority projects (unless the entity is pre-qualified by TxDOT). See CCRMA Procurement Policies, § 5.3. The CCRMA Procurement Policies further provide that the CCRMA "may require updated audited information at any time if circumstances develop which might alter the bidder's financial condition, ownership structure, affiliation status, or ability to operate as an ongoing concern." Id. at § 5.3(d).

Members of the CCRMA Board of Directors must file with the Texas Ethics Commission the annual Personal Financial Statement required of state officers under Chapter 572 of the Government Code, which includes detailed information about the director's financial interests and therefore serves as an effective means of monitoring compliance with laws and policies governing conflicts of interest and receipt of gifts. Additionally, directors are subject to conflict of interest and ethics laws applicable to local and state officers and to additional conflict of interest provisions found in Chapter 370 of the Transportation Code and 43 Tex. Admin. Code §§ 26.1 et seq. These various requirements include the conflict of interest and disclosure requirements contained in Chapters 171 and 176 of the Local Government Code and the nepotism provisions found in Chapter 573 of the Government Code. Section 10 of the CCRMA's Bylaws directs board members to comply with these conflict of interest laws.

Additional Comments:

n/a

**Agency Responsible or Improvement Action:**

Cameron County Regional Mobility Authority (CCRMA)

Name of representative:

Jesus Adrian Rincones

Title:

Chief Financial Officer

Phone Number: ( 956 ) 621 - 5571

Email Address: arincones@ccrma.org



CMP Signature/Date



Agency Signature/Date

The Texas Department of Transportation maintains the information collected through this form. With few exceptions, you are entitled on request to be informed about the information that we collect about you. Under Sections 552.021 and 552.023 of the Government Code, you also are entitled to receive and review this information. Under Section 559.004 of the Government Code, you are also entitled to have us correct information about you that is incorrect.

**4-D    CONSIDERATION AND APPROVAL OF CAMERON COUNTY REGIONAL  
MOBILITY AUTHORITY'S ETHICS AND COMPLIANCE POLICY.**

# **CAMERON COUNTY REGIONAL MOBILITY AUTHORITY**

## **ETHICS & COMPLIANCE POLICY**

### **I. General Statement of Policy**

The Cameron County Regional Mobility Authority ("CCRMA") is committed to conducting its business in an ethical, honest, and open manner and to maintaining high ethical standards among its officers and employees. In furtherance of that commitment, the CCRMA adopts the Ethics & Compliance Policy set forth herein.

In addition to complying with the requirements of this Ethics & Compliance Policy, CCRMA officers and employees must at all times abide by applicable federal and state laws and regulations, the CCRMA bylaws, and CCRMA policies.

### **II. Employee Code of Conduct**

Employees of the CCRMA and/or employees of Cameron County who are assigned to spend more than 20 hours per week working on behalf of the CCRMA and are subject to supervision or direction by the Executive Director or the CCRMA Board of Directors (collectively, "Employees") are expected to conduct the business of the authority in an open, honest, and ethical manner. Employees must adhere to the highest standards of ethical conduct in the performance of their responsibilities and must refrain from engaging in any activity that could raise questions as to the honesty or integrity of the CCRMA or damage the CCRMA's reputation or credibility. Additionally, Employees must at all times comply with the Employee Code of Conduct set forth in this Section II.

#### *Equal Employment Opportunity*

The CCRMA is an equal opportunity employer and is committed to the principles of equal employment opportunity. The CCRMA will not tolerate discrimination based on race, ethnicity, color, creed, religion, ancestry, national origin, sex, gender, sexual orientation, age, disability, or any other status protected by law.

All employment decisions, including but not limited to decisions regarding recruitment, selection, hiring, transfer, compensation, benefits, training, promotion, demotion, discipline, discharge, termination, leave of absence, and other terms, conditions, and privileges of employment, shall be based on individual qualifications without regard to an individual's status as a member of a protected class. The CCRMA will make reasonable efforts to ensure that all protected classes have equal access to employment with the CCRMA, and all personnel responsible for hiring, managing, and promoting Employees are charged to support the CCRMA's commitment to equal employment opportunity.

The CCRMA will make reasonable accommodations for applicants or Employees with disabilities, provided that the individual is otherwise qualified to perform the duties and

responsibilities of the position and that any accommodation is not detrimental to the business operations of the CCRMA.

### *Workplace Harassment*

The CCRMA is committed to ensuring a respectful work environment free from sexual harassment or any type of unlawful discrimination or harassment based on race, ethnicity, color, creed, religion, ancestry, national origin, sex, gender, sexual orientation, age, disability, or any other status protected by law. Harassment based on any of the above is considered a form of illegal discrimination. The CCRMA will not tolerate any form of harassment in the workplace.

Prohibited sexual harassment includes any unwelcome sexual advances, requests for sexual favors, or other unwelcome verbal or physical conduct of a sexual nature where submission to such conduct affects an individual's employment; such conduct has the purpose or effect of unreasonably interfering with an individual's work performance; or such conduct creates an intimidating, hostile, or offensive work environment. Other forms of prohibited harassment include unwelcome verbal or physical conduct that belittles, shows hostility, or ridicules an individual because of race, ethnicity, color, creed, religion, ancestry, national origin, sex, gender, sexual orientation, age, disability, or any other characteristic protected by law.

If an Employee believes that he or she is or has been subjected to harassment, including but not limited to any of the conduct listed herein, by any manager, other Employee, consultant, customer, vendor, or any other person in connection with employment at the CCRMA, the Employee should report the incident to the RMA Executive Director, the Chairman of the CCRMA, or, in the absence of a RMA Executive Director or Chairman or in the event that the incident involves the Chairman, to the Vice-Chairman. Similarly, an Employee who witnesses harassment directed at another Employee should immediately report the matter to the RMA Executive Director, the Chairman of the CCRMA, or, in absence of a RMA Executive Director or Chairman or in the event that the incident involves the Chairman, to the Vice-Chairman, with or without the permission of the Employee involved. All complaints of workplace harassment will be investigated promptly and thoroughly and with as much confidentiality as possible. Retaliation against an Employee who reports workplace harassment will not be tolerated.

The CCRMA will take complaints or reports of harassment very seriously and will take appropriate remedial action if an investigation reveals that prohibited harassment, discrimination, or retaliation in violation of this Code of Conduct has occurred. Employees who engage in prohibited harassment will be subject to corrective action, up to and including termination of employment.

### *Conflicts of Interest*

Employees are prohibited from engaging in any activity that could create a conflict of interest or even the appearance of a conflict of interest with the Employee's duties and responsibilities to the CCRMA. Activities that could create a conflict of interest include, but are not limited to:

1. Transaction of CCRMA business with any entity in which the Employee is an officer, agent, member, or owner of a controlling interest;
2. Participation in a CCRMA project in which the Employee has a direct or indirect monetary interest;
3. Outside business or professional activities that could interfere with the Employee's performance of duties on behalf of the CCRMA or impair the Employee's independence of judgment with respect to the Employee's performance of CCRMA duties;
4. Personal investments that are likely to create a substantial conflict between the Employee's private interest and the interest of the CCRMA; and
5. Any activity that could result in the disclosure of confidential or sensitive information that the Employee has access to as a result of the Employee's position with the CCRMA.

If an Employee is uncertain as to whether a particular activity could create a conflict of interest, the Employee should consult the CCRMA's General Counsel prior to engaging in the activity.

#### *Gifts and Honoraria*

Employees are prohibited from accepting gifts, favors, benefits, or other compensation, whether in the form of money or other thing of value, which could influence them or even have the appearance of influencing them in the performance of their official duties. Employees may accept meals offered in the course of normal business relationships. Additionally, Employees may accept promotional items that do not exceed an estimated \$25 in value and are distributed as a normal means of advertising.

Employees may not accept an honorarium for appearing at a conference, workshop seminar, or symposium as a representative of the CCRMA other than reimbursement for food, transportation, or lodging.

If an Employee is uncertain as to whether he or she may accept a gift, favor, or benefit, the Employee should consult the CCRMA's General Counsel prior to acceptance.

#### *Use of CCRMA or Cameron County Property*

Computers, including all software, hardware, internet, and email systems; modems; printers; telephones; cellular phones; fax machines; copy machines; and other electronic and communications equipment owned or leased by the CCRMA or provided by Cameron County for CCRMA use may be used for official CCRMA purposes only. Employees may, however, make brief personal telephone calls for which neither the CCRMA nor Cameron County incurs any additional charges. Employees do not have an expectation of privacy when using CCRMA or Cameron County electronic and communications equipment, and all emails, computer files, and telephone records are the property of the CCRMA and are subject to disclosure under the Texas Public Information Act, discovery in litigation, and/or examination by managers or supervisors.

Employees must immediately report lost or stolen CCRMA or Cameron County property to the RMA Executive Director, the Chairman of the CCRMA, or, in the absence of a RMA Executive Director or Chairman, to the Vice-Chairman. Misuse or theft of CCRMA or Cameron County property may result in disciplinary action, including criminal prosecution.

#### *Criminal Activity*

The CCRMA will perform criminal background checks on all final applicants for any position involving the disbursement of CCRMA funds or the handling of cash, checks or credit cards; negotiable documents and materials; or highly confidential or sensitive information. All applicants admitting a felony conviction on their application materials will also be subject to a criminal background check. Additionally, the CCRMA may at its discretion perform criminal background checks on applicants for any other position.

If an Employee is charged with a felony or a misdemeanor other than a traffic violation, the Employee is required to immediately inform the RMA Executive Director, the Chairman of the CCRMA, or, in the absence of a RMA Executive Director or Chairman, the Vice-Chairman. The CCRMA may take steps to respond to criminal violations consistent with Section V below, up to and including termination of employment.

#### *Maintenance of Agency Records, Fraud, & Public Information*

Employees must maintain all CCRMA records for at least the minimum amount of time prescribed by the records retention schedules applicable to local governmental entities adopted by the Texas State Library and Archives Commission. In the event that litigation is filed against the CCRMA or is reasonably anticipated to be filed, the CCRMA's General Counsel may determine that it is necessary to implement a litigation hold in order to ensure the preservation of all records related to the lawsuit. Employees must refrain from destroying any records that are the subject of a litigation hold. Additionally, Employees must comply with all records retention policies adopted by the CCRMA.

Given the need for accurate and honest business records, any false or misleading report or record (including but not limited to financial documents; resumes; employment applications; contracts; and reports) will be taken very seriously. Employees who become aware of any suspected fraudulent act or falsification of CCRMA records must immediately report the concern to the RMA Executive Director, the Chairman of the CCRMA, or, in the absence of a RMA Executive Director or Chairman, to the Vice-Chairman, who shall respond to the evidence by taking appropriate remedial action. Discovery of a fraudulent act related to a person's employment or job responsibilities may result in corrective action, up to and including termination of employment.

Members of the public may make written requests for records maintained by the CCRMA. In the event that an Employee receives a written request for information, the Employee must notify the RMA Executive Director immediately so that the CCRMA can respond to the request within the time frame prescribed by the Texas Public Information Act. Employees must refrain from destroying any records that are the subject of a pending public information request.

### *Employee Acknowledgement*

All Employees must sign an acknowledgment, in the form attached as Attachment "A", acknowledging that they have received, read, and understand this Employee Code of Conduct and that they will comply with the requirements set forth herein.

### **III. Training Regarding Ethics & Compliance Standards**

Upon beginning service or employment with the CCRMA, all officers and Employees shall be provided with a copy of this Ethics & Compliance Policy and shall receive orientation on ethics laws and policies. Additionally, officers and Employees of the CCRMA shall receive periodic training on the requirements of this Ethics & Compliance Policy and on ethics issues generally.

### **IV. Oversight & Reporting of Suspected Violations**

The RMA Executive Director and the Chairman of the CCRMA are responsible for monitoring and enforcing compliance with this Ethics & Compliance Policy.

If an officer or Employee becomes aware of a suspected violation of this Ethics & Compliance Policy, a violation of law, or a breach of fiduciary duty by any officer, Employee, or agent of the CCRMA, he or she must immediately report the suspected violation to the RMA Executive Director, the Chairman of the CCRMA, or, in the absence of a RMA Executive Director or Chairman or in the event that the incident involves the Chairman, to the Vice-Chairman. The RMA Executive Director, Chairman, or Vice-Chairman shall respond to evidence of any suspected violation or breach by taking appropriate action, including adopting or enforcing appropriate remedial measures or sanctions. Retaliation against those who come forward to raise concerns or report suspected violations will not be tolerated by the CCRMA.

### **V. Internal Audits & Monitoring**

The CCRMA will conduct annual internal audits and other risk evaluations to monitor compliance with CCRMA's compliance standards and procedures and to assist in the reduction of identified problem areas.

### **VI. Enforcement & Response to Offenses**

The CCRMA will not tolerate unethical or illegal conduct or conduct that discredits or interferes with the operations of the CCRMA. The CCRMA may discipline Employees for any conduct that violates state or federal laws or regulations or the terms of this Ethics & Compliance Policy, up to and including immediate dismissal.

Examples of behavior that may result in an Employee's immediate dismissal include, but are not limited to:

- gross negligence of job duties
- theft or misuse of CCRMA or Cameron County property
- fraud, dishonesty, or falsification of CCRMA records



- unlawful use, sale, manufacture, distribution, dispensation, or possession of narcotics, drugs, or controlled substances while on CCRMA or Cameron County premises
- prohibited sexual harassment or offensive or degrading remarks about another person's race, ethnicity, color, creed, religion, ancestry, national origin, sex, gender, sexual orientation, age, disability, or any other characteristic protected by law in violation of the Employee Code of Conduct set forth in Section II
- assault of or verbal threat to a fellow Employee, officer, agent, or customer
- criminal conduct
- failure to address a recurring problem for which the Employee has already been disciplined
- unprofessional conduct or behavior that negatively impacts the CCRMA's public image, credibility, or integrity.

The CCRMA may, but is not required, to take corrective action to make an Employee aware of a problem related to the Employee's conduct and to provide an opportunity for the Employee to remedy the problem. Such corrective action may include an oral conference, a written warning, and/or suspension. However, nothing herein shall limit the CCRMA's right to terminate an at will Employee at any time, for any reason, with or without cause or notice.

**Attachment "A"**  
**Employee Acknowledgement**

**CAMERON COUNTY REGIONAL MOBILITY AUTHORITY  
EMPLOYEE CODE OF CONDUCT**

**Acknowledgement**

**I, \_\_\_\_\_, DO HEREBY ACKNOWLEDGE THAT I HAVE  
RECEIVED, READ, AND UNDERSTAND THE CCRMA EMPLOYEE CODE OF CONDUCT  
AND THAT I WILL COMPLY WITH THE REQUIREMENTS SET FORTH THEREIN.**

\_\_\_\_\_  
**Employee**

\_\_\_\_\_  
**Date**

**4-E CONSIDERATION AND APPROVAL OF CONTRACT BETWEEN  
CAMERON COUNTY REGIONAL MOBILITY AUTHORITY AND  
FOREMOST PAVING, INC.**

## CAMERON COUNTY REGIONAL MOBILITY AUTHORITY

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### SH 550 GAP 1 PROJECT

CONTRACT NO. 0684-01-067

\*\*\*\*\*

This Contract between the Cameron County Regional Mobility Authority (the "Authority") and Foremost Paving, Inc. (the "Contractor") is hereby entered into and agreed to as of the 8th day of June 2017, (the "Effective Date") and the parties agree to certain terms and conditions, as follows (the "Contract"):

#### 1.0 Definitions.

- 1.1 **Authority.** Any reference herein to the "Authority" shall be interpreted to mean the same as the Cameron County Regional Mobility Authority.
- 1.2 **Contractor.** Any reference herein to the "Contractor" shall be interpreted to mean the same as Foremost Paving, Inc.
- 1.3 **The Contract.** The Contract is comprised of the Contract, the Exhibits listed and referenced herein, and all formal changes to any of those documents by addendum, change order, or other modification.
- 1.4 **The Contract Documents.** The Contract Documents consist of this document, the general conditions and special conditions in the bid package for Bid No. CCRMA 2017-001, which include, but are not limited to the Plans, Standard Specifications, Special Provisions, Special Specifications, Contract Bonds, Change Orders, Addendums, and Supplemental Agreements, and the Exhibits listed and referenced herein. This Contract is intended to be an integral whole and shall be interpreted as internally consistent. Work required by any page, part, or portion of the Contract shall be deemed to be required Contract Work as if called for in the whole Contract and no claim for extra work shall be based upon the fact that the description of the Work in question is incomplete.
- 1.5 **Provision of All Things Required.** Anything that may be required, implied or inferred by the Contract Documents which make up this Contract, or any one or more of them, shall be provided by the Contractor for the Contract Price.
- 1.6 **Privity only with the Contractor.** Nothing contained in this Contract shall create, nor be interpreted to create, privity or any other relationship whatsoever between Owner and any person except the Contractor and the Contractor's successors, executors, administrators, and assigns.

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CAMERON COUNTY REGIONAL MOBILITY AUTHORITY

- 1.7 **"Include" Intended to be Encompassing.** "Include", "includes", or "including", as used in the Contract, shall be deemed in all cases to be followed by the phrase, "without limitation."
- 1.8 **Use of Singular and Plural.** Words or terms used as nouns in the Contract shall be inclusive of their singular and plural forms, unless the context of their usage clearly requires a contrary meaning.
- 1.9 **Definition of Material Breaches not Exhaustive.** The specification herein of any act, failure, refusal, omission, event, occurrence or condition as constituting a material breach of the Contract shall not imply that any other, non-specified act, failure, refusal, omission, event, occurrence or condition shall be deemed not to constitute a material breach of the Contract.
- 2.0 **Contractor's Representations.** In order to induce the Authority to execute this Contract and recognizing that the Authority is relying thereon, the Contractor, by executing this Contract, and without superseding, limiting, or restricting any other representation or warranty set forth elsewhere in this Contract, or implied by operation of law, makes the following express representations to the Authority:
- 2.1 The Contractor is fully qualified to perform the Work. The Contractor is registered with the State of Texas, is eligible to work on Federal Projects, and is prequalified by the Texas Department of Transportation to perform the Work.
- 2.2 The Contractor will maintain all necessary licenses, permits or other authorizations necessary for the Work until the Contractor's duties under this Contract have been fully satisfied.
- 2.3 The Contractor has the expertise, experience, and knowledge as well as the necessary team, personnel and financial capability to perform the Work in accordance with the terms of this Contract.
- 2.4 Prior to the execution of this Contract, the Contractor has visited and inspected the Project site and the local conditions under which the Work is to be performed, and the Contractor has reviewed the Authority's concerns, if any, as are necessary to determine the conditions under which the Work will be performed, and the Contractor accepts the conditions of the Project site and has taken those conditions into account in entering into this Contract.
- 2.5 The Contractor assumes full responsibility to the Authority for the improper acts and omissions of its Subcontractors or others employed or retained by Contractor in connection with the Work.

### **3.0 Contract Time.**

**3.1 Notice of Commencement.** After the Authority has approved the required Documents for the Work, the Authority shall issue a notice to commence the Work directing the Contractor to proceed with the Work on the date indicated in the notice (the "Commencement Date").

**3.2 Time for Completion.** The Contractor shall commence the Work on the Commencement Date, and the Work shall be carried out regularly and without interruption. The Contractor shall substantially complete the Work not later than one hundred eighty (180) Working Days after the Commencement Date, or such other date as may by Change Order be designated (the "Scheduled Completion Date"). The number of working days between the effective date of the Contract and the Scheduled Completion Date is the "Contract Time."

**3.2.1** Unless otherwise described herein, all references to "days" shall be calendar days (in the case that the last day falls on a Saturday, Sunday, or legal holiday, then the period of time shall automatically extend to include the next work day).

**3.2.2 Liquidated Damages.** The Contractor agrees to liquidated damages being set at \$5,500.00 per calendar day and shall be deducted from any money due or to become due the Contractor for each working day the Contract remains incomplete. In addition, the Contractor agrees to liquidated damages for the closure of SH 550 toll lanes during the Work being set at \$1,065.00 per calendar day. The Contractor waives the right to contest the validity of this liquidated damages provision as well as any other liquidated damages provision within the Contract Documents in the event that the Contractor fails to complete performance of the Contract by the Scheduled Completion Date.

**3.3 Time of the Essence.** Time is of the essence under this agreement as to each provision in which time of performance is a factor.

### **4.0 Contract Price.**

**4.1** The total not-to-exceed (NTE) value of the Contract is the amount of **SEVEN MILLION ONE HUNDRED THIRTY-EIGHT THOUSAND EIGHT HUNDRED TWELVE AND 45/100 DOLLARS (\$7,138,812.45)** to be paid in accordance with the provisions herein. The Contractor exceeds the NTE amount at its own risk. The Authority reserves the right to amend this amount (increase/decrease) at any time during the Contract when the Authority determines, in its sole discretion, that doing so is in its best interests.

**5.0 Work.**

**5.1** The Contractor shall perform all Work necessary to complete the Project in accordance with this Contract.

**5.2 Work Defined.** The terms "Work" and "Project Work" shall mean whatever is done by or required of the Contractor to perform and complete its duties relating to the installation of the Project under the Contract, including, without limitation, the following:

**5.2.1** Construction of the whole and all parts of the Project in full and strict conformity with this Contract;

**5.2.2** The provision and furnishing, and prompt payment therefore, of all labor, supervision, services, materials, supplies, equipment, fixtures, tools, transportation, storage, and things required for the installation of the Project;

**5.2.3** The furnishing of any required bonds and insurance as required by the Contract;

**5.2.4** The furnishing of all warranties required by the Contract; and,

**5.2.5** The furnishing of all other services and things required or reasonably inferable from the Contract Documents

**6.0 Authority's Obligations.** Pursuant to the Contract, the Authority agrees to perform any obligations of the Authority as detailed herein.

**6.1** The Authority shall review any documents submitted by the Contractor requiring the Authority's decision, and shall render any required decisions pertaining thereto.

**6.2** In the event that the Authority knows of any material fault or defect in the Work, nonconformance with the Contract, or any other errors, omissions, or inconsistencies, the Authority shall give prompt notice thereof in writing to the Contractor.

**6.3** The Authority shall provide the Contractor with access to the site and to the Work, and shall provide the Contractor with such information, existing and reasonably available, necessary to the Contractor's performance of the Contract as the Contractor may request.

**6.4** The Authority shall cooperate with the Contractor in securing any necessary licenses, permits, approvals, or other necessary authorizations.



- 6.5 The Authority shall perform the duties set forth herein in a reasonably expeditious fashion so as to permit the orderly and timely progress of the Work.
- 6.6 The Authority's agreement not to exercise, or its delay or failure to exercise, any right under the Contract or to require strict compliance with any obligation of the Contractor under the Contract shall not be a waiver of the right to exercise such right or to insist on such compliance at any other time or on any other occasion.
- 6.7 **Right to Audit.** The Authority shall be entitled to rely upon the accuracy and completeness of the information furnished by the Contractor in connection with its request for payment. The Authority shall have the right, however, upon demand, to make a detailed examination, audit, or inspection of the Contractor's books and records for the purpose of verifying the accuracy and completeness of such information. In the event the Authority determines that the Contractor has been paid any sums not due, then such sums shall be reimbursed by the Contractor to the Authority within two (2) Working Days of written demand by the Authority.

**7.0 Billing Method.**

- 7.1 To receive payment for services rendered pursuant to the Contract, the Contractor shall submit a fully completed payment application for work previously performed for the Authority in accordance with section 10.1 herein.
- 7.2 The Authority shall have thirty (30) days to review the payment application and determine, in its sole and absolute discretion, whether the payment application satisfies the requirements herein and in the Contract Documents.
- 7.3 The Contractor waives any rights under the Prompt Payment Act or other law until the foregoing requirements are fulfilled as determined by the Authority in its sole and absolute discretion.
- 7.4 At a minimum, the payment application shall detail the following information:
  - 7.4.1.1 Unique payment application number
  - 7.4.1.2 Contractor's name, address, and telephone number
  - 7.4.1.3 Date of payment application and/or billing period
  - 7.4.1.4 Applicable Contract No.
  - 7.4.1.5 Applicable Purchase Order No.
  - 7.4.1.6 Brief description of services rendered, including applicable time frame, total hours being billed for each service at each detailed site, and at the approved rate (may be submitted in the form of a report)
  - 7.4.1.7 Supporting documentation for the payment application
  - 7.4.1.8 Total dollar amount being currently billed

- 7.5 The Authority reserves the right to issue payments for payment applications in the form of joint checks in the event that the Authority determines, in its sole and absolute discretion, that doing so is in its best interests.

**8.0 Additional Obligations of the Contractor.**

- 8.1 The Contractor shall be solely responsible for providing supervision and oversight to all of the Contractor's personnel.
- 8.2 The Contractor agrees to submit a status report to the Authority at least one (1) time every ten (10) business days during the term of this Contract.
- 8.3 The Contractor warrants and represents that it will assign only qualified personnel to perform the services outlined herein and within the Contract Documents. For the purposes of the Contract, the term "qualified personnel" shall mean those personnel that have been investigated, tested and trained in the manner described within the Contract and, as proposed by the Contractor within its bid or as provided by the Contractor during the Contractor's normal conduct of business.
- 8.4 Compliance with Federal and State Laws. All work performed by the Contractor, pursuant to the Contract, shall be done in accordance with applicable all Federal, State and local laws, regulations, codes, and ordinances.

**8.5 Insurance Requirements.**

- 8.5.1 **Indemnity.** The indemnity requirements are detailed within section 11.15 herein.

- 8.5.2 **Insurances.** In this regard, the Contractor shall maintain the following insurance coverage during the effective term(s) of the Contract and shall name the Authority as an "additional insured" on the following insurance coverage:

8.5.2.1 **Commercial General Liability Insurance.** An original certificate evidencing Commercial General Liability coverage, naming the Authority as an additional insured, together with the appropriate endorsement to said policy reflecting the addition of the Authority as an additional insured under said policy (minimum of \$600,000.00 each occurrence). If the policy is a "claims-made" policy, then the policy must provide a retroactive date which must be on or before the execution date of the Contract and the extended reporting period may not be less than five (5) years following the completion date of the Contract.

8.5.2.2 **Business Automobile Liability Insurance.** Such coverage shall be a combined single limit of not less than \$600,000.

- 8.5.2.3 Worker's Compensation Insurance.** Such coverage shall be not less than the statutory requirement and with no pre-set limits. A waiver of subrogation endorsement in favor of the Authority must be included in the policy.
- 8.5.2.4** By signing the Contract, the Contractor certifies compliance with all applicable laws, rules, and regulations pertaining to worker's compensation insurance. This certification includes all subcontractors. The Contractor shall pay all deductibles stated in the policy. The Contractor shall ensure that all subcontractors meet the requirements of section 4.3 of the Special Provisions either through the Contractor's coverage or through the subcontractors' coverage. See page U-31, section 4.3, Special Provisions.
- 8.5.2.5 Certificates/Endorsements.** The Contractor shall provide to the Authority with current certificate(s)/endorsement(s) evidencing the insurance coverage referenced above. Failure to maintain the above-reference insurance coverage, including naming the Authority as an additional insured during the term(s) of the Contract shall constitute a material breach thereof. Insurance certificate(s)/endorsement(s) shall be delivered to the Contracting Officer.
- 8.6 Licensing.** The Contractor shall also provide to the Authority a copy of any required licenses. Failure to maintain these licenses in a current status during the term(s) of the Contract shall constitute a material breach thereof.
- 8.7 Confidentiality.** The Contractor, in connection with performing its services hereunder, will have access to or may be provided certain confidential information concerning the Authority and agrees that any information concerning the finances, accounting practices, business, client, client lists, property information, client data, records of the Authority or any other information which a reasonable person could conclude that should remain confidential (collectively "Confidential Information"), will not be disclosed to any party and without limitation, any employee of the Authority or any client or potential client of the Authority at any time, except for the Contractor's legal counsel, accounts, or financial advisors, who will also hold such Confidential Information in confidence. The Contractor acknowledges that the information is being provided with the sole understanding that all Confidential Information will remain confidential and will be held in the strictest confidence. The Contractor further acknowledges that any disclosure of the Confidential Information, whether intentional or inadvertent, may harm the Authority. The Authority will have the right to enforce the Contract by specific performance, as well as hold the Contractor liable for any damages caused by any disclosure of any Confidential Information, whether intentional or inadvertent. The

Contractor agrees that he has received valuable consideration for the entering into of the Contract and agrees to be bound all of its terms and conditions. The Contract will be binding on the Contractor and any attorney, accountant, financial advisor who also may be provided Confidential Information.

**9.0 Changes and Extensions of Time.**

- 9.1 Authority's Right to Order Changes.** Changes in the Work under this Contract, consisting of additions, deletions, revisions, or any combination thereof, may be ordered unilaterally by the Authority without invalidating the Contract. Such changes shall be communicated by Change Order or supplemental agreement in accordance with Item 4L, Section 3, of the General Requirements and Covenants. The Contractor shall proceed diligently with any changes, and same shall be accomplished in strict accordance with the Contract as modified by any Change Order or supplemental agreement.
- 9.2 Continuing Duty to Perform the Work and Make Payment.** In the event that the parties are unable to agree on the terms of a Change Order or supplemental agreement, notwithstanding any other provision of the Contract, the Contractor shall continue to diligently perform the Work, including any change directed by the Authority through a Change Order or supplemental agreement, and shall keep thorough records of the cost of performance of such Change Order or supplemental agreement.
- 9.3** All Change Orders, supplemental agreements, changes requested by the Contractor, or extensions of Contract Time shall be governed by this section and by Item 4L, Section 3, of the General Requirements and Covenants. Any request for an extension of time or for an increase in the not-to-exceed amount shall be made in writing within seven (7) calendar days after the occurrence of the event that gives rise to the request. Such request shall include sufficient backup documentation for the Authority to reasonably understand the request and the amount of time or compensation requested and to determine the merits of the request.

**10.0 Notices, Invoices, and Reports.**

- 10.1** All notices, reports and/or invoices submitted to the Authority by the Contractor pursuant to the Contract shall be in writing and delivered to the attention of the following person representing the Authority:

**Cameron County Regional Mobility Authority  
Attention: Pete Sepulveda, Jr.  
Executive Director  
3461 Carmen Avenue  
Rancho Viejo, Texas 78575  
Email: PSepulveda@ccrma.org**

- 10.2** All notices submitted to the Contractor pursuant to the Contract shall be in writing and delivered to the attention of:

**Foremost Paving, Inc.  
Attention: Trey Pebley  
Chief Administrative Officer  
P.O. Box 29  
Weslaco, TX 78599-0029  
Email: Trey@fpitex.com**

**11.0 Additional Considerations.**

- 11.1 Severability.** The invalidity of any provision of the Contract, as determined by a court of competent jurisdiction shall in no way affect the validity of any other provision herein.
- 11.2 Applicable Laws.** THIS CONTRACT SHALL BE GOVERNED AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS. VENUE FOR ANY CAUSE OF ACTION ARISING OUT OF OR RELATED TO THIS CONTRACT SHALL BE EXCLUSIVELY IN THE STATE AND FEDERAL COURTS OF CAMERON COUNTY, TEXAS.
- 11.3 Non-Escalation.** The NTE value of the Contract shall remain firm with no provision for price increases during the term of the Contract subject to section 4.1 herein.
- 11.4 Funding Restrictions and Order Quantities.** The Authority reserves the right to reduce or increase estimated or actual quantities in whatever amount necessary without prejudice or liability to the Authority, if:
- 11.4.1** Funding is not available;
  - 11.4.2** Legal restrictions are placed upon the expenditure of monies for this category of service or supplies; or,
  - 11.4.3** The Authority's requirements in good faith change after award of the Contract.
- 11.5 Local State, and/or Federal Permits.** All local, State or Federal permits which may be required to provide the services, whether or not they are presently known to either the Authority or the Contractor, shall be the sole responsibility of the Contractor and any costs shall be paid by Contractor to procure and provide such necessary permits.
- 11.6 Government Standards.** It is the responsibility of the Contractor to ensure that all items and services proposed conform to all local, State and Federal law concerning safety (OSHA and NOSHA) and environmental control (EPA and Texas law as well as ordinances or regulations of the City of Brownsville, Texas, and Cameron

County, Texas) and any other enacted ordinance, code, law or regulation. The Contractor shall be responsible for all costs incurred for compliance with any such possible ordinance, code, law, or regulation. No time extensions shall be granted or financial consideration given to the Contractor for time or monies lost due to violations of any such ordinance, code, law or regulations that may occur.

- 11.7 Work on Authority Property.** If the Contractor's work under the contract involves operations by the Contractor on Authority premises, the Contractor shall take all necessary precautions to prevent the occurrence of any injury to persons or property during the progress of such work and, except to the extent that any such injury is caused solely and directly by the Authority's negligence, shall indemnify the Authority, and their officers, agents, servants and employees against all loss which may result in any way from any act or omission of the Contractor, its agents, employees, or subcontractors.
- 11.8 Official, Agent and Employees of the Authority Not Personally Liable.** It is agreed by and between the parties hereto that in no event shall any official, officer, employee, or agent of the Authority in any way be personally liable or responsible for any covenant or agreement herein contained, whether either expressed or implied, nor for any statement, representation or warranty made herein or in any connection with this agreement.
- 11.9 Subcontractors.** Unless otherwise authorizing in writing by the Authority, the Contractor may not use any subcontractors to accomplish any portion of the services described within the Contract or the Task Orders without obtaining the prior written permission of the Authority. Moreover, by signing the Contract, the Contractor is certifying to the Authority that the Contractor will not enter into any subcontract with a subcontractor that is debarred or suspended by the Texas Department of Transportation or any federal agency.
- 11.10 Attorney's Fees.** In the event that litigation is commenced by one party hereto against the other in connection with the enforcement of any provision of this agreement, the prevailing party shall be paid by the losing party all court costs and other expenses of such litigation, including reasonable attorneys' fees. The amount so allowed as attorneys' fees shall be taxed to the losing party as costs of the suit, unless prohibited by law.
- 11.11 Independent Contractor.** The Contractor is an independent contractor. Nothing herein shall create any association, agency, partnership or joint venture between the parties hereto and neither shall have any authority to bind the other in any way.
- 11.12 Waiver of Breach.** A waiver of either party of any terms or condition of this agreement in any instance shall not be deemed or construed as a waiver of such term or condition for the future, or of any subsequent breach thereof. All remedies, rights, undertakings, obligations, and agreements contained in this agreement shall

be cumulative and none of them shall be in limitation of any other remedy, right, obligation or agreement of either party.

**11.13 Time of the Essence.** Time is of the essence under this agreement as to each provision in which time of performance is a factor.

**11.14 Limitation of Liability.** IN NO EVENT SHALL THE AUTHORITY BE LIABLE TO THE CONTRACTOR FOR ANY INDIRECT, INCIDENTAL, CONSEQUENTIAL, OR EXEMPLARY DAMAGES.

**11.15 Indemnification.**

**11.15.1.1** THE CONTRACTOR RELEASES THE AUTHORITY FROM AND AGREES TO INDEMNIFY, DEFEND, AND HOLD THE AUTHORITY (AND ITS OFFICERS, EMPLOYEES, AND AGENTS) HARMLESS FROM AND AGAINST ANY AND ALL CLAIMS, DEMANDS, DAMAGES, LOSSES, SUITS, ACTIONS, DECREES, JUDGMENTS, ATTORNEY'S FEES, COURT COSTS, AND OTHER EXPENSES OF ANY KIND OR CHARACTER FOR DEFENDING THE CLAIMS AND DEMANDS, WHICH ARE CAUSED BY, ARISE OUT OF, OR OCCUR DUE TO ANY FAILURE OF THE CONTRACTOR TO PERFORM THE OBLIGATIONS REQUIRED BY THE CONTRACT AS WELL AS FEDERAL, TEXAS, OR OTHER APPLICABLE LAW, INCLUDING BUT NOT LIMITED TO CLAIMS OR DEMANDS BASED ON THE NEGLIGENCE, GROSS NEGLIGENCE, OR OTHER ACTIONS OR INACTIONS OF THE CONTRACTOR, OR THE CONTRACTOR'S AGENTS, EMPLOYEES, SUBCONTRACTORS, OR OTHER THIRD PARTIES. THE CONTRACTOR HEREBY WAIVES ANY RIGHT TO DEFEND AGAINST THE ENFORCEABILITY OF THIS INDEMNIFICATION PROVISION AND EXPRESSLY AGREES THAT THIS PROVISION MEETS ALL LEGAL REQUIREMENTS AND IS LEGALLY ENFORCEABLE AGAINST THE CONTRACTOR.

**11.15.2** In this connection, it is expressly agreed that the Contractor shall, at its own expense, defend the Authority, its officers, employees, and agents, against any and all claims, suits or actions which may be brought against them, or any of them, as a result of, or by reason of, or arising out of, or on account of, or in consequence of any act or failure to act of the Contractor the consequences of which the Contractor has indemnified the Authority. If the Contractor shall fail to do so, the Authority shall have the right, but not the obligation, to defend the same and to charge all direct and incidental costs of such defense to the Contractor including attorney's fees and court costs.

- 11.15.3** Any money due to the Contractor under and by virtue of the Contract, which the Authority believes must be withheld from the Contractor to protect the Authority, may be retained by the Authority so long as it is reasonably necessary to ensure the Authority's protection; or in case no money is due, its surety may be held until all applicable claims have been settled and suitable evidence to that effect furnished to the Authority provided, however, the Contractor's payments shall not be withheld, and its surety shall be released, if the Contractor is able to demonstrate that it has adequate liability and property damage insurance to protect the Authority from any potential claims.
- 11.15.4** The Contractor shall provide that any contractual arrangement with a subcontractor shall be in conformance with the terms of the Contract including the terms of this indemnity provision. The Contractor guarantees that it will promptly handle and rectify any and all claims for materials, supplies and labor, or any other claims that may be made against it or any of its subcontractors in connection with the contract.
- 11.15.5** THE CONTRACTOR RELEASES THE AUTHORITY FROM AND AGREES TO INDEMNIFY, DEFEND, AND HOLD THE AUTHORITY (AND ITS OFFICERS, EMPLOYEES, AND AGENTS) HARMLESS FROM AND AGAINST ANY AND ALL CLAIMS, DEMANDS, DAMAGES, LOSSES, SUITS, ACTIONS, DECREES, JUDGMENTS, ATTORNEY'S FEES, COURT COSTS, AND OTHER EXPENSES OF ANY KIND OR CHARACTER FOR DEFENDING THE CLAIMS AND DEMANDS BASED ON THE NEGLIGENCE, GROSS NEGLIGENCE, OR OTHER ACTIONS OR INACTIONS OF THE AUTHORITY, OR THE AUTHORITY'S AGENTS, EMPLOYEES, OR OTHER THIRD PARTIES. THE CONTRACTOR HEREBY WAIVES ANY RIGHT TO DEFEND AGAINST THE ENFORCEABILITY OF THIS INDEMNIFICATION PROVISION AND EXPRESSLY AGREES THAT THIS PROVISION MEETS ALL LEGAL REQUIREMENTS AND IS LEGALLY ENFORCEABLE AGAINST THE CONTRACTOR.
- 11.16 Rights in Data (Ownership and Proprietary Interest).** The Authority shall have exclusive ownership of, all proprietary interest in, and the right to full and exclusive possession of all information, materials, and documents discovered or produced by the Contractor pursuant to the terms of the Contract, including but not limited to, videos, reports, or other documents or information concerning the Contract.
- 11.17 Assignment/Transfer.** The Contractor shall not assign or transfer any of its rights or interest under the Contract without first obtaining the Authority's prior written consent to such assignment or transfer. Whether to provide such prior written



consent shall be in all respects within the Authority's sole and absolute discretion. IN ADDITION, THE CONTRACTOR EXPRESSLY AGREES THAT NO PASS-THRU AGREEMENTS, OR SIMILAR AGREEMENTS, BETWEEN THE CONTRACTOR AND ANY THIRD PARTY SHALL BE ENFORCEABLE AGAINST THE AUTHORITY.

- 11.18 Warranty of Title.** The Contractor warrants good title to all materials, supplies, and equipment incorporated in the work and agrees to deliver the premises together with all improvements thereon free from any claims, liens or charges, and agrees further that neither it nor any other person, firm or corporation shall have any right to a lien upon the premises or anything appurtenant thereto.
- 11.19 Warranty of Workmanship and Materials.** The Contractor warrants and guarantees to the Authority that all labor furnished to perform the Work under the Contract shall be competent to perform the tasks undertaken, that the product of such labor shall yield only first-class results in compliance with the Contract, that materials and equipment furnished shall be of high quality and new unless otherwise permitted by the Contract, and that the Work will be of high quality free from faults and defects and in conformance with the Contract. Any and all Work not conforming to these requirements shall be considered defective and shall constitute a breach of the Contractor's warranty if not remedied in accordance with the Contract. This warranty shall continue for a period of one (1) year from the date of final acceptance of the work.
- 11.20 Prohibition Against Liens.** The Contractor is prohibited from placing a lien on the subject property. This prohibition shall apply to all subcontractors at any tier and all materials suppliers.
- 11.21 Bonding Requirements.**
- 11.21.1.1.1** The Contractor shall furnish Performance, Payment, and Warranty Bonds, each in an amount at least equal to the Contract Price, as security for the faithful performance and payment of all the Contractor's obligations to perform the Work under the Contract Documents. These Bonds shall remain in effect at least one year after the date when final payment becomes due, except as provided otherwise by Laws or Regulations or by the Contract Documents. The Contractor shall also furnish such other Bonds as are required by the Contract Documents.
- 11.21.2** All Bonds shall be in a form approved by the Authority except as provided otherwise by Laws or Regulations, and shall be executed by such sureties as are authorized to do business in the State of Texas and are named in the current list of "Companies Holding Certificates of Authority as Acceptable Sureties on Federal Bonds and as Acceptable Reinsuring Companies" as published in Circular 570 (amended) by

the Financial Management Service, Surety Bonds Branch, U.S. Department of the Treasury. All Bonds signed by an agent must be accompanied by a certified copy of such agent's authority to act.

**11.21.3** If the surety on any Bond furnished by the Contractor is declared bankrupt or becomes insolvent or its right to do business is terminated in the State of Texas, or it ceases to meet the requirements herein, the Contractor shall within 20 days thereafter substitute another Bond and surety, both of which shall comply with the provisions herein.

**11.22** IN THE EVENT OF A QUESTION AS TO THE INTERPRETATION OF ANY PROVISION OF THIS CONTRACT, THE PROVISION SHALL NOT BE CONSTRUED AGAINST THE DRAFTING PARTY. THIS INCLUDES BUT IS NOT LIMITED TO THE CONTRACTOR'S AGREEMENT THAT SECTION 11.15, AND ANY OTHER INDEMNITY CLAUSE HEREIN, SHALL IN NO EVENT BE STRICTLY CONSTRUED AGAINST THE AUTHORITY.

## **12.0 Exhibits.**

**12.1** The following noted documents are a part of the Contract:

**12.1.1** **Exhibit 1.** Bid Documents for Bid No. CCRMA 2016-001. A true and correct copy of the Bid Documents may be found at the Authority's office and are incorporated by reference as if fully set forth herein.

**12.1.2** **Exhibit 2.** Plans and Specifications for Bid No. CCRMA 2016-001. A true and correct copy of the Plans and Specifications may be found at the Authority's office and are incorporated by reference as if fully set forth herein.

**12.1.2.1** **Exhibit 3.** Awarded bid for Bid No. CCRMA 2016-001. A true and correct copy of the Bid may be found at the Authority's office and is incorporated by reference as if fully set forth herein.

**12.1.3** **Exhibit 4.** Texas Department of Transportation Standard Specifications for Construction and Maintenance of Highways, Streets, and Bridges adopted by the Texas Department of Transportation as of November 1, 2014. A true and correct copy of the foregoing Standard Specifications may be found at the Authority's office and is incorporated by reference as if fully set forth herein.

**12.2** Subject to section 11.22, to the extent that any provisions of this Contract conflict with the provisions of the Exhibits, the more specific provision shall control.

**13.0 CERTIFICATIONS.** Each party hereby acknowledges by signature below that they have reviewed the foregoing and understand and agree to abide by their respective obligations as defined herein.

*(Signature Page to Follow)*

**CONTRACTOR:**

Foremost Paving, Inc.

By: 

Trey Pebley, Chief Administrative Officer

Date: 6-13-17

I, Trey Pebley, hereby certify that I am Secretary of Foremost Paving, Inc., a Corporation existing under the laws of the State of Texas, and that the following resolution was adopted at a meeting of the Board of Directors of the said Corporation duly called and held on the 13<sup>th</sup> day of June, 20 17, and that the same remain in full force and effect:

(Here insert resolution)

I further certify that Foremost Paving, Inc. is a corporation duly organized and in good standing in the state of its creation, and is fully authorized to do business in the State of Texas and is in full conformity with the Laws of the State of Texas.

IN WITNESS WHEREOF, I have hereto appended my signature and the seal of the said Corporation on this the 13<sup>th</sup> day of June, 20 17.

**AUTHORITY:**

Cameron County Regional Mobility Authority

By: 

Frank Parker, Jr., CCRMA Chairman

Date: 6/8/17

Attested By: 

David N. Garza, CCRMA Secretary

Date: 6/8/17

**CAMERON COUNTY REGIONAL MOBILITY AUTHORITY**

**GREAT AMERICAN INSURANCE COMPANY OF NEW YORK®**  
**NEW YORK**

Bond No. CA198 90 14

**TEXAS STATUTORY PERFORMANCE BOND**  
**(PUBLIC WORK)**

KNOW ALL MEN BY THESE PRESENTS, that **Foremost Paving, Inc.**  
**P.O. Box 29, Weslaco, TX 78596**

(hereinafter called the Principal(s)), as Principal(s), and GREAT AMERICAN INSURANCE COMPANY OF NEW YORK, a corporation organized and existing under the laws of the State of New York, and GREAT AMERICAN INSURANCE COMPANY, a corporation organized and existing under the laws of the State of Ohio, (hereinafter called the Sureties), as Sureties, are held and firmly bound unto

**Cameron County Regional Mobility Authority**  
**3461 Carmen Avenue, Rancho Viejo, TX 78575**

(hereinafter called the Obligee), in the amount of **Seven Million One Hundred Thirty Eight Thousand Eight Hundred Twelve and 45/100** Dollars (\$ 7,138,812.45)

for the payment whereof, the said Principal and Sureties bind themselves, and their heirs, administrators, executors, successors and assigns, jointly and severally, firmly by these presents.

WHEREAS, the Principal has entered into a certain written contract with the Obligee, dated the

**8th** day of **June**, **2017**, to  
**SH550 GAP 1 Project, Contract No. 0684-01-067**

which contract is hereby referred to and made a part hereof as fully and to the same extent as if copied at length herein.

NOW, THEREFORE, THE CONDITION OF THIS OBLIGATION IS SUCH THAT, if the said Principal shall faithfully perform the work in accordance with the plans, specifications and contract documents, then this obligation shall be void; otherwise to remain in full force and effect.

PROVIDED, HOWEVER, that this bond is executed pursuant to the provisions of Chapter 2253 of the Texas Government Code, and all liabilities on this bond shall be determined in accordance with the provisions of said Chapter to the same extent as if it were copied at length herein.

IN WITNESS WHEREOF, the said Principal(s) and Sureties, have signed and sealed this instrument this

**8th** day of **June**, **2017**

**Foremost Paving, Inc.**

By: 

(Principal)

**GREAT AMERICAN INSURANCE COMPANY OF NEW YORK®**

By: 

**Peggy Gonzalez**

Attorney-in-Fact

COUNTERSIGNED:

**GREAT AMERICAN INSURANCE COMPANY®**

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

Resident Agent

By: 

**Peggy Gonzalez**

Attorney-in-Fact

GREAT AMERICAN INSURANCE COMPANY OF NEW YORK®  
GREAT AMERICAN INSURANCE COMPANY®

Bond No. CA198 90 14

TEXAS STATUTORY PAYMENT BOND  
(PUBLIC WORK)

KNOW ALL MEN BY THESE PRESENTS, that Foremost Paving, Inc.  
P.O. Box 29, Weslaco, TX 78596

(hereinafter called the Principal(s)), as Principal(s), and GREAT AMERICAN INSURANCE COMPANY OF NEW YORK, a corporation organized and existing under the laws of the State of New York, and GREAT AMERICAN INSURANCE COMPANY, a corporation organized and existing under the laws of the State of Ohio, (hereinafter called the Sureties), as Sureties, are held and firmly bound unto

Cameron County Regional Mobility Authority  
3461 Carmen Avenue, Rancho Viejo, TX 78575

(hereinafter called the Obligee), in the amount of Seven Million One Hundred Thirty Eight Thousand Eight Hundred Twelve and 45/100----- Dollars (\$ 7,138,812.45----- )

for the payment whereof, the said Principal and Sureties bind themselves, and their heirs, administrators, executors, successors and assigns, jointly and severally, firmly by these presents.

WHEREAS, the Principal has entered into a certain written contract with the Obligee, dated the

8th day of June, 2017, to

SH550 GAP 1 Project, Contract No. 0684-01-067

which contract is hereby referred to and made a part hereof as fully and to the same extent as if copied at length herein.

NOW, THEREFORE, THE CONDITION OF THIS OBLIGATION IS SUCH, that if the said Principal shall pay all claimants supplying labor and material to him or a subcontractor in the prosecution of the work provided for in said contract, then, this obligation shall be void; otherwise to remain in full force and effect.

PROVIDED, HOWEVER, that this bond is executed pursuant to the provisions of Chapter 2253 of the Texas Government Code, and all liabilities on this bond shall be determined in accordance with the provisions of said Chapter to the same extent as if it were copied at length herein.

IN WITNESS WHEREOF, the said Principal(s) and Sureties, have signed and sealed this instrument this

8th day of June, 2017 Foremost Paving, Inc.

By: [Signature] (Principal)

GREAT AMERICAN INSURANCE COMPANY OF NEW YORK®

By: [Signature] Attorney-in-Fact  
Peggy Gonzalez

GREAT AMERICAN INSURANCE COMPANY®

COUNTERSIGNED:

By \_\_\_\_\_  
Resident Agent

By: [Signature] Attorney-in-Fact  
Peggy Gonzalez

# GREAT AMERICAN INSURANCE COMPANY OF NEW YORK

New York

Administrative Office: 301 E 4TH STREET • CINCINNATI, OHIO 45202 • 513-369-5000 • FAX 513-723-2740

The number of persons authorized by  
this power of attorney is not more than FIVE

No. 0 15621

## POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS: That the GREAT AMERICAN INSURANCE COMPANY OF NEW YORK, a corporation organized and existing under and by virtue of the laws of the State of New York, does hereby nominate, constitute and appoint the person or persons named below its true and lawful attorney-in-fact, for it and in its name, place and stead to execute on behalf of the said Company, as surety, any and all bonds, undertakings and contracts of suretyship, or other written obligations in the nature thereof; provided that the liability of the said Company on any such bond, undertaking or contract of suretyship executed under this authority shall not exceed the limit stated below.

Name	Address	Limit of Power
RAY HUGHSTON	ALL OF	ALL
CHRIS HUGHSTON	BROWNSVILLE,	\$100,000,000.00
DAVID C. HUGHSTON	TEXAS	

This Power of Attorney revokes all previous powers issued on behalf of the attorney(s)-in-fact named above.

IN WITNESS WHEREOF, the GREAT AMERICAN INSURANCE COMPANY OF NEW YORK has caused these presents to be signed and attested by its appropriate officers and its corporate seal hereunto affixed this 18th day of JANUARY, 2016.

Attest

GREAT AMERICAN INSURANCE COMPANY OF NEW YORK



*Atty L C. B.*  
Assistant Secretary

*David C. Kitchin*  
Divisional Senior Vice President

DAVID C. KITCHIN (877-377-2405)

STATE OF OHIO, COUNTY OF HAMILTON-ss:

On this 18th day of JANUARY, 2016, before me personally appeared DAVID C. KITCHIN, to me known, being duly sworn, deposes and says that he resides in Cincinnati, Ohio, that he is a Divisional Senior Vice President of the Bond Division of Great American Insurance Company of New York, the Company described in and which executed the above instrument; that he knows the seal; that it was so affixed by authority of his office under the By-Laws of said Company, and that he signed his name thereto by like authority.



Susan A. Kohorst  
Notary Public, State of Ohio  
My Commission Expires 05-18-2020

*Susan A. Kohorst*

This Power of Attorney is granted by authority of the following resolutions adopted by the Board of Directors of Great American Insurance Company of New York by unanimous written consent dated May 14, 2009.

RESOLVED: That the Divisional President, the several Divisional Senior Vice Presidents, Divisional Vice Presidents and Divisional Assistant Vice Presidents, or any one of them, be and hereby is authorized, from time to time, to appoint one or more Attorneys-in-Fact to execute on behalf of the Company, as surety, any and all bonds, undertakings and contracts of suretyship, or other written obligations in the nature thereof; to prescribe their respective duties and the respective limits of their authority; and to revoke any such appointment at any time.

RESOLVED FURTHER: That the Company seal and the signature of any of the aforesaid officers and any Secretary or Assistant Secretary of the Company may be affixed by facsimile to any power of attorney or certificate of either given for the execution of any bond, undertaking, contract of suretyship, or other written obligation in the nature thereof, such signature and seal when so used being hereby adopted by the Company as the original signature of such officer and the original seal of the Company, to be valid and binding upon the Company with the same force and effect as though manually affixed.

## CERTIFICATION

I, STEPHEN C. BERAHA, Assistant Secretary of Great American Insurance Company of New York, do hereby certify that the foregoing Power of Attorney and the Resolutions of the Board of Directors of May 14, 2009 have not been revoked and are now in full force and effect.

Signed and sealed this 8th day of June, 2017



*Atty L C. B.*  
Assistant Secretary



**GREAT AMERICAN INSURANCE COMPANY®**

Administrative Office: 301 E 4TH STREET • CINCINNATI, OHIO 45202 • 513-369-5000 • FAX 513-723-2740

The number of persons authorized by  
this power of attorney is not more than **FIVE**

No. 0 15621

**POWER OF ATTORNEY**

**KNOW ALL MEN BY THESE PRESENTS:** That the GREAT AMERICAN INSURANCE COMPANY, a corporation organized and existing under and by virtue of the laws of the State of Ohio, does hereby nominate, constitute and appoint the person or persons named below, each individually if more than one is named, its true and lawful attorney-in-fact, for it and in its name, place and stead to execute on behalf of the said Company, as surety, any and all bonds, undertakings and contracts of suretyship, or other written obligations in the nature thereof; provided that the liability of the said Company on any such bond, undertaking or contract of suretyship executed under this authority shall not exceed the limit stated below:

Name	Address	Limit of Power
RAY HUGHSTON	ALL OF	ALL
DAVID C. HUGHSTON	BROWNSVILLE,	\$100,000,000 00
CHRISTOPHER J. HUGHSTON	TEXAS	

This Power of Attorney revokes all previous powers issued on behalf of the attorney(s)-in-fact named above.

IN WITNESS WHEREOF the GREAT AMERICAN INSURANCE COMPANY has caused these presents to be signed and attested by its appropriate officers and its corporate seal hereunto affixed this **30TH** day of **OCTOBER**, 2015  
Attest  
GREAT AMERICAN INSURANCE COMPANY



*Atty L C. B.*  
Assistant Secretary

*David C. Kitchin*  
Divisional Senior Vice President

STATE OF OHIO, COUNTY OF HAMILTON - ss:

DAVID C. KITCHIN (877-377-2405)

On this **30TH** day of **OCTOBER**, 2015, before me personally appeared **DAVID C. KITCHIN**, to me known, being duly sworn, deposes and says that he resides in Cincinnati, Ohio, that he is a Divisional Senior Vice President of the Bond Division of Great American Insurance Company, the Company described in and which executed the above instrument; that he knows the seal of the said Company; that the seal affixed to the said instrument is such corporate seal, that it was so affixed by authority of his office under the By-Laws of said Company, and that he signed his name thereto by like authority.



**Susan A. Kohorst**  
Notary Public, State of Ohio  
My Commission Expires 05-18-2020

*Susan A. Kohorst*

This Power of Attorney is granted by authority of the following resolutions adopted by the Board of Directors of Great American Insurance Company by unanimous written consent dated June 9, 2008:

**RESOLVED** That the Divisional President, the several Divisional Senior Vice Presidents, Divisional Vice Presidents and Divisional Assistant Vice Presidents, or any one of them, be and hereby is authorized, from time to time, to appoint one or more Attorneys-in-Fact to execute on behalf of the Company, as surety, any and all bonds, undertakings and contracts of suretyship, or other written obligations in the nature thereof, to prescribe their respective duties and the respective limits of their authority, and to revoke any such appointment at any time.

**RESOLVED FURTHER** That the Company seal and the signature of any of the aforesaid officers and any Secretary or Assistant Secretary of the Company may be affixed by facsimile to any power of attorney or certificate of either given for the execution of any bond, undertaking, contract of suretyship, or other written obligation in the nature thereof, such signature and seal when so used being hereby adopted by the Company as the original signature of such officer and the original seal of the Company, to be valid and binding upon the Company with the same force and effect as though manually affixed.

**CERTIFICATION**

I, **STEPHEN C. BERHA**, Assistant Secretary of Great American Insurance Company, do hereby certify that the foregoing Power of Attorney and the Resolutions of the Board of Directors of June 9, 2008 have not been revoked and are now in full force and effect.

Signed and sealed this **8th** day of **June**, 2017



*Atty L C. B.*  
Assistant Secretary





**Great American Insurance Company of New York  
Great American Alliance Insurance Company  
Great American Insurance Company**

**IMPORTANT NOTICE:**

To obtain information or make a complaint:

You may contact the Texas Department of Insurance to obtain information on companies, coverages, rights or complaints at:

**1-800-252-3439**

You may write the Texas Department of Insurance at:

P.O. Box 149104  
Austin, TX 78714-9104  
FAX: 1-512-475-1771

Your notice of claim against the attached bond may be given to the surety company that issued the bond by sending it by certified or registered mail to the following address:

Mailing Address: Great American Insurance Company  
P.O. Box 2119  
Cincinnati, Ohio 45202

Physical Address: Great American Insurance Company  
301 E. Fourth Street  
Cincinnati, Ohio 45202

You may also contact the Great American Insurance Company Claim office by:

Fax: 1-888-290-3706  
Telephone: 1-513-369-5091  
Email: [bondclaims@gaic.com](mailto:bondclaims@gaic.com)

**PREMIUM OR CLAIM DISPUTES:**

If you have a dispute concerning a premium, you should contact the agent first. If you have a dispute concerning a claim, you should contact the company first. If the dispute is not resolved, you may contact the Texas Department of Insurance.

**ATTACH THIS NOTICE TO YOUR BOND:**

This notice is for information only and does not become a part or condition of the attached document.

**4-F    CONSIDERATION AND APPROVAL OF WORK AUTHORIZATION NO.  
10 WITH S&B INFRASTRUCTURE FOR THE SPI 2<sup>ND</sup> ACCESS PROJECT.  
(TABLED)**

**4-G CONSIDERATION AND APPROVAL OF WORK AUTHORIZATION NO. 11  
WITH S&B INFRASTRUCTURE FOR THE SPI 2<sup>ND</sup> ACCESS PROJECT.**

## WORK AUTHORIZATION NO. 11

This Work Authorization is made as of this 8th day of June, 2017, under the terms and conditions established in the AGREEMENT FOR GENERAL CONSULTING ENGINEERING SERVICES, dated as of November 1, 2014 (the "Agreement"), between the Cameron County Regional Mobility Authority (CCRMA) ("Client") and S&B Infrastructure, Ltd. ("Engineer"). This Work Authorization is made for the following purpose, consistent with the services defined in the Agreement.

PART 1. The Engineer will provide Environmental Due Diligence Reports for 2 Properties for the SPI 2<sup>nd</sup> Access Project. S&B will perform the services set forth in Exhibit B to this Work Authorization.

PART 2. The Client must pay S&B for the services being provided as follows [Place an "X" in the appropriate block]:

☒ The Services will be provided for the fixed price amount of \$34,000.56. This amount may be amended by mutual agreement of the Parties and established in a Work Authorization revision.

☐ The services will be provided on a cost reimbursable basis. The rates and associated charges are described in Exhibit D of this Work Authorization. The maximum amount payable for services under this Work Authorization is \$34,000.56 unless amended by mutual agreement of the Parties and established in a Work Authorization revision.

PART 3. This Work Authorization shall become effective on the date of final acceptance of the parties hereto. This Work Authorization does not waive the parties' responsibilities and obligations provided under the Agreement. This Work Authorization is hereby accepted and acknowledged below.

Cameron County Regional  
Mobility Authority

By:   
Frank Parker, Jr.  
Chairman

Date: 6.8.17

S&B Infrastructure, Ltd.

By:   
Daniel O. Rios, PE  
Senior Vice President

Date: 6.8.17

### LIST OF EXHIBITS

- Exhibit A - Authority's Responsibilities
- Exhibit B - Services to be Provided by Engineer
- Exhibit C - Work Schedule
- Exhibit D - Fee Schedule

## **EXHIBIT A**

### **Authority's Responsibilities**

The following provides an outline of the services to be provided by the **Authority** in the development of the **Project** for this work authorization. (The **Project** is further defined and more particularly identified in **Exhibit "A"** attached to this work authorization).

### ***GENERAL***

The **Authority** will provide to the **Engineer** the following:

- (1) Payment for work performed by the **Engineer** and accepted by **Authority** in accordance with this Agreement.
- (2) Assistance to the **Engineer**, as necessary, to obtain the required data and information from other local, regional, **State** and Federal agencies that the **Engineer** cannot easily obtain.
- (3) Provide timely review and decisions in response to the **Engineer's** request for information and/or required submittals and deliverables, in order for the **Engineer** to maintain an agreed-upon work schedule.
- (4) Right of Entry

**EXHIBIT B**  
**SERVICES TO BE PROVIDED BY THE CONSULTANT**  
**SOUTH PADRE ISLAND 2<sup>ND</sup> ACCESS**

County: Cameron Project: South Padre Island 2<sup>nd</sup> Access

**SCOPE DETAILS:**

The following Scope of Work describes the task details that are included in the Services to be provided by the CONSULTANT on the proposed 2nd Access Project.

**TASK 1: Early Acquisition Due Diligence Documentation**

The CONSULTANT will complete an Environmental Due Diligence Report for the TxDOT parcel(s) along Buena Vista Drive north of SH 100 from the Davis Tract (a single parcel tract) and the Holly Beach Tract along the East-West Corridor (up to 2 parcels) for early acquisition and will obtain from the AUTHORITY documentation to be included in the report ensuring compliance with the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (Uniform Act) and amendments thereto, Federal and State laws, policies, and procedures for early acquisition parcels acquired prior to NEPA approval. The environmental due diligence report shall be based upon desktop-level research and assess the presence or likelihood of contamination or any other undesirable conditions on the parcel to be acquired. Any field studies or NEPA-level environmental documentation would require a supplemental work authorization.

**Deliverables:**

- Environmental Due Diligence Report

**TASK 2: General Coordination**

The CONSULTANT will perform project administrative and coordination duties, including contract administration, project management, meeting minutes of all meetings and telephone conversations and other related administrative tasks (e.g., direct costs) associated with the project, including:

- A) Progress Reports and Invoices – Prepare monthly invoices and progress reports for the work tasks, together with evidence of work accomplished during the time period since the previous report. The monthly progress reports will include: Activities completed, initiated or ongoing during the reporting period; Activities planned for the coming period; Problems encountered and actions to remedy them; Overall status, including a tabulation of percentage complete by task; Updated project schedule; Minutes of study meetings and copies of monthly correspondence.
- C) Record Keeping and File Management – Maintain all records and files related to the project throughout the duration of the services.
- D) Correspondence - Prepare written materials, letters, etc. used to solicit information or collect data for the project and submit them to the AUTHORITY for review and

approval prior to its use or distribution. Copies of outgoing correspondence and incoming correspondence will be provided to the AUTHORITY on a continuing, at least monthly, basis.

- E) Managing Change -Communicate in a timely manner all types of change that may occur in the project including but not limited to schedule, personnel, scope and work product changes. The AUTHORITY approved change(s) shall then be incorporated into the project schedule in a timely fashion to minimize any unnecessary rework.
- F) Meeting with CCRMA and updating CCRMA board on progress of project.

**Deliverables:**

- Monthly progress report that delineates activities performed per function code
- Monthly invoice/billings with list of products delivered per invoice billing cycle

**Additional Services**

The following services are not included in the scope of services for this Work Authorization. Some of these services will need to be performed during the design/build portion of the project when more detailed design information is available.

- Updates based on TxDOT, FHWA or other regulatory guidance that is issued after the date of this Supplemental Work Authorization;
- Phase I or II Environmental Site Assessment or Phase III Remediation;
- Emergency Response Control Pollution Plan

## **EXHIBIT "C"**

### **Schedule of Work**

The **Engineer** will diligently pursue the completion of the **Project** as defined by the milestones and deliverable due dates.

The **Engineer** will inform the **Owner** (in reasonable advance of the delay) should the **Engineer** encounter delays that would prevent the performance of all work in accordance with the established schedule(s) of work.

**NOTICE TO PROCEED – Upon Execution**

**PROVIDE ALL DELIVERABLES AS STATED IN WORK ORDER – July 31, 2017**



PROJECT: S41 2nd Access  
 CLIENT: CC RMA  
 CONTRACT: 0  
 COUNTY: Cameron County  
 CSJ: U2703.111

Exhibit D -- FEE ESTIMATE

ACTIVITY CODE	FUNCTION CODE	DESCRIPTION from Attachment B	FORM	SERVICE	Principal	Director of CCJCA	Project Manager	Engineer V	Env. Manager	Env. Scientist	Env. Tech	Engineer IV	Engineer LB	SP/L	2-John Survey Crew	3-John Survey Crew	GIS Manager	GIS Technician	Engineer in Training	CADD Operator	Administrative	TOTAL HRS	ESTIMATED FEE	TOTALS
ENVIRONMENTAL STUDIES																								
Task 1	S.S.B	Environmental Due Diligence Phase 1		BASIC					4	40								32				36	\$10,503.24	
Task 2	S.S.B	Environmental Due Diligence Phase 2		BASIC					4	40								32				36	\$10,503.24	
Sub Total (ENVIRONMENTAL STUDIES)																								
Task 3	S.S.B	Project Administration and Coordination		SPECIAL					24													32	\$5,543.84	
	S.S.B	Project Manager (Proj. Coord. & H&W)		SPECIAL																		0	\$0.00	
	S.S.B	Project Coordinator/Investigator		SPECIAL					18													32	\$6,020.16	
	S.S.B	Regulatory Permitting/Permits		SPECIAL																		0	\$0.00	
	S.S.B	Cameron County Wild Project Coordination		SPECIAL																		0	\$0.00	
Sub Total (Task 3 - Project Administration and Coordination)																								
Sub Total ( 148)																								
LABOR TOTALS																								
Total Hours																								
CONTRACT RATES (5 MAN HOUR)																								
BASE RATES (3 MAN HOUR)																								
									209.47	144.61	65.14	180.27	152.22	187.88	152.22	170.17	171.24	107.75	132.15	91.33	78.11	32	\$12,947.28	
									51.00	28.00	27.00	50.00	40.00	54.00	40.00	50.00	45.00	27.00	37.00	24.00	20.00	0	\$11,548.00	
Sub Total ( 148)																								
NON-LABOR																								
	S.S.B	Graphic Service		SPECIAL																			\$0.00	
	S.S.B	Administrative Data Support		SPECIAL																			\$1,200.00	
	S.S.B	Field Support		SPECIAL																			\$0.00	
	S.S.B	Site Visit		SPECIAL																			\$0.00	
	S.S.B	Design Report		SPECIAL																			\$0.00	
	S.S.B	Design of EA		SPECIAL																			\$0.00	
	S.S.B	Project Expense of EA		SPECIAL																			\$0.00	
	S.S.B	Travel - Manage Project Site Visit		SPECIAL																			\$1,117.28	
Sub Total (F.C. 148)																								
NON-LABOR TOTAL																								
BASIC SERVICE TOTAL																								
SPECIAL SERVICE TOTAL																								
PROJECT TOTAL																								
																								\$14,000.56

**4-H DISCUSSION AND POSSIBLE ACTION REGARDING THE AMENDMENT  
OF THE CAMERON COUNTY REGIONAL MOBILITY AUTHORITY'S  
TOLL POLICIES.**

## SECTION 1.1 TOLL INCENTIVES AND DISCOUNTS

To encourage the use of CCRMA toll roads and to maximize the use of Toll Tags on CCRMA facilities, the CCRMA will offer customers incentives and discounts.

- (a) **Discounts for Toll Tag Users:** Customers who pay their tolls using a Toll Tag will receive a discount equal to twenty five percent (25%) off of the toll amount charged to VTC customers.
- (b) **Incentive Offers:** From time to time the CCRMA may conduct promotions or marketing activities that encourage drivers to use CCRMA toll roads and/or Toll Tag and/or reward customers for such use. Similarly, the CCRMA may approve clearly defined introductory periods upon the opening of a new toll facility in which the initial toll rate may be less than the actual toll rate in place at the conclusion of such introductory period.
- (c) **Registration by License Plate:** As an alternative to maintaining a Toll Tag account, customers may set up a registration by license plate account through the CCRMA. Toll rates for registration by license plate accounts will be equivalent to VTC. Commercial clients who enter into a contract for toll road usage with the CCRMA will qualify for discounted rates on toll usage. Minimum requirements for a toll road usage contract would be; minimum of two (2) year period, twenty five (25) or more vehicles registered, and submission toll road usage projections. Discounts will be equivalent to the toll tag rate, or other negotiated rate.



**POLICIES AND PROCEDURES  
FOR TOLL COLLECTION AND ROADWAY OPERATIONS  
ON CCRMA FACILITIES**

## DOCUMENT CONTROL

Revision #	Change Reason	Reviewer	QA Checked By	Status	Date Completed
1.0	Amended/Updated Policies for BOS Changes and prohibiting various modes of transportation from use of Toll Road	Adrian Rincones		Final	9.8.16
2.0	Updated Toll Incentives and Discount Section of Policies	Adrian Rincones		Final	6.8.17

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## **ARTICLE I TOLL COLLECTION OPERATIONS POLICY**

### **SECTION 1.1 PURPOSE**

This Article of the Policies and Procedures for Toll Collection and Roadway Operations on CCRMA Facilities (the "Policies and Procedures") establishes CCRMA practices and operations for toll collection systems operation on designated controlled-access toll roads owned or operated by the CCRMA.

### **SECTION 1.2 DEFINITIONS & ACRONYMS**

CCRMA or Authority	Cameron County Regional Mobility Authority
CCRMA Customer Service Center	<p>The office of the CCRMA available for assistance with account inquiries, disputes, and other tolling related issues. The contact information for the CCRMA Customer Service Center is as follows:</p> <p>3461 Carmen Ave. Rancho Viejo, Texas 78575 Phone: (956) 621-5571 Fax: (956) 621-5590</p>
ETC	Electronic Toll Collection
Toll Tag	A device that records the usage of a vehicle using a toll road; usually adhered to the windshield of the vehicle, allowing motorists to drive non-stop through designated electronic toll collection lanes. (Toll Tags are a type of "transponder" pursuant to Sec. 370.178 of the Texas Transportation Code.)
TxDOT	Texas Department of Transportation
VTC	Video toll collection; a component of the ETC system that utilizes video images to generate a toll bill for customers without a Toll Tag.

### **SECTION 1.3 EXEMPTION FROM TOLL PAYMENT**

Users of CCRMA Toll Facilities shall be required to pay a toll unless they are exempt under applicable law or, subject to commitments contained in any CCRMA financing documents, determined to be exempt by the CCRMA Board of Directors. Owners or operators of exempt vehicles must contact the CCRMA Customer Service Center to register a license plate or provide a Toll Tag statement in order to receive an exemption, which shall be provided in the form of an exemption from incurrence of tolls or reimbursement for toll charges incurred.

- (a) **Emergency and Military Vehicles:** In accordance with the provisions of Secs. 370.177, 362.901 and 541.201 of the Texas Transportation Code, CCRMA will create technical procedures to ensure that authorized emergency vehicles, as well as state and federal military vehicles, are exempt from paying tolls on the CCRMA operated facilities.
- (b) **Public Transit Vehicles:** As authorized under the provisions of Sec. 370.177 of the Texas Transportation Code and to facilitate a multi-modal transportation system that ensures safe and efficient travel for all individuals in Cameron County, public transit vehicles with a carrying capacity of sixteen (16) or more individuals that are owned and/or operated by or on behalf of the Brownsville Urban System shall be exempt from paying tolls on CCRMA toll facilities.
- (c) **Disabled Veterans:** Section 372.053 of the Texas Transportation Code allows toll agencies the opportunity to reduce or eliminate the payment of tolls for vehicles displaying certain disabled veteran license plates. The CCRMA Board of Directors has determined that disabled military veterans are eligible for an exemption from the payment of tolls on CCRMA toll facilities for vehicles displaying eligible disabled veteran license plates. The CCRMA will provide complete reimbursement of incurred toll charges for qualified customers with a Toll Tag account.

#### SECTION 1.4 TOLL RATES

(a) **Toll Rates – SH 550**

The toll rates for SH 550, effective as of \_\_\_\_\_, 201\_, are set forth in the following table. SH 550 toll rates are subject to adjustment pursuant to the Market Valuation and the Toll Rate Escalation Methodology described below.

SH 550	2-Axle (Base Rate x 1)		3-Axle (2 x Base Rate x 2)		4-Axle (3 x Base Rate x 3)		5-Axle (4 x Base Rate x 4)		Each Additional Axle	
	Toll Tag	VTC	Toll Tag	VTC	Toll Tag	VTC	Toll Tag	VTC	Toll Tag	VTC
Paredes Line Road/ FM 1847	\$0.50	\$0.67	\$1.00	\$1.33	\$1.50	\$2.00	\$2.00	\$2.66	\$0.50	\$0.67
Port Spur	\$0.50	\$0.67	\$1.00	\$1.33	\$1.50	\$2.00	\$2.00	\$2.66	\$0.50	\$0.67

(b) **Toll Rate Escalation – SH 550**

Initial toll rates and toll rate escalation methodology were established under the Amended Market Valuation Agreement For the SH 550 Toll Project (“Amended Market Valuation”) between TxDOT and the CCRMA, effective February 4, 2010. The Amended Market Valuation established a base toll rate for the CCRMA system of a range from \$0.15 to \$0.20 per mile in 2008 dollars (the “Base Rate”).



The Toll Rate Escalation Methodology provides for an adjustment to be determined annually and within a range so that no annual increase may exceed the greater of the Texas State Gross Domestic Product per capita for the year immediately preceding the year of adjustment ("SGDP") or the Consumer Price Index for the year immediately preceding the year of adjustment ("CPI"), but in no case less than 0. Any adjustment must be approved by the CCRMA Board of Directors.

(c) **Toll Rate Multipliers**

The following table sets forth the multipliers established under the Amended Market Valuation that will be used for various vehicle types:

Toll Rate Multipliers	
Cars and motorcycles	Base Rate x 1
Trucks	Base Rate x (Number of Axles – 1)

(d) **Toll Rates – Other Facilities**

Initial toll rates for other CCRMA facilities will be determined at the time such facilities are opened to traffic. Toll rate adjustments will be adopted and implemented pursuant to policies adopted by the CCRMA Board of Directors for that facility.

## SECTION 1.5 TOLL INCENTIVES AND DISCOUNTS

To encourage the use of CCRMA toll roads and to maximize the use of Toll Tags on CCRMA facilities, the CCRMA will offer customers incentives and discounts.

- (a) **Discounts for Toll Tag Users:** Customers who pay their tolls using a Toll Tag will receive a discount equal to twenty five percent (25%) off of the toll amount charged to VTC customers.
- (b) **Incentive Offers:** From time to time the CCRMA may conduct promotions or marketing activities that encourage drivers to use CCRMA toll roads and/or Toll Tag and/or reward customers for such use. Similarly, the CCRMA may approve clearly defined introductory periods upon the opening of a new toll facility in which the initial toll rate may be less than the actual toll rate in place at the conclusion of such introductory period.
- (c) **Registration by License Plate:** As an alternative to maintaining a Toll Tag account, customers may set up a registration by license plate account through the CCRMA. Toll rates for registration by license plate accounts will be equivalent to VTC. Commercial clients who enter into a contract for toll road usage with the CCRMA may qualify for discounted rates on toll usage. Minimum requirements for a toll road usage contract would be; minimum of two (2) year period, twenty five (25) or more vehicles registered, and submission toll road usage projections. Discounts will be equivalent to the toll tag rate, or other negotiated rate.

Notwithstanding the preceding, the CCRMA may also adopt additional toll incentives or discounts in the sole discretion of the CCRMA Board of Directors.

## **SECTION 1.6 CUSTOMER SERVICE AND ACCOUNT POLICIES**

- (a) **Toll Tag**: The CCRMA utilizes TxTag as its primary Toll Tag, although it will support the use of other interoperable providers of Toll Tags. TxTag account set up, maintenance, and customer service will be provided through the TxTag customer service center operated by TxDOT.
- (b) **Registration by License Plate**: As an alternative to maintaining a Toll Tag account, customers may set up a registration by license plate account through the CCRMA. Registration by license plate account set up, maintenance, and customer service will be provided through the CCRMA Customer Service Center. Toll rates for registration by license plate accounts will be equivalent to VTC for the facility utilized.

## **SECTION 1.7 AUTOMATED ELECTRONIC TOLL COLLECTION**

- (a) **No Cash Transactions**: To promote a safe, efficient, and effective toll collection system, the CCRMA utilizes all-electronic toll collection methods. Under these electronic toll collection (ETC) methods, accommodations for cash toll transactions are not provided. Rather, customers are encouraged to utilize a Toll Tag from the TxTag customer service center or other Toll Tags that are interoperable with the TxTag system.
- (b) **Video Toll Collection**: The video toll collection (VTC) component of the ETC system utilizes video license plate images for customers without a Toll Tag, with toll bills being generated from video images of the customer's license plate.

## **SECTION 1.8 VIOLATIONS POLICY**

- (a) **Establishment of Administrative Fees for Violations Enforcement Through Notices of Non- Payment.**

Section 370.177 of the Texas Transportation Code authorizes a regional mobility authority such as the CCRMA to impose and collect an Administrative Fee to recover the cost of collecting unpaid tolls (the "Administrative Fee"). The Administrative Fee cannot exceed \$100.00. Subject to that limitation, the CCRMA will determine the amount of the Administrative Fee depending on how far in the collection process a delinquent account proceeds.

For unpaid tolls, an Administrative Fee of \$15.00 for the entire toll bill is assessed upon issuance of the first notice of non-payment, which shall be in addition to the tolls and fees that are otherwise due.

In the event payment is not received in connection with the first notice of non-payment, and a second notice of non-payment is sent, an additional \$15.00 Administrative Fee shall

become due. Therefore, full payment of a second notice of non-payment will require the payment of \$30.00 in Administrative Fees, in addition to the actual tolls and fees due.

In the event payment is not received in connection with either the first or second notice of nonpayment, such account shall be considered for collection and an additional \$30.00 Administrative Fee shall become due and the cumulative Administrative Fee shall be \$60.00, in addition to the actual tolls and fees due.

The CCRMA Board recognizes that the amount of the Administrative Fee may require periodic revision when collection costs and associated matters are considered. Therefore, the CCRMA may periodically reevaluate collection costs and may revise the associated Administrative Fees accordingly. Administrative Fees may also be waived by the CCRMA Board in accordance with procedures that enhance collection efforts for tolls due by delinquent customers.

(b) **Publication of Nonpaying Vehicle Information:**

The CCRMA may publish a list of the names of the registered owners or lessees of vehicles who at the time of publication are liable for the payment of past due and unpaid tolls or Administrative Fees.

(c) **Violation Enforcement Strategies:**

If the collection process does not succeed in payment of the toll amount and corresponding fees owed, the registered owner of the vehicle may be referred for prosecution. An offense for failure or refusal to pay a toll under Sec. 370.177 of the Texas Transportation Code is a misdemeanor subject to a fine of up to \$250.00 for each offense.

If convicted of the offense, a violating customer may be liable for: (i) the unpaid toll amount and associated collection fees; (ii) a \$100 Administrative Fee *per offense* in lieu of the Administrative Fees which accrued during the toll bill process; (iii) court costs; and (iv) a fine of up to \$250.00.

In the prosecution of an offense under Sec. 370.177, proof that the vehicle passed through a toll collection facility without payment of the proper toll, together with proof that the defendant was the registered owner of the vehicle when the failure to pay occurred, establishes the nonpayment of the registered owner. The proof may be by testimony of a peace officer or CCRMA employee or representative, video surveillance, or any other reasonable evidence.

Under provisions of Sec. 370.177, there are certain exceptions to violation for failure to pay a toll regarding rental cars and vehicles sold but for which title has not been officially transferred by the applicable state agency. In addition, it is a defense to prosecution if the vehicle is stolen prior to the failure to pay a toll, but only if the theft is reported to the appropriate law enforcement agency within the required time period.

(d) **Procedures for Disputing Toll Violations:**

Customers may dispute an alleged failure to pay toll violation by contacting the CCRMA Customer Service Center by walk-in, telephone, regular mail, e-mail, or facsimile. The CCRMA may or may not determine that there is any merit to such a dispute and is not required to undertake any formal proceedings to make such determination.

(e) **Habitual Violators**

Subchapter C, Chapter 372, Texas Transportation Code, "Nonpayment of Tolls; Remedies" provides additional authority to enforce toll violations of certain customers who repeatedly refuse to pay toll charges.

In addition to any and all other available toll enforcement remedies, the CCRMA may initiate the enforcement actions set forth in this Section 1.8(e) against habitual violators. A "habitual violator" is a registered owner of a vehicle who the CCRMA Board of Directors determines was issued at least 2 written notices of non-payment that contained an aggregate of 100 or more events of nonpayment within a period of 1 year. The determination is subject to the defense that the vehicle was either subject to a lease at the time of the non-payment or it can be established that the vehicle had been stolen at the time of non-payment.

Upon making the determination that a person is a habitual violator, the CCRMA shall notify the person that they have been determined to be a habitual violator, and that they have thirty (30) days in which to request a hearing before the Justice of the Peace for Cameron County to contest that determination. The Justice of the Peace's decision confirming the CCRMA's determination of habitual violator status may be appealed to the Cameron County Court at Law not later than the 30th day after the date on which the decision was rendered. Failure to request a hearing, or the failure to appear for a hearing after one is requested, will result in the CCRMA's determination of habitual violator status being deemed final and not appealable.

Once the CCRMA's determination of habitual violator status has been deemed final and not appealable, the CCRMA may report the habitual violator determination to the appropriate County Tax Assessor-Collector and/or to the Texas Department of Motor Vehicles and request that the habitual violator's vehicle registration or renewal be refused until the habitual violator has satisfied their outstanding obligations. The CCRMA Board of Directors may also adopt an order prohibiting the operation of the habitual violator's vehicle on a CCRMA toll project and shall mail notice of the order to the habitual violator. If the habitual violator operates a vehicle on a toll project in violation of the order of prohibition, the person commits Class C misdemeanor.

## **ARTICLE II ROADWAY OPERATIONS POLICY**

### **SECTION 2.1 STATEMENT OF GENERAL POLICY**

Pursuant to Section 370.033(a)(12), Transportation Code, this Article of the Policies and Procedures adopts and establishes rules for the use of the CCRMA's toll facilities. These provisions are in addition to and an enhancement of the provisions of Subtitle C, Title 7, Transportation Code (the "Statutory Rules of the Road"). The CCRMA expressly adopts these provisions and those set forth in the Statutory Rules of the Road. To the extent any irreconcilable conflict arises between the provisions hereof and the Statutory Rules of the Road, the Statutory Rules of the Road shall control.

### **SECTION 2.2 SPEED LIMITS**

Subchapter H, Chapter 545, Transportation Code, "Speed Restrictions," governs speeds on highways in the State of Texas. Under Section 370.033, Transportation Code, the CCRMA may alter prima facie speed limits on its toll roads, provided the Texas Department of Transportation Procedures for Establishing Speed Zones, current edition, are followed.

Guidelines established by Texas Department of Transportation Procedures for Establishing Speed Zones, current edition, will be used in conducting Speed Zone Studies and establishing Speed Limits on CCRMA operated toll facilities. Generally, the data collected during the Speed Zone Studies are analyzed to determine the 85th Percentile Speed. The 85th Percentile Speed is the speed at which 85% of the traffic at a specific test site is traveling at or slower. The 85th Percentile Speed may serve as the basis for how the posted speed limit is determined.

To the extent that the maximum speed limit provided by law for a vehicle or class of vehicles is lower than the minimum speed limit established on a CCRMA operated toll facility, then such vehicle or class of vehicles shall observe the maximum speed limit provided by law. In no event shall a vehicle be driven in excess of the legal speed limit.

Maximum speeds within construction, transitional or reduced speed zones or during any period of adverse atmospheric or weather conditions shall be in accordance with signs displayed for such zones. All regulatory and zoning signs displayed on CCRMA operated toll facilities shall be obeyed.

Motor vehicles shall not be driven in excess of the mechanical limits of vehicles or tires. If traffic, weather, pavement or other conditions render the maximum allowable speed hazardous, the speed of motor vehicles shall be reduced consistent with such conditions.

### **SECTION 2.3 PARKING**

Parking or stopping of vehicles on any traffic lane, deceleration lane, acceleration lane or on any bridge is prohibited with exceptions provided for vehicles which become disabled, law enforcement activities and emergency situations. All wheels and projecting parts of a stopped vehicle or load shall be completely clear of the traffic lane.

During the period beginning 30 minutes after sunset and ending 30 minutes before sunrise or at any other time when insufficient light or unfavorable atmospheric or weather conditions require, any parked or disabled vehicle shall display illuminated parking and tail lights or lighted flares to indicate its location.

Unnecessary parking or parking of vehicles for extended periods of time (in excess of 24 hours) is prohibited, and the driver of a disabled vehicle shall arrange for its prompt removal from CCRMA operated toll facilities.

For an offense under this section, it is presumed that the registered owner of the vehicle is the person who parked the vehicle at the time and place an offense under this section occurs.

#### **SECTION 2.4    MEDIAN STRIP**

The median strip is the area between the entrance/exit ramps and main traffic lanes for the purpose of separating traffic. Crossing, driving, parking or stopping on the median strip is prohibited on any CCRMA toll facilities except as necessary for official maintenance, operational, law enforcement and emergency uses.

#### **SECTION 2.5    NO U-TURN**

Except as specifically provided for as standard turnarounds, u-turns at any location on CCRMA operated toll facilities are prohibited with exceptions provided for official maintenance, operational, law enforcement and emergency responders.

#### **SECTION 2.6    PEDESTRIANS**

Pedestrians are not permitted on the main-lane roadways, access ramps or any interchange of CCRMA toll facilities. Solicitation of rides or "hitchhiking", panhandling, passing of handbills, displaying signs or attempting to sell merchandise is prohibited on CCRMA operated toll facilities. Loitering on any CCRMA property is prohibited.

#### **SECTION 2.7    PROHIBITED MODES OF TRANSPORTATION**

No person shall operate any of the following on any main-lane roadway, main-lane shoulder, or access ramp operated by the CCRMA:

- Animal drawn vehicles;
- Animals - led, ridden or driven;
- Vehicles loaded with animals or poultry not properly confined;
- Vehicles with flat pneumatic tires;
- Vehicles in the charge of intoxicated or otherwise incapacitated operators;
- Vehicles with improperly secured loads which may shift or litter the highway;
- Vehicles with metal tires or which have solid tires worn to metal;
- Farm implements;
- Disabled vehicles in tow by tow-rope or chain;

- Rollers, graders, power shovels, tractors or other construction or farm equipment, either self-propelled or in tow of another vehicle, unless such equipment is either (1) truck mounted, and such truck can be operated at a minimum speed of 45 miles per hour while traveling on the main-lane roadways of CCRMA operated toll roads, weather and road conditions permitting, or (2) owned or controlled by the CCRMA or by any contractor in connection with the performance of work authorized by the CCRMA; or
- Vehicles exceeding the maximum weights allowed on State Highways under the motor vehicles laws of the State of Texas in effect from time to time. Additionally, vehicles including any load thereon exceeding the following maximum dimensions are prohibited:

Height	14 feet 6 inches
Width	8 feet 6 inches
Length	The maximum allowable lengths permitted on Interstate highways and other controlled access roadways in Texas pursuant to the motor vehicle laws of the State of Texas, as in effect from time to time,

## **SECTION 2.8 EVASION OF TOLLS**

Entering or leaving CCRMA operated toll facilities or any part of its right of way except through the regular tolled lanes or entrance and exit points or committing any act with intent to defraud or evade incurrence of payment of tolls is prohibited.

## **SECTION 2.9 STATE LAWS**

All laws, rules and regulations in the State of Texas pertaining to the use of public highways and policing thereof, including but not limited to the Statutory Rules of the Road, shall apply to CCRMA operated toll roads, except insofar as they may be supplemented by this policy document.

## **SECTION 2.10 PENALTIES**

Any violation of a provision of this Article II shall be deemed an offense as defined in the Statutory Rules of the Road and shall be subject to prosecution and penalties as set forth in the Statutory Rules of the Road.

## **SECTION 2.11 BICYCLES, MOPEDS, AND MOTOR-DRIVEN CYCLES**

Bicycles or tricycles, with or without motors, motor-driven cycles (but not including motorcycles as defined in Section 541.201 of the Transportation Code), including motor scooters, and mopeds, are not permitted on the main-lane roadways or main-lane shoulders of CCRMA toll facilities at any time.