

COUNTY OF CAMERON §

BE IT REMEMBERED on the 12th day of October 2017, there was conducted a Regular Meeting of the Cameron County Regional Mobility Authority, at the CCRMA Administrative Office, 3470 Carmen Avenue, Suite 5 thereof, in Rancho Viejo, Texas, for the purpose of transacting any and all business that may lawfully be brought before the same.

12:00 Noon

FRANK PARKER, JR.
CHAIRPERSON

RUBEN GALLEGOS, JR.
DIRECTOR

DIRECTOR

MICHAEL F. SCAIEF
DIRECTOR

MARK ESPARZA
DIRECTOR

NAT LOPEZ
DIRECTOR

HORACIO BARRERA
DIRECTOR

DAVID N. GARZA
ABSENT

ABSENT

ABSENT

The Meeting was called to order by Chairman Frank Parker, Jr., at 12:00 Noon. At this time, the Board considered the following matters as per CCRMA Agenda posted and filed for Record in the Office of the County Clerk on this 9th day of October, 2017 at 10:35 A.M.



AGENDA

**Regular Meeting of the Board of Directors
of the
Cameron County Regional Mobility Authority**

**3470 Carmen Avenue, Suite 5
Rancho Viejo, Texas 78575**

October 12, 2017

12:00 Noon

FILED AND RECORDED
OFFICIAL PUBLIC RECORDS
On: Oct 09, 2017 at 10:35A
Document Number: 00001074
Sylvia Garza-Perez
County Clerk
By
Hilary Dittman, Deputy
Cameron County

PUBLIC COMMENTS:

1. Public Comments.

PRESENTATIONS, RESOLUTIONS AND/OR PROCLAMATION ITEMS:

2. Presentations/Resolutions/Proclamations.
 - A. Presentation and Update on the SH 550 Gap 1 Project.
 - B. Presentation and Update on the Outer Parkway Project.
 - C. Presentation and Update on the Spur 54 Project.
 - D. Presentation and Update on the FM 1925 Project.

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:

October 04, 2017 – Special Meeting.
 - B. Consideration and Approval of a Proclamation honoring Mr. David N. Garza for his 13 years of service as a Director of the Cameron County Regional Mobility Authority Board of Directors.

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 months of August and September 2017.
- C. Discussion and Possible Action regarding changing the date and time of the Regular Board Meetings.
- D. Discussion and Possible Action regarding the issuance of RFQ's for General Engineering Consultant and for SPI 2nd Access Project.
- E. Consideration and Approval of 2017 Financial Audit Engagement Letter with Carr, Riggs and Ingram.
- F. Consideration and Approval of Investment Report as per Public Funds Investment Act.
- G. Consideration and Approval of Master Services Agreement with Teesidel, S.A. to serve as Toll Systems Integrator for the Cameron County Regional Mobility Authority.
- H. Consideration and Approval of Agreement between the Cameron County Regional Mobility Authority and Professional Account Management, LLC, DBA Duncan Solutions.

EXECUTIVE SESSION:

5. Executive Session.

- A. Confer with Legal Counsel regarding Legal Issues with the SPI 2nd 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 9th day of October 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 Update on the SH 550 Gap 1 Project.

Mr. Danny Rios with S&B Infrastructure went over a Power Point Presentation providing an Update on the SH 550 Gap 1 Project.

Director Esparza moved to acknowledge the Update on the SH 550 Gap 1 Project. The motion was seconded by Vice Chair Gallegos and carried unanimously.

The Report is as follows:

2-B Presentation and Update on the Outer Parkway Project.

Mr. Danny Rios with S&B Infrastructure went over a Power Point Presentation providing an Update on the Outer Parkway Project.

Director Esparza moved to acknowledge the Update on the Outer Parkway Project. The motion was seconded by Vice Chair Gallegos and carried unanimously.

The Report is as follows:

2-C Presentation and Update on the Spur 54 Project.

Mr. Danny Rios with S&B Infrastructure went over a Power Point Presentation providing an Update on the Spur 54 Project.

Director Esparza moved to acknowledge the Update on the Spur 54 Project. The motion was seconded by Vice Chair Gallegos and carried unanimously.

The Report is as follows:

2-D Presentation and Update on the FM 1925 Project.

Mr. Pete Sepulveda, Jr., RMA Executive Director briefed the Board on the status of FM 1925 Project.

Director Esparza moved to acknowledge the Update on the FM 1925 Project. The motion was seconded by Vice Chair Gallegos and carried unanimously.

NOTE: Director Scaief arrived at the meeting at 12:11 P.M.

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:

October 4, 2017 – Special Meeting

Director Barrera moved to approve the minutes for October 4, 2017 Special Meeting. The motion was seconded by Director Lopez and carried unanimously.

3-B Consideration and Approval of a Proclamation honoring Mr. David N. Garza for his 13 years of service as a Director of the Cameron County Regional Mobility Authority Board of Directors.

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

Vice Chair Gallegos moved to approve a Proclamation honoring Mr. David N. Garza for his 13 years of service as a Director of the Cameron County Regional Mobility Authority Board of Directors. The motion was seconded by Director Esparza 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 and presented into the record.

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

The Claims are as follows:

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

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

Vice Chair Gallegos moved to approve the Financial Statements and Budget Amendments for the months of August and September 2017. The motion was seconded by Director Esparza and carried unanimously.

The Financial Statements are as follows:

4-C Discussion and Possible Action regarding changing the date and time of the Regular Board Meetings.

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

4-D Discussion and Possible Action regarding the issuance of RFQ's for General Engineering Consultant and for SPI 2nd Access Project.

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

Director Scaief moved to acknowledge the Report by the Executive Director of the issuance of RFQ's for General Engineering Consultant and for SPI 2nd Access Project. The motion was seconded by Director Esparza and carried unanimously.

4-E Consideration and Approval of 2017 Financial Audit Engagement Letter with Carr, Riggs and Ingram.

Mr. Adrian Rincones, RMA Chief Financial Officer went over the item with the Board. Mr. Rincones went over the Terms of the Engagement Letter.

Director Scaief moved to approve the 2017 Financial Audit Engagement Letter with Carr, Riggs and Ingram. The motion was seconded by Director Barrera and carried unanimously.

The Engagement Letter is as follows:

4-F Consideration and Approval of Investment Report as per Public Funds Investment Act.

Mr. Adrian Rincones, RMA Chief Financial Officer, went over the Quarterly Investment Report with the Board.

Director Barrera moved to approve the Investment Report as per Public Funds Investment Act. The motion was seconded by Vice Chair Gallegos and carried as follows:

NOTE: Director Scaief and Director Esparza abstained from the discussion and vote. (Affidavits are filed in the CCRMA Records)

AYE: Chairman Parker, Vice Chair Gallegos, Director Lopez and Director Barrera

NAY: None

ABSTAIN: Director Scaief and Director Esparza

The Report is as follows:

4-G Consideration and Approval of Master Services Agreement with Tecsidel, S.A. to serve as Toll Systems Integrator for the Cameron County Regional Mobility Authority.

Mr. Adrian Rincones, RMA Chief Financial Officer, went over the item with the Board.

Vice Chair Gallegos moved to approve the Master Services Agreement with Tecsidel, S.A. to serve as Toll Systems Integrator for the Cameron County Regional Mobility Authority. The motion was seconded by Director Esparza and carried unanimously.

The Agreement is as follows:

4-H Consideration and Approval of Agreement between the Cameron County Regional Mobility Authority and Professional Account Management, LLC, DBA Duncan Solutions.

Mr. Adrian Rincones, RMA Chief Financial Officer, went over the item with the Board.

Director Scaief moved to approve the Agreement between the Cameron County Regional Mobility Authority and Professional Account Management, LLC, DBA Duncan Solutions subject to final Legal review. The motion was seconded by Director Barrera and carried as follows:

NOTE: Director Esparza abstained from the discussion and vote. (Affidavit is filed in the CCRMA Records)

AYE: Chairman Parker, Vice Chair Gallegos, Director Scaief, Director Lopez and Director Barrera

NAY: None

ABSTAIN: Director Esparza

The Agreement is as follows:

EXECUTIVE SESSION ITEMS

Vice Chair Gallegos made a motion at 12:52 P.M. to go into Executive Session. The motion was seconded by Director Esparza and carried unanimously.

EXECUTIVE SESSION:

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

Vice Chair Gallegos moved to come back into open session at 1:22 P.M. The motion was seconded by Director Esparza and carried unanimously.

ACTION RELATIVE TO EXECUTIVE SESSION:

- 6-A Confer with Legal Counsel regarding Legal Issues with the SPI 2nd 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 Director Esparza and carried unanimously.

ADJOURNMENT

There being no further business to come before the Board and upon motion by Director Scaief and seconded by Director Esparza and carried unanimously the meeting was **ADJOURNED** at 1:23 P.M.

APPROVED this 9th day of November 2017.


CHAIRMAN FRANK PARKER, JR.

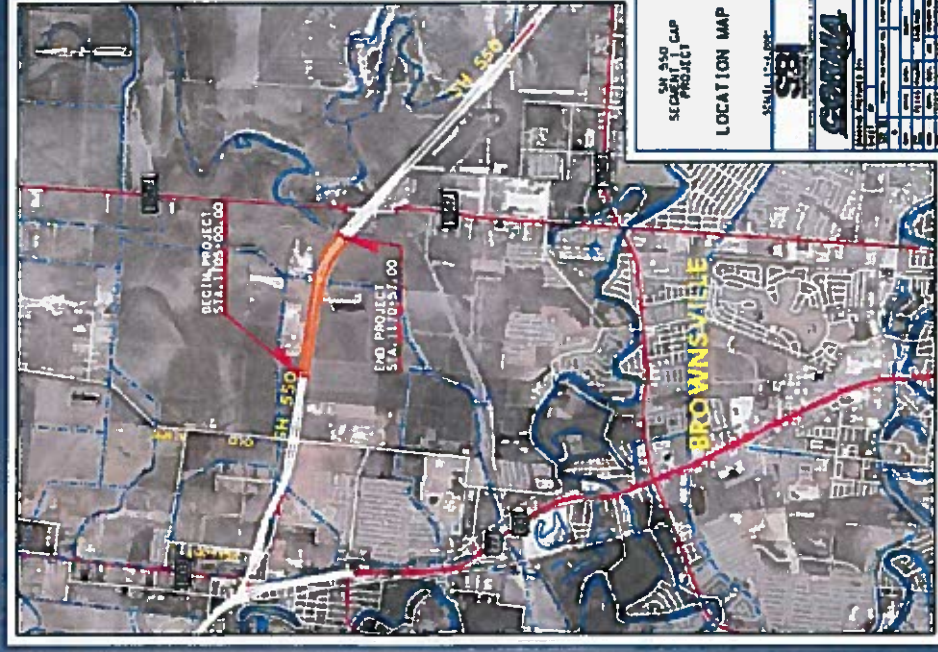
ATTESTED:


DAVID N. GARZA, SECRETARY

2-A PRESENTATION AND UPDATE ON THE SH 550 GAP 1 PROJECT.

SH550 - GAP 1 PROJECT

- ▶ SH 550 GAP 1 (SBI Team tasked with PS&E and CM)
 - ▶ Limits from 0.53 miles east of Old Alice Road to 0.48 miles west of FM 1847, approx. 1.24 miles
- ▶ SH 550 Gap 1 Construction Items
 - ▶ Construction of tolled lanes with concrete pavement for the first "Gap" of SH 550.
 - ▶ Slope erosion repairs and bridge riprap repairs at FM 1847
 - ▶ Slope erosion repairs at Union Pacific Railroad Crossing
 - ▶ Bridge Construction on Southbound main lanes for Drain Ditch #3



SH550 – GAP 1 PROJECT KEY DATES

- ▶ Bids Received on - January 31, 2017
- ▶ Acknowledgement from TxDOT received on 4/13/17 on Bid Analysis;
- ▶ Pre-Construction Meeting – July 6, 2017
- ▶ Notice To Proceed Issued – July 10, 2017
- ▶ Actual Construction Start Date – July 10, 2017
- ▶ 25% Complete as of September 24, 2017
- ▶ Anticipated Project Completion – Spring 2018

SH550 – GAP 1 MAJOR ITEMS OF WORK

ITEM	UNIT	PROJECT TOTAL	QUANTITY COMPLETED TO DATE	% COMPLETE TO DATE
CONCRETE PILES	LF	1160.00	1144.50	100.0%
CAPS FORMED AND POURED	CY	49.60	0.00	0.0%
PRESTRESSED CONCRETE SLAB BEAMS	LF	708.00	0.00	0.0%
REINFORCED CONCRETE SLAB	CY	3645.00	0.00	0.0%
EMBANKMENT	CY	60,384.00	49,020.00	81.2%
CONCRETE PAVEMENT	SY	34,386.00	0.00	0.0%
HOT MIX ASPHALT PAVEMENT	TON	6,919.00	0.00	0.0%

SH550 – GAP 1 BRIEF HISTORY IN PICTURES



EMBANKMENT NB MAINLANES-FACING NORTH

SH550 – GAP 1 BRIEF HISTORY IN PICTURES



ESTABLISHING SUBGRADE ELEVATION (NB)

SH550 – GAP 1 BRIEF HISTORY IN PICTURES



SUBGRADE IN PLACE (NB) FACING WEST

SH550 – GAP 1 BRIEF HISTORY IN PICTURES



DRIVING PILES BENT #3 FACING WEST

SH550 – GAP 1 BRIEF HISTORY IN PICTURES



PILES FOR BENTS #1, 2 & 3 IN PLACE

SH550 – GAP 1 BRIEF HISTORY IN PICTURES



36" RCP DRAINAGE PIPE FACING SOUTH

SH550 – GAP 1 BRIEF HISTORY IN PICTURES



TRENCHING FOR ELEC. CONDUITS & CONDUCTORS
FACING NORTHEAST ON SOUTHBOUND

SH550 – PAY ESTIMATE #3 – SEPTEMBER 2017

Estimate No. 3			
Original Contract Days	180		
Days Added by Change Order	0		
Total Contract Time	180		
Contract Days Previously Billed	31		
Contract Days this Period	15		
Days Remaining	134		
% Contract Time Used	25.6%		
Contract Amount		\$ 7,138,812.45	
Change Order #1 Dollars		\$ -14,700.00	
Change Order #2 Dollars		\$ 3,815.00	
Revised Contract Amount		\$ 7,127,927.45	
Previous Payments		\$ 1,118,128.14	
Balance Due this Estimate		\$ 627,093.88	
Net Amount Earned to Date		\$ 1,730,522.02	
Percentage of Contract Billed to Date			24.3%
Balance of Contract		\$ 5,397,405.43	75.7%

SH550 – GAP 1 PROJECT STAFFING

BASED ON SEPTEMBER ESTIMATE

Local (RGV) Contractor Personnel – 19

Non-Local (RGV) Contractor Personnel – 8

Local (RGV) CM Personnel – 1 FTE

Total Personnel – 20 FTE

SH550 – GAP 1 PAYMENT FUNDS DISTRIBUTION

BASED ON SEPTEMBER ESTIMATE #3

Total Paid to Date (SEPTEMBER 2017 Estimate) – \$1,730,522.02

Local (RGV) Contractor Payments – \$1,610,306.17 (93.1%)

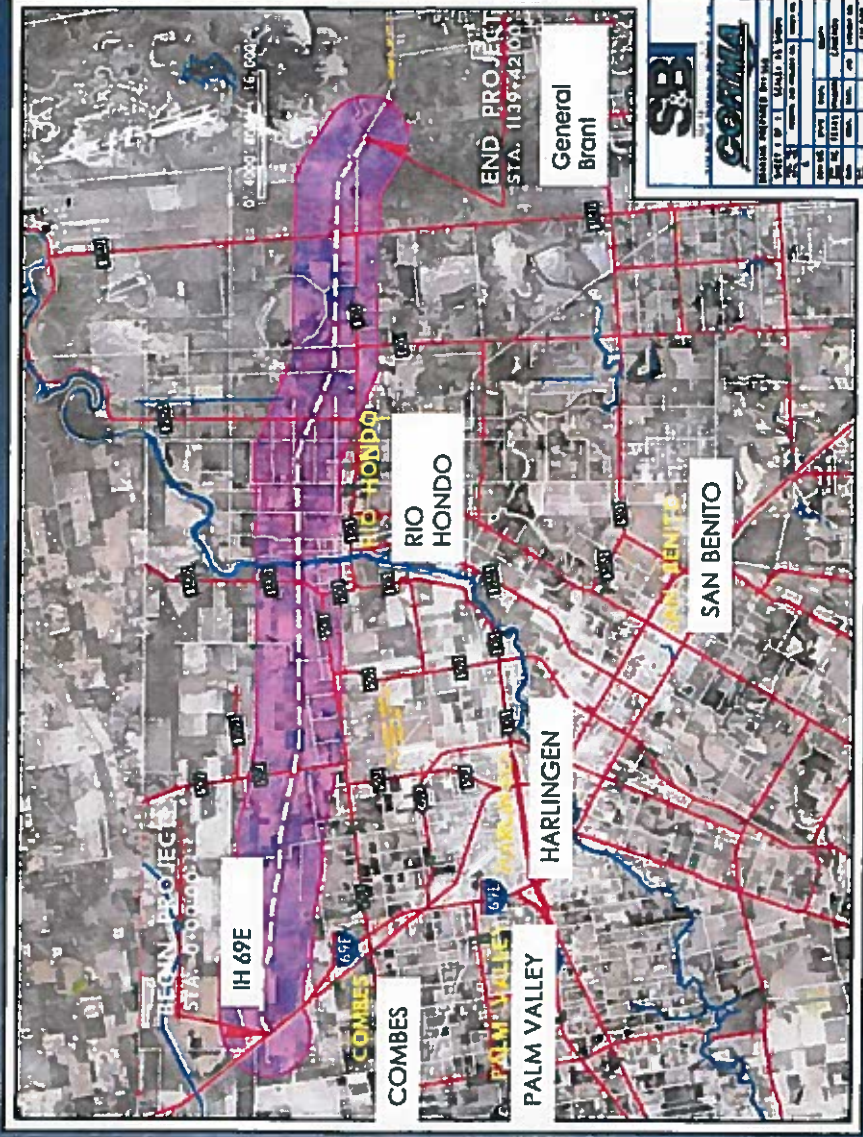
Non-Local (RGV) Contractor Payments – \$120,215.85 (6.9%)
(Guard Fencing and Crash Cushions (Laredo Striping) and
BMP Environmental (D&S Const.)

2-B PRESENTATION AND UPDATE ON THE OUTER PARKWAY PROJECT.

OUTER PARKWAY PROJECT

S&BI tasked with APD services

- ▶ Route and Design Studies Phase
- ▶ Currently Developing (with TEDSI) the Alternative Analysis
- ▶ Considering Existing Conditions/Constraints
 - ▶ Property Boundaries;
 - ▶ Geographical Features;
 - ▶ Environmental Features;
 - ▶ Existing Easements/ROW, etc.



OUTER PARKWAY PROJECT (CONTINUED)

- ▶ Conducted Coordination Meetings with:
 - ▶ Cameron County Irrigation District #2
 - ▶ Cameron County Drainage District #3
 - ▶ City of Harlingen
 - ▶ Cameron County Engineering Department
 - ▶ East Rio Hondo Water Supply Corporation
 - ▶ Boy Scouts of America
 - ▶ TxDOT / HCRMA with Respect to FM 1925 Tie in

OUTER PARKWAY PROJECT (CONTINUED)

- ▶ Preliminary Route Alternatives
- ▶ Three (3) Main Separate Alternatives (or Connection Locations at I-69) with Variants for a Total of 8 Alternatives.
- ▶ All Alternatives Typically Cross Following Features (East to West)
 - ▶ FM 507
 - ▶ Future FM 509
 - ▶ FM 1420
 - ▶ Arroyo Colorado
 - ▶ FM 2925
 - ▶ FM 803
 - ▶ FM 1847
- ▶ Several other roads, easements, pipelines, irrigation/drainage structures, etc.

OUTER PARKWAY PROJECT (CONTINUED)

- ▶ Estimated ROW
 - ▶ 810 Ac. to 923 Ac.
- ▶ Estimated Total Project Costs
 - ▶ \$155 M to \$170 M for ultimate section – Propose to construct in phases
 - ▶ Including:
 - ▶ ROW \$12 M to \$14 M
 - ▶ Construction Costs \$130 M to \$140 M
 - ▶ Environmental Mitigation, Utility Relocation, and Others

OUTER PARKWAY PROJECT (CONTINUED)

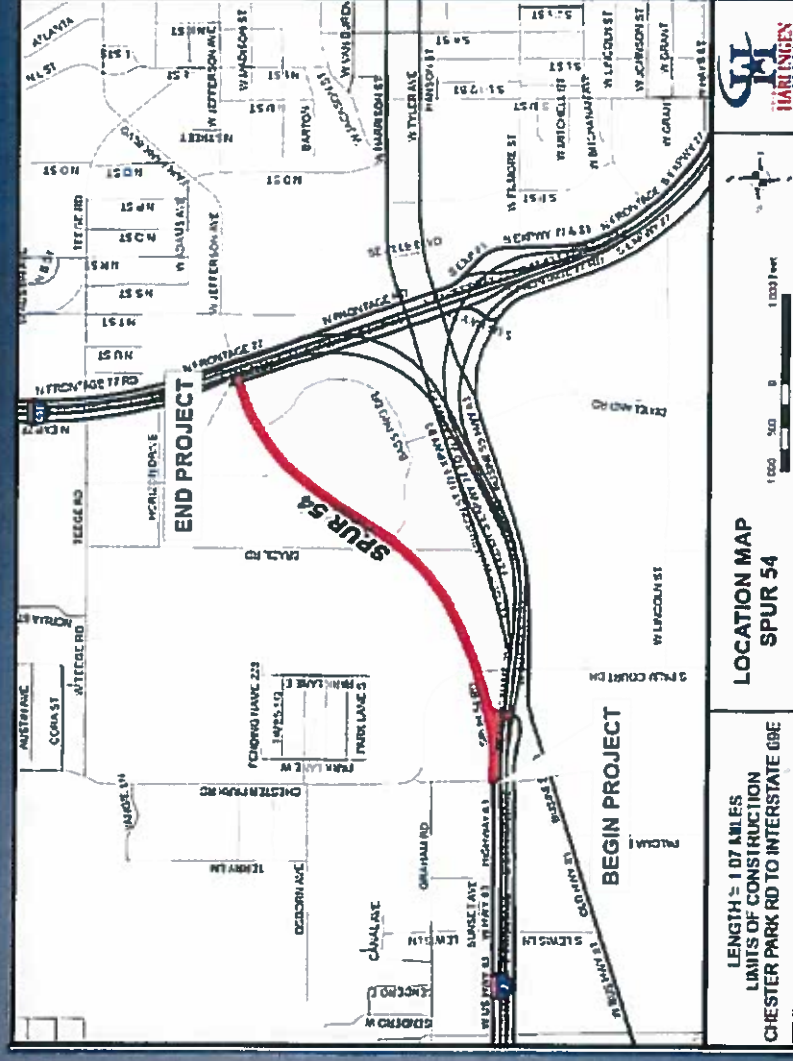
▶ NEXT MILESTONES

- ▶ Complete Review of TEDSI Alternative Analysis Report Submittal, dated September 29, 2017;
- ▶ Submit Alternative Analysis Report to TxDOT – Nov. 2017
- ▶ Hold First Public Workshop – Jan. 2018
- ▶ Develop Complete Schematics – Spring 2018
- ▶ Hold Second Public Workshop – Summer 2018

2-C PRESENTATION AND UPDATE ON THE SPUR 54 PROJECT.

SPUR 54 PROJECT

- ▶ SPUR 54 – (SBI Team tasked with Environmental Services in support of Environmental Decision (CE))
 - ▶ From Chester Park Road to I-69E SB Frontage Road, approx. 1.07 miles
 - ▶ Convert from a rural 4 lane divided roadway to an urban 6 lane roadway to include storm sewer, with raised landscaped center islands and potential bike lanes/paths
- ▶ TxDOT tasked with PS&E and Schematic



SPUR 54 PROJECT (CONTINUED)

Milestones

- ▶ S&B has completed and Submitted all Environmental Documents to TxDOT in support of the project, including:
 - ▶ Scoping Document
 - ▶ Coordination with TxDOT/CCRMA
 - ▶ Hazardous Materials Technical Report and Initial Site Assessment
 - ▶ Biological Evaluation Form
 - ▶ Noise Analysis Documentation
 - ▶ Archeological Background Study
 - ▶ Historic Resources Project Coordination Request Form
 - ▶ Air Quality Technical Report
 - ▶ Indirect Impact Analysis Report
- ▶ Public Involvement (Afford Opportunity for Public Hearing): November 2017
- ▶ Anticipated clearance: January 2018
- ▶ Project LET date: June 2018 – TxDOT preparing construction plans

4-A APPROVAL OF CLAIMS.



Admin Claims 10.12.17

Vendor ID	Vendor Name	Invoice/Credit Number	Cash Required	Invoice/Credit Description
April Romero	April Romero	AR2 9.28.17	157.13	Proj. Coordinator travel reimbursement for Sep 2017
Blanca C. Betancourt	Blanca C. Betancourt	BCB 10.5.17	56.77	Right of Way & Proj. Coordinator office expenses reimburseme
Denton Navarro Rocha	Denton Navarro Rocha	122961	1,850.46	Personnel Policy Manual Review
Emp Ericka Trevino	Ericka Trevino	ET 10.4.17	227.06	Accountant travel reimbursement for mail, deposits and TSCPA conference
Locke Lord	Locke Lord LLP	1353479	1,003.12	Legal services for Jul 2017
Locke Lord	Locke Lord LLP	1353480	350.26	Legislative legal services for Jul 2017
Locke Lord	Locke Lord LLP	1353481	1,375.32	Legal services for Jul 2017-East Loop procurement issues, revised policies and draft
Locke Lord	Locke Lord LLP	1360966	529.69	Legal services for Aug 2017-revision of US Trademark, call on requirements for posting RMA board meeting notices
Locke Lord	Locke Lord LLP	1360967	695.64	Legislative legal services for Aug 2017-notes required for testimony on RMA Projects, implications of HB361
CSR Environmental & Consulting LLC	CSR Environmental & Consulting LLC	3 - Mileage	81.32	Environmental services SH32
CSR Environmental & Consulting LLC	CSR Environmental & Consulting LLC	3 - SH550	800.00	Environmental Services for Projects September 2017
CSR Environmental & Consulting LLC	CSR Environmental & Consulting LLC	3 - SPI	2,500.00	Environmental Services for Projects September 2017
CSR Environmental & Consulting LLC	CSR Environmental & Consulting LLC	3-Port Connector	2,000.00	Environmental Services for Projects September 2017
CSR Environmental & Consulting LLC	CSR Environmental & Consulting LLC	3-SH32	5,208.89	Environmental Services for Projects September 2017
CSR Environmental & Consulting LLC	CSR Environmental & Consulting LLC	3-Veterans	1,100.00	Environmental Services for Projects September 2017
Lone Star Shredding	Lone Star Shredding Do	1936401	67.50	Shredding services for sep 2017
PEDRO SEPULVEDA JR	PEDRO SEPULVEDA JR.	PSJ 10.4.17	85.18	Executive director reimbursement for Board Meeting Lunch
Rancho Viejo Pet	Rancho Viejo Pet Club	L Oct 2017	3,210.00	October 2017 Rent for Admin Offices
Sullivan Public Affa	Sullivan Public Affairs	CC092017	7,500.00	Governmental relations consulting for Sep 2017
TML	Texas Municipal League	TML Risk Pool 10.1.1	165.50	Insurance Coastal Wind, Automobile lia, Errors&Omission, General Lia, Real & Pers Prop and Workers Comp
Xerox	Xerox	090768220	457.89	Printer for Admin Rent
Report Total			29,421.73	

Tolls Claims 10.12.17

Vendor ID	Vendor Name	Invoice/Credit Number	Cash Required	Invoice/Credit Description
Culligan	Culligan of the Rio Gran	Sep 2017	80.93	Drinking water utilities for Sep 2017
Emp Ema Jaramillo	Ema Jaramillo	EJ 9.30.17	127.74	CSR Travel reimbursement for deposits and National PCC week
Emp Luis Perez	Luis Perez	LP 10.6.17	19.32	CSR Travel reimbursement for weekly deposits
Franco San Miguel	FRANCISCO J SANMIGU	Aug 2017	2,000.00	Monthly services for SH550 for Aug 2017
gEXA eENERGY	Gexa Energy, LP	24042271 - DC	277.80	SH550 - DC Energy utilities for Sep 2017
gEXA eENERGY	Gexa Energy, LP	24042271 - FM1847	380.57	SH550 - FM1847 Energy utilities for Sep 2017
Locke Lord	Locke Lord LLP	1353482	1,222.50	Legal services for Jul 2017-SH550 revision of documents related to violator issues, toll systems procurement, draft cont
Locke Lord	Locke Lord LLP	1353482	2,130.96	Legal services for Jul 2017-SH550 revision of documents related to violator issues, toll systems procurement, draft cont
Locke Lord	Locke Lord LLP	1360968	687.19	Legal services for Aug 2017-SH550 conference calls on violator issues, research on violator process for mexican vehicles
Locke Lord	Locke Lord LLP	1360968	3,980.64	Legal services for Aug 2017-SH550 conference calls on violator issues, research on violator process for mexican vehicles

Matus Contractor Co	Matus Contractor Comp. 54
Megashine	Megashine 1083
Prisciliano Delgado	Prisciliano Delgado 10530
PUB	Public Utilities Board Sep 2017 - 600710
Reliant	Reliant 181002945593
Time Warner Cable	Time Warner Cable Busi 0121858100117
TML	Texas Municipal League TML Risk Pool 10.1.1

TollPlus LLC	TollPlus LLC O17035
TollPlus LLC	TollPlus LLC O17036

Xerox Corporation	Xerox Financial Services 937950
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4,500.00	SH550 cutting grass, garbage collection and herbicide services
1,355.00	Janitorial monthly services for Oct 2017
200.00	Monthly lawn care services for oct 2017
270.05	Energy utilities for SH 550 - DC for Sep 2017
463.35	Energy Utilities for Tolls office
1,839.09	Telephone and internet services for Oct 2017
14,714.00	Insurance Coastal Wind, Automobile lla, Errors&Omission, General Lia, Real & Pers Prop and Workers Comp
14,335.00	Monthly maintenance and implementation for BOS for Sep 2017
23,500.00	Enhancement of the transaction processing for toll transactions for out of state plates and mailing of invoices
<u>1,000.77</u>	Mailing services printer rent

73,084.91



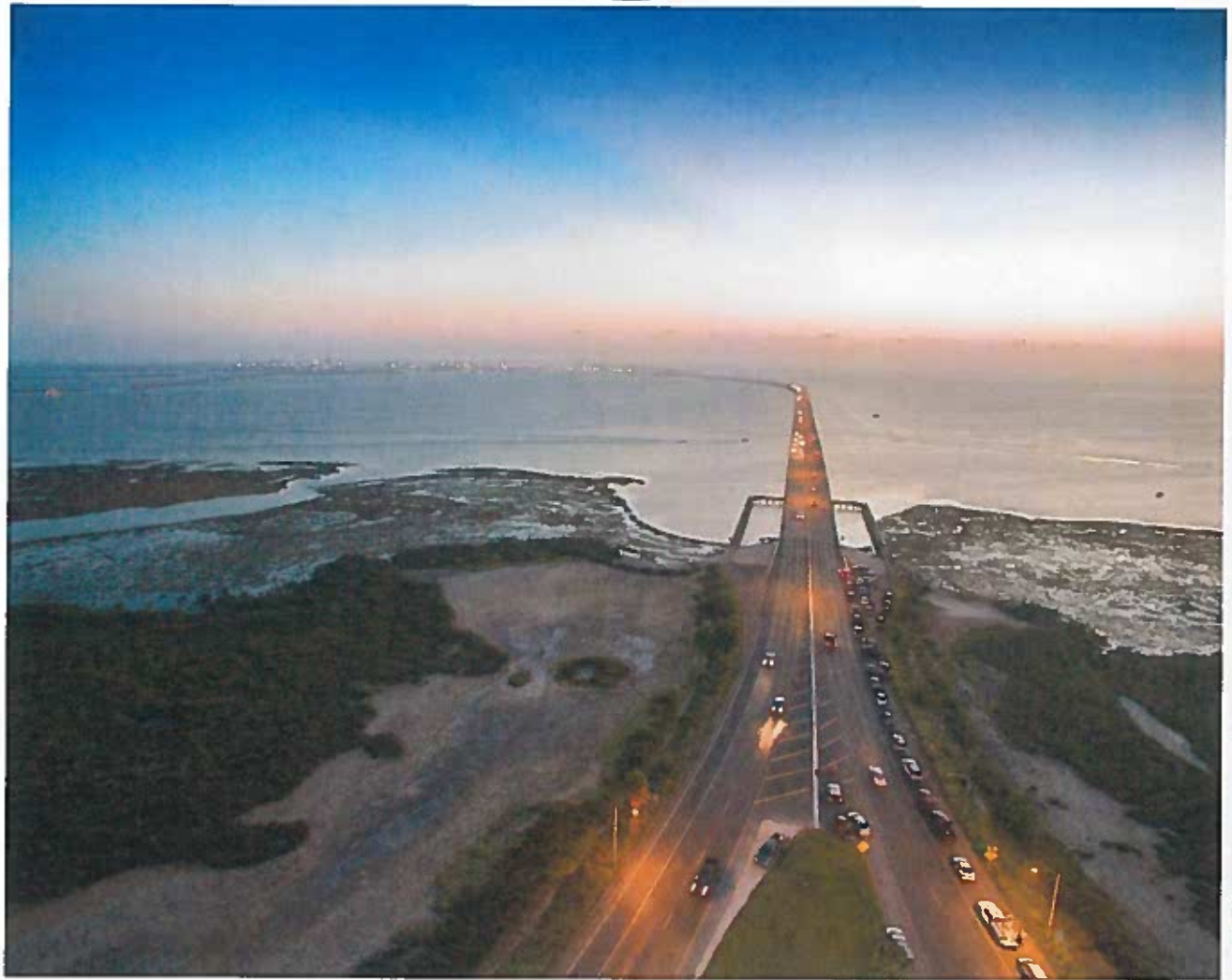
Admin Claims 10.12.17

<u>Vendor ID</u>	<u>Vendor Name</u>	<u>Invoice/Credit Number</u>	<u>Cash Required</u>	<u>Invoice/Credit Description</u>
Foremost Paving, Inc	Foremost Paving, Inc	3	<u>627,093.88</u>	Construction on SH550 GAP I August 25 - September 24
Report Total			<u>627,093.88</u>	

**4-B CONSIDERATION AND APPROVAL OF THE FINANCIAL
STATEMENTS AND BUDGET AMENDMENTS FOR THE MONTHS OF
AUGUST AND SEPTEMBER 2017.**

CCRMA

CAMERON COUNTY REGIONAL MOBILITY AUTHORITY



AUGUST 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 8/1/2017 Through 8/31/2017
(In Whole Numbers)

	Current Period Actual	Current Year Actual	YTD Budget - Original	YTD Budget Variance - Original
Operating Revenues				
Vehicle registration fees	253,359	2,786,949	3,100,000	(313,051)
TRZ revenue	0	268,848	175,000	93,848
Other revenue	11,990	343,657	3,390,213	(3,046,556)
Total Operating Revenues	<u>265,349</u>	<u>3,399,455</u>	<u>6,665,213</u>	<u>(3,265,758)</u>
Operating Expenses				
Personnel costs	62,721	598,416	633,159	34,743
Professional services	75,000	237,256	290,300	53,044
Contractual services	8,208	173,417	185,000	11,583
Debt interest	1,930,513	4,439,623	5,703,666	1,264,043
Project expenses	0	0	314,688	314,688
Advertising & marketing	900	13,211	25,000	11,789
Data processing	402	3,200	10,000	6,800
Dues & memberships	10,000	16,365	25,000	8,635
Education & training	0	2,110	10,000	7,890
Fiscal agent fees	0	12,752	45,000	32,248
Insurance	0	2,478	10,000	7,522
Maintenance & repairs	275	2,195	22,400	20,205
Office supplies	4,186	29,554	36,000	6,446
Rent	6,265	26,975	30,000	3,025
Travel	2,136	20,453	30,000	9,547
Utilities	1,102	6,501	10,000	3,499
Other expenses	0	0	5,000	5,000
Total Operating Expenses	<u>2,101,708</u>	<u>5,584,505</u>	<u>7,385,213</u>	<u>1,800,708</u>
Non Operating Revenue				
Interest income	1,496	20,273	15,000	5,273
Other Financing sources	0	0	705,000	(705,000)
Total Non Operating Revenue	<u>1,496</u>	<u>20,273</u>	<u>720,000</u>	<u>(699,727)</u>
Changes in Net Assets	<u>(1,834,862)</u>	<u>(2,164,778)</u>	<u>0</u>	<u>(2,164,778)</u>
Net Assets Beginning of Year	<u>(329,916)</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Assets End of Year	<u>(2,164,778)</u>	<u>(2,164,778)</u>	<u>0</u>	<u>(2,164,778)</u>

CAMERON COUNTY REGIONAL MOBILITY AUTHORITY
Toll Operations Revenues Expenditures - Accrual - Unposted Transactions Included In Report
From 8/1/2017 Through 8/31/2017
(In Whole Numbers)

	Current Period Actual	Current Year Actual	YTD Budget - Original	YTD Budget Variance - Original	Prior Year Actual
Toll Operating Revenues					
Toll Operating Revenues					
Toll Revenue	1,037.01	168,137.43	475,200.00	(307,062.57)	405,200.66
Toll Violation Revenue	4,945.58	165,883.92	665,280.00	(499,396.08)	226,815.30
Interop Revenue	<u>48,030.73</u>	<u>514,109.35</u>	<u>550,000.00</u>	<u>(35,890.65)</u>	<u>473,286.99</u>
Total Toll Operating Revenues	54,013.32	848,130.70	1,690,480.00	(842,349.30)	1,105,302.95
TPS Accrued Revenues					
TPS Toll Revenues	21,988.48	438,317.37	0.00	438,317.37	0.00
TPS RBP Revenue	37,894.63	198,947.87	0.00	198,947.87	0.00
TPS Violation Revenue	<u>317,999.55</u>	<u>1,292,117.14</u>	<u>0.00</u>	<u>1,292,117.14</u>	<u>0.00</u>
Total TPS Accrued Revenues	<u>377,882.66</u>	<u>1,929,382.38</u>	<u>0.00</u>	<u>1,929,382.38</u>	<u>0.00</u>
Total Toll Operating Revenues	<u>431,895.98</u>	<u>2,777,513.08</u>	<u>1,690,480.00</u>	<u>1,087,033.08</u>	<u>1,105,302.95</u>
Toll Operating Expenses					
Payroll - Indirect	26,941.11	164,935.90	159,640.00	(5,295.90)	68,986.57
Payroll Taxes	2,012.40	12,040.04	12,212.00	171.96	5,846.19
Payroll Benefits - Retirement	1,481.05	10,821.55	16,732.00	5,910.45	6,991.22
Payroll Benefits TCDRS GTL	18.38	104.00	0.00	(104.00)	0.00
Payroll Benefits - Health	3,034.52	28,025.62	48,000.00	19,974.38	12,955.06
Accounting Software & Services	0.00	0.00	0.00	0.00	250.00
Advertising & Marketing	2,000.00	39,408.58	50,000.00	10,591.42	47,682.47
Contractual	2,000.00	23,141.92	40,000.00	16,858.08	17,740.00
Legal Expense	0.00	33,146.02	50,000.00	16,853.98	0.00
Dues & Memberships	0.00	2,995.46	10,000.00	7,004.54	0.00
Education & Training	0.00	1,940.36	4,000.00	2,059.64	0.00
Maintenance & Repairs	2,800.00	18,993.18	15,000.00	(3,993.18)	0.00
Maintenance - SH 550	4,981.34	53,051.11	100,000.00	46,948.89	53,052.48
Returned Bank Pmt Fees	12.00	178.00	0.00	(178.00)	0.00
Interop Collection Fees	3,256.56	36,325.25	55,000.00	18,674.75	31,094.31
PBM Add on Fees	109.51	17,817.76	25,000.00	7,182.24	44,117.37
PBM Image Review	0.00	11,539.40	30,000.00	18,460.60	58,574.95
PBM Pre-Court Program	297.05	1,264.15	4,000.00	2,735.85	4,294.64
Office Supplies	1,114.07	14,012.09	25,000.00	10,987.91	0.00
Postage	23,217.35	115,113.86	100,000.00	(15,113.86)	1,000.77
Rent	1,498.79	13,584.10	35,000.00	21,415.90	1,040.00
Travel	268.02	8,862.56	8,000.00	(862.56)	3,836.21
Utilities	4,582.85	44,429.76	40,000.00	(4,429.76)	15,236.94
Transfer to General Operations	0.00	0.00	280,000.00	280,000.00	0.00
Toll Road Property Insurance	0.00	61,748.00	75,000.00	13,252.00	52,408.75
Toll Operational Support	6,720.00	69,348.00	100,000.00	30,652.00	75,721.05
Toll System Provider	0.00	132,030.62	225,000.00	92,969.38	187,500.00
BOS System Provider	14,335.00	100,361.68	175,000.00	74,638.32	0.00
Merchant Card Services	6,061.83	16,203.47	45,000.00	28,796.53	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>106,741.83</u>	<u>1,031,422.44</u>	<u>2,040,480.00</u>	<u>1,009,057.56</u>	<u>688,328.98</u>
Changes In Net Assets	<u>325,154.15</u>	<u>1,746,090.64</u>	<u>(350,000.00)</u>	<u>2,096,090.64</u>	<u>416,973.97</u>

CAMERON COUNTY REGIONAL MOBILITY AUTHORITY
Toll Operations Revenues Expenditures - Cash - Unposted Transactions Included In Report
From 8/1/2017 Through 8/31/2017
(In Whole Numbers)

	Current Period Actual	Current Year Actual	YTD Budget - Original	YTD Budget Variance - Original	Prior Year Actual
Toll Operating Revenues					
Toll Operating Revenues					
Toll Revenue	1,037.01	168,137.43	475,200.00	(307,062.57)	405,200.66
Toll Violation Revenue	4,945.58	165,883.92	665,280.00	(499,396.08)	226,815.30
Interop Revenue	48,030.73	514,109.35	550,000.00	(35,890.65)	473,286.99
Total Toll Operating Revenues	54,013.32	848,130.70	1,690,480.00	(842,349.30)	1,105,302.95
TPS Revenues					
	<u>128,063.29</u>	<u>721,292.03</u>	<u>0.00</u>	<u>721,292.03</u>	<u>0.00</u>
Total TPS Revenues	<u>128,063.29</u>	<u>721,292.03</u>	<u>0.00</u>	<u>721,292.03</u>	<u>0.00</u>
Total Toll Operating Revenues	<u>182,076.61</u>	<u>1,569,422.73</u>	<u>1,690,480.00</u>	<u>(121,057.27)</u>	<u>1,105,302.95</u>
Toll Operating Expenses					
Payroll - Indirect	26,941.11	164,935.90	159,640.00	(5,295.90)	68,986.57
Payroll Taxes	2,012.40	12,040.04	12,212.00	171.96	5,846.19
Payroll Benefits - Retirement	1,481.05	10,821.55	16,732.00	5,910.45	6,991.22
Payroll Benefits TCDRS GTL	18.38	104.00	0.00	(104.00)	0.00
Payroll Benefits - Health	3,034.52	28,025.62	48,000.00	19,974.38	12,955.06
Accounting Software & Services	0.00	0.00	0.00	0.00	250.00
Advertising & Marketing	2,000.00	39,408.58	50,000.00	10,591.42	47,682.47
Contractual	2,000.00	23,141.92	40,000.00	16,858.08	17,740.00
Legal Expense	0.00	33,146.02	50,000.00	16,853.98	0.00
Dues & Memberships	0.00	2,995.46	10,000.00	7,004.54	0.00
Education & Training	0.00	1,940.36	4,000.00	2,059.64	0.00
Maintenance & Repairs	2,800.00	18,993.18	15,000.00	(3,993.18)	0.00
Maintenance - SH 550	4,981.34	53,051.11	100,000.00	46,948.89	53,052.48
Returned Bank Pmt Fees	12.00	178.00	0.00	(178.00)	0.00
Interop Collection Fees	3,256.56	36,325.25	55,000.00	18,674.75	31,094.31
PBM Add on Fees	109.51	17,817.76	25,000.00	7,182.24	44,117.37
PBM Image Review	0.00	11,539.40	30,000.00	18,460.60	58,574.95
PBM Pre-Court Program	297.05	1,264.15	4,000.00	2,735.85	4,294.64
Office Supplies	1,114.07	14,012.09	25,000.00	10,987.91	0.00
Postage	23,217.35	115,113.86	100,000.00	(15,113.86)	1,000.77
Rent	1,498.79	13,584.10	35,000.00	21,415.90	1,040.00
Travel	268.02	8,862.56	8,000.00	(862.56)	3,836.21
Utilities	4,582.85	44,429.76	40,000.00	(4,429.76)	15,236.94
Transfer to General Operations	0.00	0.00	280,000.00	280,000.00	0.00
Toll Road Property Insurance	0.00	61,748.00	75,000.00	13,252.00	52,408.75
Toll Operational Support	6,720.00	69,348.00	100,000.00	30,652.00	75,721.05
Toll System Provider Maintenance	0.00	132,030.62	225,000.00	92,969.38	187,500.00
BOS System Provider Maintenance	14,335.00	100,361.68	175,000.00	74,638.32	0.00
Merchant Card Services	6,061.83	16,203.47	45,000.00	28,796.53	0.00
Maintenance & Debt Reserve	0.00	0.00	312,896.00	312,896.00	0.00
Total Toll Operating Expenses	<u>106,741.83</u>	<u>1,031,422.44</u>	<u>2,040,480.00</u>	<u>1,009,057.56</u>	<u>688,328.98</u>
Changes in Net Assets	<u>75,334.78</u>	<u>538,000.29</u>	<u>(350,000.00)</u>	<u>888,000.29</u>	<u>416,973.97</u>

CAMERON COUNTY REGIONAL MOBILITY AUTHORITY
Combined Statement of Revenues Expenses - Unposted Transactions Included In Report
From 8/1/2017 Through 8/31/2017
(In Whole Numbers)

	Current Period Actual	Current Year Actual	YTD Budget - Original	YTD Budget Variance - Original	Prior Year Actual
Operating Revenues					
Vehicle registration fees	253,359.00	2,786,949.00	3,100,000.00	(313,051.00)	2,916,706.25
Toll revenues	431,895.98	2,777,513.08	1,715,480.00	1,062,033.08	1,105,302.95
TRZ revenue	0.00	268,848.26	175,000.00	93,848.26	0.00
Other revenue	<u>11,990.00</u>	<u>343,796.90</u>	<u>3,440,213.00</u>	<u>(3,096,416.10)</u>	<u>1,717,024.43</u>
Total Operating Revenues	<u>697,244.98</u>	<u>6,177,107.24</u>	<u>8,430,693.00</u>	<u>(2,253,585.76)</u>	<u>5,739,033.63</u>
Operating Expenses					
Personnel costs	96,208.83	814,343.17	869,743.00	55,399.83	628,533.13
Accounting software and services	0.00	0.00	10,300.00	10,300.00	3,541.00
Professional services	75,000.00	237,256.00	280,000.00	42,744.00	147,500.00
Contractual services	10,207.53	229,704.87	275,000.00	45,295.13	98,179.79
Debt interest	1,930,512.60	4,439,622.67	5,303,666.00	864,043.33	3,172,924.36
Project expenses	0.00	0.00	1,027,584.00	1,027,584.00	0.00
Advertising & marketing	2,900.00	52,619.69	75,000.00	22,380.31	72,609.98
Data processing	402.00	3,200.04	10,000.00	6,799.96	9,024.68
Dues & memberships	10,000.00	19,360.46	35,000.00	15,639.54	13,059.00
Education & training	0.00	4,050.36	14,000.00	9,949.64	8,429.65
Fiscal agent fees	0.00	12,752.00	45,000.00	32,248.00	13,886.00
Insurance	0.00	64,225.63	85,000.00	20,774.37	59,934.79
Maintenance & repairs	3,075.00	21,188.18	37,400.00	16,211.82	18,470.00
Office supplies	28,517.79	158,679.75	161,000.00	2,320.25	38,804.57
Road maintenance	25,378.17	301,646.88	545,000.00	243,353.12	240,552.48
Rent	7,763.78	40,558.84	65,000.00	24,441.16	18,216.79
Toll services	10,395.12	136,472.56	494,000.00	357,527.44	213,802.32
Travel	2,403.57	29,315.38	38,000.00	8,684.62	27,938.28
Utilities	5,685.21	50,931.24	50,000.00	(931.24)	28,500.56
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>2,208,449.60</u>	<u>6,615,927.72</u>	<u>9,425,693.00</u>	<u>2,809,765.28</u>	<u>4,813,907.74</u>
Non Operating Revenue					
Interest income	1,496.42	20,272.76	15,000.00	5,272.76	11,529.35
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>1,496.42</u>	<u>20,272.76</u>	<u>995,000.00</u>	<u>(974,727.24)</u>	<u>11,529.35</u>
Changes in Net Assets	<u>(1,509,708.20)</u>	<u>(418,547.72)</u>	<u>0.00</u>	<u>(418,547.72)</u>	<u>936,655.24</u>
Net Assets Beginning of Year	<u>1,091,160.48</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Net Assets End of Year	<u>(418,547.72)</u>	<u>(418,547.72)</u>	<u>0.00</u>	<u>(418,547.72)</u>	<u>936,655.24</u>

CAMERON COUNTY REGIONAL MOBILITY AUTHORITY
 Capital Project Expenses - Summarized - Unposted Transactions Included In Report
 From 8/1/2017 Through 8/31/2017
 (In Whole Numbers)

	<u>Current Period Actual</u>	<u>Current Year Actual</u>	<u>YTD Budget - Original</u>	<u>YTD Budget Variance - Original</u>
Capital Projects				
South Padre Island 2nd Access	4,522	191,409	1,250,000	1,058,591
Outer Parkway	0	478,063	1,000,000	521,937
FM 1925	0	0	500,000	500,000
West Rail Relocation	631,378	726,083	2,500,000	1,773,917
SH 550	114,527	506,854	5,250,000	4,743,146
SH 32 (East Loop)	8,375	155,214	1,000,000	844,786
Port Isabel Access Rd	0	0	50,000	50,000
Spur 54 Project	0	35,348	44,000	8,652
Toll Equipment & Operational	<u>20,160</u>	<u>789,028</u>	<u>1,250,000</u>	<u>460,972</u>
Infrastructure				
Total Capital Projects	<u>778,962</u>	<u>2,881,998</u>	<u>12,844,000</u>	<u>9,962,002</u>

CAMERON COUNTY REGIONAL MOBILITY AUTHORITY
 Capital Project Expenses - Detail - Unposted Transactions Included In Report
 From 8/1/2017 Through 8/31/2017
 (In Whole Numbers)

		Current Period Actual	Current Year Actual	YTD Budget - Original	YTD Budget Variance - Original
Capital Projects					
South Padre Island 2nd Access	2000				
CAPITALIZED PROJECT COSTS	01CAP				
CIP - Planning & Coordination	15100	0	32,206	550,000	517,794
CIP - Preliminary Engineering &	15110	0	0	200,000	200,000
CIP - Environmental Studies	15120	4,522	146,035	500,000	353,965
CIP - Direct Legal Costs	15300	0	13,167	0	(13,167)
Total South Padre Island 2nd Access		4,522	191,409	1,250,000	1,058,591
Outer Parkway	2050				
CAPITALIZED PROJECT COSTS	01CAP				
CIP - Planning & Coordination	15100	0	20,547	200,000	179,453
CIP - Preliminary Engineering &	15110	0	322,113	125,000	(197,113)
CIP - Environmental Studies	15120	0	135,402	675,000	539,598
Total Outer Parkway		0	478,063	1,000,000	521,937
FM 1925	2075				
CAPITALIZED PROJECT COSTS	01CAP				
CIP - Environmental Studies	15120	0	0	500,000	500,000
Total FM 1925		0	0	500,000	500,000
West Rail Relocation	2100				
CAPITALIZED PROJECT COSTS	01CAP				
CIP - Mitigation	15130	32	9,969	0	(9,969)
CIP - Right of Way	15200	631,346	712,582	0	(712,582)
CIP - Construction	15220	0	0	2,500,000	2,500,000
CIP - Construction Management	15240	0	2,860	0	(2,860)
CIP - Direct Legal Costs	15300	0	672	0	(672)
Total West Rail Relocation		631,378	726,083	2,500,000	1,773,917
SH 550	2200				
CAPITALIZED PROJECT COSTS	01CAP				
CIP - Environmental Studies	15120	0	4,422	0	(4,422)
CIP - Mitigation	15130	800	25,500	100,000	74,501
CIP - Public Presentations, RFP, RFQ,	15140	0	8,479	0	(8,479)
Bidding & Letting					
CIP - Construction	15220	94,037	94,037	5,000,000	4,905,963
CIP - Construction Management	15240	16,336	44,858	150,000	105,142
CIP - Direct Legal Costs	15300	3,353	20,489	0	(20,489)
Total SH 550		114,527	197,786	5,250,000	5,052,214
SH 32 (East Loop)	2250				
CAPITALIZED PROJECT COSTS	01CAP				
CIP - Planning & Coordination	15100	0	10,070	250,000	239,930
CIP - Environmental Studies	15120	7,000	121,557	750,000	628,443
CIP - Public Presentations, RFP, RFQ,	15140	0	21,730	0	(21,730)
Bidding & Letting					
CIP - Direct Legal Costs	15300	1,375	1,857	0	(1,857)
Total SH 32 (East Loop)		8,375	155,214	1,000,000	844,786
Port Isabel Access Rd	2400				
CAPITALIZED PROJECT COSTS	01CAP				
CIP - Planning & Coordination	15100	0	0	15,000	15,000

CAMERON COUNTY REGIONAL MOBILITY AUTHORITY
Capital Project Expenses - Detail - Unposted Transactions Included In Report
From 8/1/2017 Through 8/31/2017
(In Whole Numbers)

CIP - Environmental Studies	15120	<u>0</u>	<u>0</u>	<u>35,000</u>	<u>35,000</u>
Total Port Isabel Access Rd		0	0	50,000	50,000
Spur 54 Project	2425				
CAPITALIZED PROJECT COSTS	01CAP				
CIP - Planning & Coordination	15100	0	5,351	10,000	4,649
CIP - Environmental Studies	15120	0	29,997	34,000	4,003
Total Spur 54 Project		0	35,348	44,000	8,652
Toll Equipment & Operational	5000				
Infrastructure					
CAPITALIZED PROJECT COSTS	01CAP				
CIP - Direct Legal Costs	15300	0	1,373	0	(1,373)
Toll Equipment & Software in Process	16000	<u>20,160</u>	<u>787,655</u>	<u>1,250,000</u>	<u>462,345</u>
Total Toll Equipment & Operational		<u>20,160</u>	<u>789,028</u>	<u>1,250,000</u>	<u>460,972</u>
Infrastructure					
Total Capital Projects		<u>778,962</u>	<u>2,572,931</u>	<u>12,844,000</u>	<u>10,271,069</u>

CAMERON COUNTY REGIONAL MOBILITY AUTHORITY

Balance Sheet
As of 8/31/2017
(In Whole Numbers)

	<u>Current Year</u>
ASSETS	
Current Assets:	
Cash and cash equivalents	
CCRMA Claims Account	12,889
CCRMA Operating Fund	916,708
CCRMA Merchant Card Account	87,242
CCRMA Mail Payments Account	104,171
CCRMA Line of Credit Account - TRB	1,000
Toll Operators Cash	60
TxDMV Escrow Account	21,001
TxTag - Replenishment Account	10,120
CCRMA Bond/Debt Funds	<u>1,311,539</u>
Total Cash and cash equivalents	2,464,731
Restricted cash accounts - debt service	
CCRMA Toll Revenue Funds	69,626
2010 A & B Pledged Revenue Funds	141,827
2010 A Debt Reserve	1,049,552
2010 B Debt Reserve	1,231,125
2012 Bond CAPI funds	999
2012 Bond Operating Fund	5,471
2012 Bonds Rate Stabilization Fund	1,600,000
2012 Bonds Debt Service	993,474
2012 Bond Renewal & Replacement Fund	40,000
2012 Pass Thru Pay Revenue ACCU	85,000
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	5,224,621
Accounts receivable	
Accounts Receivable - Customers	9,668
TPS Accounts Receivable	1,175,605
TPS RBP Accounts Receivable	32,486
Vehicle Registration Fees - Receivable	452,545
Employee Receivables	<u>150</u>
Total Accounts receivable	1,670,454
Accounts receivable - other agencies	
Due from Other Agencies	<u>348,923</u>
Total Accounts receivable - other agencies	348,923
Prepaid expenses	
Prepaid Rent	3,210
Prepaid Other Expense	<u>5,866</u>
Total Prepaid expenses	<u>9,076</u>
Total Current Assets:	9,717,804
Non Current Assets:	
Capital assets, net	
Land & Right of Way	98,750
Buildings	202,803
Accumulated Depreciation-Buildings	(15,210)
Improvements	20,791
Accumulated Depreciation-Improvements	(768)
Furnishings & Equipment	7,591,215
Accumulated Depreciation-Furnishings & Equipment	(1,128,395)

CAMERON COUNTY REGIONAL MOBILITY AUTHORITY

Balance Sheet
As of 8/31/2017
(In Whole Numbers)

	Current Year
Software & Technology	19,792
Accumulated Depreciation Software & Technology	(11,875)
Infrastructure & Utilities	64,200,349
Improvements - Infrastructure	309,068
Accumulated Depreciation-Infrastructure	<u>(2,790,385)</u>
Total Capital assets, net	68,496,134
Capital projects in progress	
CIP - Planning & Coordination	898,694
CIP - Preliminary Engineering & Design	4,111,372
CIP - Environmental Studies	15,429,343
CIP - Mitigation	294,338
CIP - Public Presentations, RFP, RFQ, Bidding & Letting	67,099
CIP - Right of Way	735,914
CIP - Construction	94,037
CIP - Construction Management	99,236
CIP - Direct Legal Costs	316,759
CIP - Capitalized Interest	61,658
CIP - Direct Administration	493,049
CIP - Indirect Administration and Overhead	570,258
Toll Equipment & Software in Process	<u>1,905,818</u>
Total Capital projects in progress	25,077,575
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	118,890
Total Non Current Assets:	<u>140,315,065</u>
Total ASSETS	<u>150,032,869</u>
LIABILITIES	
Current Liabilities	
Accounts payable	
AP - Operations	137,265
AP - Project Exenditures	<u>309,604</u>
Total Accounts payable	446,869
Accrued expenses	
TxTag Customer Deposits	1,437
Toll Refunds from MSB	7,187
Accrued Expense	<u>(1)</u>
Total Accrued expenses	8,623
Payroll liabilities	
Federal Tax Withholding	(8)
Payroll Tax Payable	(192)
Retirement Contribution Payable	5,783
Health Insurance Payable	1,400
Aflac Employee Liabilities	116
Dental Insurance Payable	165
Employee Vision Insurance	<u>25</u>
Total Payroll liabilities	7,290

CAMERON COUNTY REGIONAL MOBILITY AUTHORITY

Balance Sheet
As of 8/31/2017
(In Whole Numbers)

	<u>Current Year</u>
Deferred revenue	
UFV Fund Deposits	1,654
Deferred Revenue	1,626
TPS Customer Deposits	1,729
Restricted Funds - West Rail	<u>309,507</u>
Total Deferred revenue	<u>314,516</u>
Total Current Liabilities	777,298
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>480,774</u>
Total Due to TxDot	55,159,464
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>136,902,626</u>
Total LIABILITIES	<u>137,679,925</u>
NET POSITION	
Beginning net position	
	<u>13,225,338</u>
Total Beginning net position	13,225,338
Changes in net position	
	<u>(251,571)</u>
Total Changes in net position	<u>(251,571)</u>
Total NET POSITION	<u>12,973,768</u>
TOTAL LIABILITIES AND NET POSITION	<u><u>150,653,692</u></u>

CAMERON COUNTY REGIONAL MOBILITY AUTHORITY

Statement of Cash Flows

As of 8/31/2017

	<u>Current Period</u>	<u>Current Year</u>
Cash Flows from Operating Activities		
Receipts from Vehicle Registration Fees	301,150.00	2,844,000.00
Receipts from MSB/Interop Toll revenues	55,656.80	837,094.21
Receipts from TPS Toll Revenues	128,028.21	1,032,445.43
Receipts from Other Operating Revenues	11,990.00	2,282,609.15
Payments to Vendors	(350,241.62)	(2,486,630.09)
Payments to Employees	(93,700.73)	(810,742.83)
Total Cash Flows from Operating Activities	<u>52,882.66</u>	<u>3,698,775.87</u>
Cash Flows from Capital and Related Financing Activities		
Acquisitions of Property and Equipment	0.00	(309,067.75)
Acquisitions of Construction in Progress	(658,805.65)	(3,091,843.25)
Payments on Bond Interest and Principal	(1,723,918.84)	(3,399,670.81)
Proceeds related to Redevelopment Assets	0.00	60,839.14
Advances on FAA and Grant Proceeds	0.00	1,625,637.71
Total Cash Flows from Capital and Related Financing Activities	<u>(2,382,724.49)</u>	<u>(5,114,104.96)</u>
Cash Flows from Investing Activities		
Receipts from Interest Income	<u>1,496.42</u>	<u>20,272.76</u>
Total Cash Flows from Investing Activities	<u>1,496.42</u>	<u>20,272.76</u>
Beginning Cash & Cash Equivalents	9,946,316.53	9,084,307.55
Ending Cash & Cash Equivalents	<u><u>7,617,971.12</u></u>	<u><u>7,689,251.22</u></u>

CCRMA

CAMERON COUNTY REGIONAL MOBILITY AUTHORITY



SEPTEMBER 2017 FINANCIAL REPORT

PETE SEPULVEDA, JR., EXECUTIVE DIRECTOR

JESUS ADRIAN RINCONES, CPA, CFE, CHIEF FINANCIAL OFFICER

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Statement of Revenues, Expenses and Changes in Net Position - Unposted Transactions Included in Report
From 9/1/2017 Through 9/30/2017
(In Whole Numbers)

From 9/1/2017 Through 9/30/2017

Original

Unaudited Financials Subject to Change

Toll Operations Revenues Expenditures - Accrual - Unposted Transactions Included in Report

From 9/1/2017 Through 9/30/2017

(In Whole Numbers)

	Current Period	Current Year	YTD Budget - Original	YTD Budget Variance - Original	Prior Year Actual
Toll Operating Revenues					
Toll Operating Revenues	1,850.92	169,988.35	475,200.00	(305,211.65)	445,395.31
Toll Revenue					
Toll Violation Revenue	3,823.33	169,707.25	665,280.00	(495,572.75)	251,235.59
Interlop Revenue	35,000.00	549,109.35	550,000.00	(890.65)	523,405.49
Total Toll Operating Revenues	40,674.25	888,804.95	1,690,480.00	(801,675.05)	1,220,036.39
TPS Accrued Revenues					
TPS Toll Revenues	89,725.68	528,043.05	0.00	528,043.05	0.00
TPS RBP Revenue	55,583.94	254,531.81	0.00	254,531.81	0.00
TPS Violation Revenue	274,112.84	1,566,229.98	0.00	1,566,229.98	0.00
Total TPS Accrued Revenues	419,422.46	2,348,804.84	0.00	2,348,804.84	0.00
Total Toll Operating Revenues	460,096.71	3,237,609.79	1,690,480.00	1,547,129.79	1,220,036.39
Toll Operating Expenses					
Payroll - Indirect	8,139.62	173,075.52	159,640.00	(13,435.52)	75,967.39
Payroll Taxes	610.95	12,650.99	12,212.00	(438.99)	6,948.96
Payroll Benefits - Retirement	1,432.72	12,254.27	16,732.00	4,477.73	7,674.64
Payroll Benefits TCDRS GTL	17.78	121.78	0.00	(121.78)	0.00
Payroll Benefits - Health	3,034.52	31,060.14	48,000.00	16,939.86	14,410.12
Accounting Software & Services	0.00	0.00	0.00	0.00	250.00
Advertising & Marketing	1,785.00	41,193.58	50,000.00	8,806.42	50,611.63
Computer Equipment and	1,617.80	1,617.80	0.00	(1,617.80)	0.00
Contractual	2,000.00	25,141.92	40,000.00	14,858.08	19,490.00
Legal Expense	3,980.64	39,257.62	50,000.00	10,742.38	7,733.07
Dues & Memberships	190.00	3,185.46	10,000.00	6,814.54	0.00
Education & Training	0.00	1,940.36	4,000.00	2,059.64	0.00
Maintenance & Repairs	1,202.85	20,196.03	15,000.00	(5,196.03)	0.00
Maintenance - SH 550	4,265.82	57,316.93	100,000.00	42,683.07	59,789.54
Returned Bank Pmt Fees	12.00	190.00	0.00	(190.00)	0.00
Interlop Collection Fees	5,000.00	41,325.25	55,000.00	13,674.75	34,400.14
PBM Add on Fees	196.18	18,013.94	25,000.00	6,986.06	48,362.38
PBM Image Review	0.00	11,539.40	30,000.00	18,460.60	63,067.35
PBM Pre-Court Program	0.00	1,264.15	4,000.00	2,735.85	4,739.64
Office Supplies	857.51	14,869.60	25,000.00	10,130.40	0.00
Postage	15,000.00	130,113.86	100,000.00	(30,113.86)	1,000.77
Rent	1,453.22	15,037.32	35,000.00	19,962.68	1,040.00
Travel	370.59	9,233.15	8,000.00	(1,233.15)	3,836.21
Utilities	3,539.50	47,969.26	40,000.00	(7,969.26)	16,892.78
Transfer to General Operations	0.00	0.00	280,000.00	280,000.00	0.00
Toll Road Property Insurance	0.00	61,748.00	75,000.00	13,252.00	52,408.75
Toll Operational Support	0.00	69,348.00	100,000.00	30,652.00	81,601.05
Toll System Provider Maintenance	13,390.31	145,420.93	225,000.00	79,579.07	200,000.00
BOS System Provider	14,335.00	114,696.68	175,000.00	60,303.32	0.00
Merchant Card Services	2,970.34	19,173.81	45,000.00	25,826.19	0.00
Out of State DMV	652.08	652.08	0.00	(652.08)	0.00
Maintenance & Debt Reserve	0.00	0.00	312,896.00	312,896.00	0.00
Total Toll Operating Expenses	86,054.43	1,119,607.83	2,040,480.00	920,872.17	750,224.42
Changes in Net Assets	374,042.28	2,118,001.96	(350,000.00)	2,468,001.96	469,811.97

CAMERON COUNTY REGIONAL MOBILITY AUTHORITY
Toll Operations Revenues Expenditures - Cash - Unposted Transactions Included In Report
From 9/1/2017 Through 9/30/2017
(In Whole Numbers)

	Current Period	Current Year	YTD Budget -	Variance - Original	YTD Budget	Prior Year Actual
Toll Operating Revenues						
Toll Operating Revenues	1,850.92	169,988.35	475,200.00	(305,211.65)	445,395.31	445,395.31
Toll Revenue						
Toll Violation Revenue	3,823.33	169,707.25	665,280.00	(495,572.75)	251,235.59	251,235.59
Interop Revenue	35,000.00	549,109.35	550,000.00	(890.65)	523,405.49	523,405.49
Total Toll Operating Revenues	40,674.25	888,804.95	1,690,480.00	(801,675.05)	1,220,036.39	1,220,036.39
TPS Revenues						
Total TPS Revenues	135,078.41	856,370.44	0.00	856,370.44	0.00	0.00
Total Toll Operating Revenues	175,752.66	1,745,175.39	1,690,480.00	54,695.39	1,220,036.39	1,220,036.39
Toll Operating Expenses						
Payroll - Indirect	8,139.62	173,075.52	159,640.00	(13,435.52)	75,967.39	75,967.39
Payroll Taxes	610.95	12,650.99	12,212.00	(438.99)	6,948.96	6,948.96
Payroll Benefits - Retirement	1,432.72	12,254.27	16,732.00	(4,477.73)	7,674.64	7,674.64
Payroll Benefits TCERS GTL	17.76	121.78	0.00	(121.78)	0.00	0.00
Payroll Benefits - Health	3,034.52	31,060.14	48,000.00	(16,939.86)	14,410.12	14,410.12
Accounting Software & Services	0.00	0.00	0.00	0.00	250.00	250.00
Advertising & Marketing	1,785.00	41,193.58	50,000.00	(8,806.42)	50,611.63	50,611.63
Computer Equipment and	1,617.80	1,617.80	0.00	(1,617.80)	0.00	0.00
Contractual	2,000.00	25,141.92	40,000.00	(14,858.08)	19,490.00	19,490.00
Legal Expense	3,980.64	39,257.62	50,000.00	(10,742.38)	7,733.07	7,733.07
Dues & Memberships	190.00	3,185.46	10,000.00	(6,814.54)	0.00	0.00
Education & Training	0.00	1,940.36	4,000.00	(2,059.64)	0.00	0.00
Maintenance & Repairs	1,202.85	20,196.03	15,000.00	(5,196.03)	0.00	0.00
Maintenance - SH 550	4,265.82	57,316.93	100,000.00	(42,683.07)	59,789.54	59,789.54
Returned Bank Pmt Fees	12.00	190.00	0.00	(190.00)	0.00	0.00
Interop Collection Fees	5,000.00	41,325.25	55,000.00	(13,674.75)	34,400.14	34,400.14
PBM Add on Fees	196.18	18,013.94	25,000.00	(6,986.06)	48,362.38	48,362.38
PBM Image Review	0.00	11,539.40	30,000.00	(18,460.60)	63,067.35	63,067.35
PBM Pre-Court Program	0.00	1,264.15	4,000.00	(2,735.85)	4,739.64	4,739.64
Office Supplies	857.51	14,869.50	25,000.00	(10,130.40)	1,000.77	1,000.77
Postage	15,000.00	130,113.86	100,000.00	(30,113.86)	0.00	0.00
Rent	1,453.22	15,037.32	35,000.00	(19,962.68)	1,040.00	1,040.00
Travel	370.59	9,233.15	8,000.00	(1,233.15)	3,836.21	3,836.21
Utilities	3,539.50	47,969.26	40,000.00	(7,969.26)	16,892.78	16,892.78
Transfer to General Operations	0.00	0.00	280,000.00	280,000.00	0.00	0.00
Toll Road Property Insurance	0.00	61,748.00	75,000.00	(13,252.00)	52,408.75	52,408.75
Toll Operational Support	0.00	69,348.00	100,000.00	(30,652.00)	81,601.05	81,601.05
Toll System Provider Maintenance	13,390.31	145,420.93	225,000.00	(79,579.07)	200,000.00	200,000.00
BOS System Provider Maintenance	14,335.00	114,696.68	175,000.00	(60,303.32)	0.00	0.00
Merchant Card Services	2,970.34	19,173.81	45,000.00	(25,826.19)	0.00	0.00
Out of State DMV	652.08	652.08	0.00	(652.08)	0.00	0.00
Maintenance & Debt Reserve	0.00	0.00	312,896.00	312,896.00	0.00	0.00
Total Toll Operating Expenses	86,054.43	1,119,607.83	2,040,480.00	(920,872.17)	750,324.42	750,324.42
Changes in Net Assets						
	89,698.23	625,567.56	(350,000.00)	975,567.56	469,811.97	469,811.97

Unaudited Financials Subject to Change

CAMERON COUNTY REGIONAL MOBILITY AUTHORITY
Combined Statement of Revenues Expenses - Unposted Transactions Included In Report
From 9/1/2017 Through 9/30/2017
(In Whole Numbers)

	Current Period Actual	Current Year Actual	YTD Budget - Original	YTD Budget Variance - Original	Prior Year Actual
Operating Revenues					
Vehicle registration fees	253,391.00	3,040,340.00	3,100,000.00	(59,660.00)	3,156,486.25
Toll revenues	460,096.71	3,237,609.79	1,715,480.00	1,522,129.79	1,220,065.36
TRZ revenue	0.00	268,848.26	175,000.00	93,848.26	426,260.54
Other revenue	0.00	343,796.90	3,440,213.00	(3,096,416.10)	1,717,034.43
Total Operating Revenues	713,487.71	6,890,594.95	8,430,693.00	(1,540,098.05)	6,519,846.58
Operating Expenses					
Personnel costs	38,465.93	852,809.10	869,743.00	16,933.90	655,832.32
Accounting software and services	2,021.00	2,021.00	10,300.00	8,279.00	3,541.00
Professional services	7,500.00	244,756.00	280,000.00	35,244.00	164,000.00
Contractual services	10,418.83	242,254.66	275,000.00	32,745.34	106,873.18
Debt interest	0.00	4,439,622.67	5,303,666.00	864,043.33	3,430,383.28
Project expenses	0.00	0.00	1,027,584.00	1,027,584.00	0.00
Advertising & marketing	2,854.00	55,473.69	75,000.00	19,526.31	75,539.14
Data processing	717.33	3,917.37	10,000.00	6,082.63	9,426.68
Depreciation	0.00	0.00	0.00	0.00	2,002,512.11
Dues & memberships	190.00	19,550.46	35,000.00	15,449.54	13,059.00
Education & training	450.00	4,500.36	14,000.00	9,499.64	8,429.65
Fiscal agent fees	5,356.00	18,108.00	45,000.00	26,892.00	44,224.79
Insurance	0.00	64,225.63	85,000.00	20,774.37	58,377.05
Maintenance & repairs	1,202.85	22,391.03	37,400.00	15,008.97	20,550.00
Office supplies	19,584.66	178,264.41	161,000.00	(17,264.41)	40,846.73
Road maintenance	34,961.47	336,608.35	545,000.00	208,391.65	259,789.54
Rent	1,411.11	41,969.95	65,000.00	23,030.05	19,132.57
Toll services	5,860.26	142,332.82	494,000.00	351,667.18	232,170.56
Travel	3,100.22	32,415.60	38,000.00	5,584.40	30,665.85
Utilities	4,019.41	54,950.65	50,000.00	(4,950.65)	31,513.28
Other expenses	0.00	0.00	5,000.00	5,000.00	0.36
Total Operating Expenses	138,113.07	6,756,171.75	9,425,693.00	2,669,521.25	7,206,867.09
Non Operating Revenue					
Interest income	1,529.09	21,801.85	15,000.00	6,801.85	17,330.07
Other Financing sources	57,981.53	57,981.53	980,000.00	(922,018.47)	9,412.00
Total Non Operating Revenue	59,510.62	79,783.38	995,000.00	(915,216.62)	26,742.07
Changes in Net Assets	634,885.26	214,206.58	0.00	214,206.58	(660,278.44)
Net Assets Beginning of Year	(420,678.68)	0.00	0.00	0.00	0.00
Net Assets End of Year	214,206.58	214,206.58	0.00	214,206.58	(660,278.44)

CAMERON COUNTY REGIONAL MOBILITY AUTHORITY
Capital Project Expenses - Summarized - Unposted Transactions Included In Report
From 9/1/2017 Through 9/30/2017
(In Whole Numbers)

	Current Period Actual	Current Year Actual	YTD Budget - Original	YTD Budget Variance - Original
Capital Projects				
South Padre Island 2nd Access	2,500	193,909	1,250,000	1,056,091
Outer Parkway	0	478,063	1,000,000	521,937
FM 1925	0	0	500,000	500,000
West Rail Relocation	13,605	739,688	2,500,000	1,760,312
SH 550	1,056,799	1,561,522	5,250,000	3,688,478
SH 32 (East Loop)	7,290	162,505	1,000,000	837,495
Port Isabel Access Rd	0	0	50,000	50,000
Spur 54 Project	11,623	46,971	44,000	(2,971)
CC- Veterans Bridge	1,100	1,100	0	(1,100)
Toll Equipment & Operational	0	789,028	1,250,000	460,972
Infrastructure				
Total Capital Projects	<u>1,092,918</u>	<u>3,972,785</u>	<u>12,844,000</u>	<u>8,871,215</u>

CAMERON COUNTY REGIONAL MOBILITY AUTHORITY
Capital Project Expenses - Detail - Unposted Transactions Included In Report
From 9/1/2017 Through 9/30/2017
(In Whole Numbers)

		Current Period Actual	Current Year Actual	YTD Budget - Original	YTD Budget Variance - Original
Capital Projects					
South Padre Island 2nd Access	2000				
CAPITALIZED PROJECT COSTS	01CAP				
CIP - Planning & Coordination	15100	0	32,206	550,000	517,794
CIP - Preliminary Engineering & Design	15110	0	0	200,000	200,000
CIP - Environmental Studies	15120	2,500	148,535	500,000	351,465
CIP - Direct Legal Costs	15300	0	13,167	0	(13,167)
Total South Padre Island 2nd Access		2,500	193,909	1,250,000	1,056,091
Outer Parkway	2050				
CAPITALIZED PROJECT COSTS	01CAP				
CIP - Planning & Coordination	15100	0	20,547	200,000	179,453
CIP - Preliminary Engineering & Design	15110	0	322,113	125,000	(197,113)
CIP - Environmental Studies	15120	0	135,402	675,000	539,598
Total Outer Parkway		0	478,063	1,000,000	521,937
FM 1925	2075				
CAPITALIZED PROJECT COSTS	01CAP				
CIP - Environmental Studies	15120	0	0	500,000	500,000
Total FM 1925		0	0	500,000	500,000
West Rail Relocation	2100				
CAPITALIZED PROJECT COSTS	01CAP				
CIP - Mitigation	15130	435	10,404	0	(10,404)
CIP - Right of Way	15200	13,170	725,752	0	(725,752)
CIP - Construction	15220	0	0	2,500,000	2,500,000
CIP - Construction Management	15240	0	2,860	0	(2,860)
CIP - Direct Legal Costs	15300	0	672	0	(672)
Total West Rail Relocation		13,605	739,688	2,500,000	1,760,312
SH 550	2200				
CAPITALIZED PROJECT COSTS	01CAP				
CIP - Environmental Studies	15120	0	4,422	0	(4,422)
CIP - Mitigation	15130	800	26,300	100,000	73,701
CIP - Public Presentations, RFP, RFQ, Bidding & Letting	15140	0	8,479	0	(8,479)
CIP - Construction	15220	1,009,391	1,103,428	5,000,000	3,896,572
CIP - Construction Management	15240	45,921	90,779	150,000	59,221
CIP - Direct Legal Costs	15300	687	19,046	0	(19,046)
Total SH 550		1,056,799	1,252,455	5,250,000	3,997,545
SH 32 (East Loop)	2250				
CAPITALIZED PROJECT COSTS	01CAP				
CIP - Planning & Coordination	15100	0	10,070	250,000	239,930
CIP - Environmental Studies	15120	7,290	128,847	750,000	621,153
CIP - Public Presentations, RFP, RFQ, Bidding & Letting	15140	0	21,730	0	(21,730)
CIP - Direct Legal Costs	15300	0	1,857	0	(1,857)
Total SH 32 (East Loop)		7,290	162,505	1,000,000	837,495
Port Isabel Access Rd	2400				
CAPITALIZED PROJECT COSTS	01CAP				
CIP - Planning & Coordination	15100	0	0	15,000	15,000
CIP - Environmental Studies	15120	0	0	35,000	35,000
Total Port Isabel Access Rd		0	0	50,000	50,000
Spur 54 Project	2425				
CAPITALIZED PROJECT COSTS	01CAP				
CIP - Planning & Coordination	15100	0	5,351	10,000	4,649
CIP - Environmental Studies	15120	11,623	41,620	34,000	(7,620)
Total Spur 54 Project		11,623	46,971	44,000	(2,971)

CAMERON COUNTY REGIONAL MOBILITY AUTHORITY
Capital Project Expenses - Detail - Unposted Transactions Included In Report
From 9/1/2017 Through 9/30/2017
(In Whole Numbers)

		<u>Current Period</u>	<u>Current Year</u>	<u>YTD Budget -</u>	<u>YTD Budget</u>
		<u>Actual</u>	<u>Actual</u>	<u>Original</u>	<u>Variance - Original</u>
CC- Veterans Bridge	4000				
CAPITALIZED PROJECT COSTS	01CAP				
CIP - Environmental Studies	15120	<u>1,100</u>	<u>1,100</u>	<u>0</u>	<u>(1,100)</u>
Total CC- Veterans Bridge		<u>1,100</u>	<u>1,100</u>	<u>0</u>	<u>(1,100)</u>
Toll Equipment & Operational Infrastructure	5000				
CAPITALIZED PROJECT COSTS	01CAP				
CIP - Direct Legal Costs	15300	<u>0</u>	<u>1,373</u>	<u>0</u>	<u>(1,373)</u>
Toll Equipment & Software in Process	16000	<u>0</u>	<u>787,655</u>	<u>1,250,000</u>	<u>462,345</u>
Total Toll Equipment & Operational Infrastructure		<u>0</u>	<u>789,028</u>	<u>1,250,000</u>	<u>460,972</u>
Total Capital Projects		<u>1,092,918</u>	<u>3,663,717</u>	<u>12,844,000</u>	<u>9,180,283</u>

CAMERON COUNTY REGIONAL MOBILITY AUTHORITY

Balance Sheet
As of 9/30/2017
(In Whole Numbers)

Current Year

ASSETS

Current Assets:

Cash and cash equivalents

CCRMA Claims Account	(18,628.00)
CCRMA Operating Fund	647,257.00
CCRMA Merchant Card Account	54,289.00
CCRMA Mail Payments Account	116,206.00
CCRMA Line of Credit Account - TRB	1,000.00
Toll Operators Cash	60.00
TxDMV Escrow Account	26,001.00
TxTag - Replenishment Account	10,120.00
CCRMA Bond/Debt Funds	<u>1,311,022.00</u>
Total Cash and cash equivalents	2,147,327.00

Restricted cash accounts - debt service

CCRMA Toll Revenue Funds	27,259.00
2010 A & B Pledged Revenue Funds	141,827.00
2010 A Debt Reserve	1,049,552.00
2010 B Debt Reserve	1,231,125.00
2012 Bond CAPI funds	999.00
2012 Bond Operating Fund	5,471.00
2012 Bonds Rate Stabilization Fund	1,600,000.00
2012 Bonds Debt Service	993,474.00
2012 Bond Renewal & Replacement Fund	40,000.00
2012 Pass Thru Pay Revenue ACCU	85,000.00
2014 Refunding Series Escrow Account	671.00
2014 Refunding Series 10 Proceeds	5,125.00
Series 2014 Revenue and Tax	<u>1,750.00</u>
Total Restricted cash accounts - debt service	5,182,253.00

Accounts receivable

Accounts Receivable - Customers	9,668.00
TPS Accounts Receivable	1,175,605.00
TPS RBP Accounts Receivable	32,486.00
Vehicle Registration Fees - Receivable	452,545.00
Employee Receivables	<u>150.00</u>
Total Accounts receivable	1,670,454.00

Accounts receivable - other agencies

Due from Other Agencies	<u>406,904.00</u>
Total Accounts receivable - other agencies	406,904.00

Prepaid expenses

Prepaid Rent	3,210.00
Prepaid Other Expense	<u>5,866.00</u>
Total Prepaid expenses	<u>9,076.00</u>

Total Current Assets: 9,416,014.00

Non Current Assets:

Capital assets, net

Land & Right of Way	98,750.00
Buildings	202,803.00
Accumulated Depreciation-Buildings	(15,210.00)

CAMERON COUNTY REGIONAL MOBILITY AUTHORITY

Balance Sheet
As of 9/30/2017
(In Whole Numbers)

	<u>Current Year</u>
Improvements	20,791
Accumulated Depreciation-Improvements	(768.00)
Furnishings & Equipment	7,591,215.00
Accumulated Depreciation-Furnishings & Equipment	(1,128,395.00)
Software & Technology	19,792.00
Accumulated Depreciation Software & Technology	(11,875.00)
Infrastructure & Utilities	64,200,349.00
Improvements - Infrastructure	309,068.00
Accumulated Depreciation-Infrastructure	(2,790,385.00)
Total Capital assets, net	68,496,134
Capital projects in progress	
CIP - Planning & Coordination	898,694
CIP - Preliminary Engineering & Design	4,111,372
CIP - Environmental Studies	15,451,856
CIP - Mitigation	295,573
CIP - Public Presentations, RFP, RFQ, Bidding & Letting	67,099
CIP - Right of Way	749,084
CIP - Construction	1,103,428
CIP - Construction Management	145,157
CIP - Direct Legal Costs	320,044
CIP - Capitalized Interest	61,658
CIP - Direct Administration	493,049
CIP - Indirect Administration and Overhead	570,258
Toll Equipment & Software in Process	<u>1,905,818</u>
Total Capital projects in progress	26,173,090
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>141,410,581</u>
Total ASSETS	<u>150,826,595</u>
LIABILITIES	
Current Liabilities	
Accounts payable	
AP - Operations	44,487
AP - Project Exenditures	<u>1,224,942</u>
Total Accounts payable	1,269,429
Accrued expenses	
TxTag Customer Deposits	1,468
Toll Refunds from MSB	7,187
Accrued Expense	<u>(1.00)</u>
Total Accrued expenses	8,654
Payroll liabilities	

CAMERON COUNTY REGIONAL MOBILITY AUTHORITY

Balance Sheet
As of 9/30/2017
(In Whole Numbers)

	<u>Current Year</u>
Federal Tax Withholding	(8.00)
Payroll Tax Payable	(192.00)
Retirement Contribution Payable	4,193.00
Health Insurance Payable	1,200.00
Aflac Employee Liabilities	34.00
Dental Insurance Payable	(15.00)
Employee Vision Insurance	<u>(25.00)</u>
Total Payroll liabilities	5,187.00
Deferred revenue	
UFV Fund Deposits	1,654.00
RBP Customers Refund	(44.00)
Deferred Revenue	883.00
TPS Customer Deposits	1,729.00
Restricted Funds - West Rail	<u>309,507.00</u>
Total Deferred revenue	<u>313,730.00</u>
Total Current Liabilities	1,596,999.00
Non Current Liabilities	
Due to other agencies	
Cameron County	167,500.00
Procurement Deposits and Other	89,758.00
Due to other Entity's	<u>2,014,428.00</u>
Total Due to other agencies	2,271,686.00
Due to TxDot	
Union Pacific - West Rail Project	29,522,370.00
Union Pacific - Olmito Switchyard	9,919,811.00
TxDot FAA - South Padre Island	12,991,920.00
TxDot FAA - West Parkway	2,244,589.00
TxDot FAA - Outer Parkway	<u>526,291.00</u>
Total Due to TxDot	55,204,981.00
Long term bond payable	
2010A Bonds Payable	4,480,000.00
2010A Unamortized Premium	13,761.00
2010B Bonds Payable	15,535,000.00
2012 Bonds Payable	25,660,000.00
2012 Unamortized Premium	3,862,351.00
2014 Bonds Payable	4,305,000.00
2014 Bond Premium	139,882.00
2010A Refund Series 2014	5,475,000.00
2010A Refund Premium Series 2014	97,922.00
2010A Refunding Deferred Charge 2014 Series	31,341.00
2015 CO Bonds	4,255,000.00
2015 CO Bonds Discount	(37,186.00)
2016 Refunding Series Toll Revenue	15,805,000.00
2016 Refunding Series Bond Premium	100,180.00
2016 Refunding Series Deferred Amount on Refunding	<u>(251,775.00)</u>
Total Long term bond payable	<u>79,471,476.00</u>
Total Non Current Liabilities	<u>136,948,143.00</u>

CAMERON COUNTY REGIONAL MOBILITY AUTHORITY
Balance Sheet
As of 9/30/2017
(In Whole Numbers)

	<u>Current Year</u>
Total LIABILITIES	<u>138,545,142</u>
NET POSITION	
Beginning net position	<u>13,225,338</u>
Total Beginning net position	13,225,338
Changes in net position	<u>(295,613.00)</u>
Total Changes in net position	<u>(295,613.00)</u>
Total NET POSITION	<u>12,929,725.00</u>
TOTAL LIABILITIES AND NET POSITION	<u>151,474,867</u>

CAMERON COUNTY REGIONAL MOBILITY AUTHORITY
Statement of Cash Flows
As of 9/30/2017
(In Whole Numbers)

	<u>Current Period</u>	<u>Current Year</u>
Cash Flows from Operating Activities		
Receipts from Vehicle Registration Fees	0.00	2,844,000.00
Receipts from MSB/Interop Toll revenues	5,674.25	842,768.46
Receipts from TPS Toll Revenues	(866.29)	1,031,579.14
Receipts from Other Operating Revenues	0.00	2,282,609.15
Payments to Vendors	(190,877.95)	(2,677,508.04)
Payments to Employees	(40,569.00)	(851,311.83)
Total Cash Flows from Operating Activities	<u>(226,638.99)</u>	<u>3,472,136.88</u>
Cash Flows from Capital and Related Financing Activities		
Acquisitions of Property and Equipment	0.00	(309,067.75)
Acquisitions of Construction in Progress	(180,177.87)	(3,272,021.12)
Payments on Bond Interest and Principal	0.00	(3,399,670.81)
Proceeds related to Redevelopment Assets	0.00	60,839.14
Advances on FAA and Grant Proceeds	45,516.60	1,671,154.31
Total Cash Flows from Capital and Related Financing Activities	<u>(134,661.27)</u>	<u>(5,248,766.23)</u>
Cash Flows from Investing Activities		
Receipts from Interest Income	1,529.09	21,801.85
Total Cash Flows from Investing Activities	<u>1,529.09</u>	<u>21,801.85</u>
Beginning Cash & Cash Equivalents	<u>7,602,109.09</u>	<u>9,084,307.55</u>
Ending Cash & Cash Equivalents	<u>7,242,337.92</u>	<u>7,329,480.05</u>

**4-C DISCUSSION AND POSSIBLE ACTION REGARDING CHANGING THE
DATE AND TIME OF THE REGULAR BOARD MEETINGS. (TABLED)**

**4-E CONSIDERATION AND APPROVAL OF 2017 FINANCIAL AUDIT
ENGAGEMENT LETTER WITH CARR, RIGGS AND INGRAM.**



Carr, Riggs & Ingram, LLC
3125 Central Boulevard
Brownsville, Texas 78520

(956) 546-1655
(956) 546-0377 (fax)
CRlcpa.com

September 15, 2017

Board of Directors and Management
Cameron County Regional Mobility Authority
3461 Carmen Ave.
Rancho Viejo, Texas 78575

We are pleased to confirm our understanding of the services we are to provide Cameron County Regional Mobility Authority (the Authority) for the year ended September 30, 2017. We will audit the financial statements of the business-type activities, including the related notes to the financial statements, which collectively comprise the basic financial statements, of the Authority as of and for the year ended September 30, 2017. Accounting standards generally accepted in the United States of America provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement Cameron County Regional Mobility Authority's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to the Authority's RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The following RSI is required by generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited:

- 1) Management's Discussion and Analysis.
- 2) Schedule of Changes in Employer's Net Pension Liability and Related Ratios
- 3) Schedule of Employer Contributions

We have also been engaged to report on supplementary information other than RSI that accompanies the Authority's financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the financial statements and certain

additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America, and we will provide an opinion on it in relation to the financial statements as a whole, in a report combined with our auditor's report on the financial statements:

1) Schedule of expenditures of federal/state awards.

Audit Objectives

The objective of our audit is the expression of opinions as to whether your financial statements are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles and to report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. The objective also includes reporting on—

- Internal control over financial reporting and compliance with provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a material effect on the financial statements in accordance with *Government Auditing Standards*.
- Internal control over compliance related to major programs and an opinion (or disclaimer of opinion) on compliance with federal statutes, regulations, and the terms and conditions of federal awards that could have a direct and material effect on each major program in accordance with the Single Audit Act Amendments of 1996 and Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements For Federal Awards* (Uniform Guidance).

The *Government Auditing Standards* report on internal control over financial reporting and on compliance and other matters will include a paragraph that states that (1) the purpose of the report is solely to describe the scope of testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance, and (2) the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. The Uniform Guidance report on internal control over compliance will include a paragraph that states that the purpose of the report on internal control over compliance is solely to describe the scope of testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Both reports will state that the report is not suitable for any other purpose.

Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America; the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the Single Audit Act Amendments of 1996; and the provisions of the Uniform Guidance, and will include tests of accounting records, a determination of major program(s) in accordance with the Uniform Guidance, and other procedures we consider necessary to enable us to express such opinions. We will issue written reports upon

completion of our Single Audit. Our reports will be addressed to management and the Board of Directors of the Authority. We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which it is necessary for us to modify our opinions or add emphasis-of-matter or other-matter paragraphs. If our opinions on the financial statements or the Single Audit compliance opinions are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or issue reports, or may withdraw from this engagement.

Audit Procedures—General

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We will plan and perform the audit to obtain reasonable rather than absolute assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the government or to acts by management or employees acting on behalf of the government. Because the determination of abuse is subjective, *Government Auditing Standards* do not expect auditors to provide reasonable assurance of detecting abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements or noncompliance may exist and not be detected by us, even though the audit is properly planned and performed in accordance with U.S. generally accepted auditing standards and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements or major programs. However, we will inform the appropriate level of management of any material errors, any fraudulent financial reporting, or misappropriation of assets that come to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential, and of any material abuse that comes to our attention. We will include such matters in the reports required for a Single Audit. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will require certain written representations from you about your responsibilities for the financial statements; schedule of expenditures of federal/state awards;

federal/state award programs; compliance with laws, regulations, contracts, and grant agreements; and other responsibilities required by generally accepted auditing standards.

Audit Procedures—Internal Control

Our audit will include obtaining an understanding of the government and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

As required by the Uniform Guidance, we will perform tests of controls over compliance to evaluate the effectiveness of the design and operation of controls that we consider relevant to preventing or detecting material noncompliance with compliance requirements applicable to each major federal award program. However, our tests will be less in scope than would be necessary to render an opinion on those controls and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to the Uniform Guidance.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards, *Government Auditing Standards*, and the Uniform Guidance.

Audit Procedures—Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the Authority's compliance with provisions of applicable laws, regulations, contracts, and agreements, including grant agreements. However, the objective of those procedures will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

The Uniform Guidance requires that we also plan and perform the audit to obtain reasonable assurance about whether the auditee has complied with federal statutes, regulations, and the terms and conditions of federal awards applicable to major programs. Our procedures will consist of tests of transactions and other applicable procedures described in the *OMB Compliance Supplement* for the types of compliance requirements that could have a direct and material effect on each of the Authority's major programs. The purpose of these procedures will be to express an opinion on the Authority's compliance with requirements applicable to each of its major programs in our report on compliance issued pursuant to the Uniform Guidance.

Other Services

We will also assist in preparing the financial statements, schedule of expenditures of federal/state awards (including the Data Collection Form), and related notes of the Authority in conformity with U.S. generally accepted accounting principles and the Uniform Guidance based on information provided by you. We will also assist in the preparation of the pension related journal entries. These nonaudit services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Standards*. We will perform the services in accordance with applicable professional standards. The other services are limited to the financial statements, schedule of federal/state awards, related notes, and pension journal entry services previously defined. We, in our sole judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

Management Responsibilities

Management is responsible for (1) establishing and maintaining effective internal controls, including internal controls over federal/state awards, and for evaluating and monitoring ongoing activities, to help ensure that appropriate goals and objectives are met; (2) following laws and regulations; (3) ensuring that there is reasonable assurance that government programs are administered in compliance with compliance requirements; and (4) ensuring that management and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles; for the preparation and fair presentation of the financial statements, schedule of expenditures of federal/state awards, and all accompanying information in conformity with U.S. generally accepted accounting principles; and for compliance with applicable laws and regulations (including federal/state statutes) and the provisions of contracts and grant agreements (including award agreements). Your responsibilities also include identifying significant contractor relationships in which the contractor has responsibility for program compliance and for the accuracy and completeness of that information.

Management is also responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, (2) access to personnel, accounts, books, records, supporting documentation, and other information as needed to perform an audit under the Uniform Guidance, (3) additional information that we may request for the purpose of the audit, and (4) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence.

Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the government complies with applicable laws, regulations, contracts, agreements, and grants. Management is also responsible for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, contracts, and grant agreements, or abuse that we report. Additionally, as required by the Uniform Guidance, it is management's responsibility to evaluate and monitor noncompliance with federal/state statutes, regulations, and the terms and conditions of federal/state awards; take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings; promptly follow up and take corrective action on reported audit findings and to prepare a summary schedule of prior audit findings; and prepare a summary schedule of prior audit findings and a separate corrective action plan. The summary schedule of prior audit findings should be made available for our review.

You are responsible for identifying all federal/state awards received and understanding and complying with the compliance requirements and for the preparation of the schedule of expenditures of federal/state awards (including notes and noncash assistance received) in conformity with the Uniform Guidance. You agree to include our report on the schedule of expenditures of federal/state awards in any document that contains and indicates that we have reported on the schedule of expenditures of federal/state awards. You also agree to include the audited financial statements with any presentation of the schedule of expenditures of federal/state awards that includes our report thereon or make the audited financial statements readily available to intended users of the schedule of expenditures of federal/state awards no later than the date the schedule of expenditures of federal/state awards is issued with our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the schedule of expenditures of federal/state awards in accordance with the Uniform Guidance; (2) you believe the schedule of expenditures of federal/state awards, including its form and content, is stated fairly in accordance with the Uniform Guidance; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the schedule of expenditures of federal/state awards.

You are also responsible for the preparation of the other supplementary information, which we have been engaged to report on, in conformity with U.S. generally accepted accounting principles. You agree to include our report on the supplementary information in any document that contains and indicates that we have reported on the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the supplementary information in accordance with GAAP; (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such

changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying and providing report copies of previous financial audits, attestation engagements, performance audits, or other studies related to the objectives discussed in the Audit Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions, for the report, and for the timing and format for providing that information.

You agree to assume all management responsibilities relating to the financial statements, schedule of expenditures of federal/state awards, and related notes, and any other nonaudit services we provide. You will be required to acknowledge in the management representation letter our assistance with preparation of the financial statements, schedule of expenditures of federal/state awards, and related notes and that you have reviewed and approved the financial statements, schedule of expenditures of federal awards, and related notes prior to their issuance and have accepted responsibility for them. Further, you agree to oversee the nonaudit services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.

Electronic Data Communication and Storage and Use of Third Party Service Provider

In the interest of facilitating our services to your company, we may send data over the Internet, securely store electronic data via computer software applications hosted remotely on the Internet, or allow access to data through third-party vendors' secured portals or clouds. Electronic data that is confidential to your company may be transmitted or stored using these methods. We may use third-party service providers to store or transmit this data, such as, but not limited to, providers of tax return preparation software. In using these data communication and storage methods, our firm employs measures designed to maintain data security. We use reasonable efforts to keep such communications and data access secure in accordance with our obligations under applicable laws and professional standards. We also require our third-party vendors to do the same.

You recognize and accept that we have no control over the unauthorized interception or breach of any communications or data once it has been sent or has been subject to unauthorized access, notwithstanding all reasonable security measures employed by us or our third-party vendors. You consent to our use of these electronic devices and applications and submission of confidential client information to third-party service providers during this engagement.

To enhance our services to you, we will use a combination of remote access, secure file transfer, virtual private network or other collaborative, virtual workspace or other online tools or environments. Access through any combination of these tools allows for on-demand and/or real-time collaboration across geographic boundaries and time zones and allows CRI and you to share data, engagement information, knowledge, and deliverables in a protected environment. In order to use certain of these tools and in addition to execution of this acknowledgement and engagement

letter, you may be required to execute a separate client acknowledgement or agreement and agree to be bound by the terms, conditions and limitations of such agreement. You agree that CRI has no responsibility for the activities of its third-party vendors supplying these tools and agree to indemnify and hold CRI harmless with respect to any and all claims arising from or related to the operation of these tools. While we may back up your files to facilitate our services, you are solely responsible for the backup of your files and records; therefore, we recommend that you also maintain your own backup files of these records.

Dispute Resolution

In the event of a dispute between the parties which arises out of or relates to this contract or engagement letter, the breach thereof or the services provided or to be provided hereunder, and, if the dispute cannot be settled through negotiation, the parties agree that before initiating arbitration, litigation or some other dispute resolution procedure, they will first try in good faith to resolve the dispute through non-binding mediation. The mediation will be administered by the American Arbitration Association under its *Dispute Resolution Rules for Professional Accounting and Related Services Disputes*. The costs of any mediation proceedings shall be shared equally by all parties.

Engagement Administration, Fees, and Other

We understand that your employees will locate any documents selected by us for testing.

At the conclusion of the engagement, we will complete the appropriate sections of the Data Collection Form that summarizes our audit findings. It is management's responsibility to submit the reporting package (including financial statements, schedule of expenditures of federal awards, summary schedule of prior audit findings, auditors' reports, and corrective action plan) along with the Data Collection Form to the federal audit clearinghouse. We will coordinate with you the electronic submission and certification. The Data Collection Form and the reporting package must be submitted within the earlier of 30 days after receipt of the auditors' reports or nine months after the end of the audit period.

We will provide copies of our reports to the Authority; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing privileged and confidential information, copies of our reports are to be made available for public inspection.

The audit documentation for this engagement is the property of Carr, Riggs & Ingram, LLC and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to federal/state agencies providing direct or indirect funding or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Carr, Riggs & Ingram, LLC personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of five years after the report release date or for any additional period requested by federal/state agencies. If we are aware that a federal/state awarding agency, pass-through entity, or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

Our fee for these services will be at our standard hourly rates plus out-of-pocket costs (such as report reproduction, word processing, postage, travel, copies, telephone, etc.) except that we agree that our gross fee, including expenses, will approximate \$20,000. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

We appreciate the opportunity to be of service to Cameron County Regional Mobility Authority and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Very truly yours,

Carr, Riggs & Ingram, LLC

CARR, RIGGS & INGRAM, LLC

RESPONSE:

This letter correctly sets forth the understanding of Cameron County Regional Mobility Authority.

Management signature: _____

Title: _____

Date: _____

Governance signature: _____

Title: _____

Date: _____

**4-F CONSIDERATION AND APPROVAL OF INVESTMENT REPORT AS PER
PUBLIC FUNDS INVESTMENT ACT.**



Investment Report

TO: CCRMA Board of Directors

FROM: Adrian Rincones
Chief Financial Officer

DATE: October 9, 2017

SUBJ: Quarterly Report of CCRMA Investments

The Texas Public Funds Investment Act requires that at a minimum on a quarterly basis the following investment report be presented to the Board of Directors. Below is a summary of the current CCRMA investments which comply with the investment strategies approved in the most current CCRMA Investment Policy.

	<u>Certificate of Deposit</u>	<u>Beginning Market Value</u>	<u>Ending Market Value</u>	<u>Date Opened</u>	<u>Term</u>	<u>Maturity Date</u>	<u>Average Yield</u>	<u>Interest earned and accrued as of 09/30/2017</u>
2010A Bond Reserves								
	28746 \$	750,000.00	\$ 760,966.65	12/8/2015	18 months	6/8/2017	0.80%	\$ 500.36
	28747 \$	288,586.89	\$ 290,864.50	12/8/2016	6 months	6/8/2017	0.46%	\$ 95.63
2010B Bond Reserves								
	28748 \$	900,000.00	\$ 913,159.99	12/8/2015	18 months	6/8/2017	0.80%	\$ 600.43
	28749 \$	318,153.81	\$ 320,664.77	12/8/2016	6 months	6/8/2017	0.46%	\$ 105.42
		\$ 2,256,740.70	\$ 2,285,655.91					\$ 1,301.84
Total Market Value of Principal and Accrued Interest								\$ 2,286,957.75
Required level of security at 102%								\$ 2,332,696.91

<u>Collateral Pledged</u>	<u>Cusip</u>	<u>Market Value 04/30/17</u>	<u>FDIC Insurance</u>	<u>Total Pledged & Insured Value</u>	<u>Safekeeping Location</u>
HALE CO	405468CT4	\$ 256,527.50		\$ 256,527.50	Federal Home Loan Bank
FNMA15	31417UZ40	\$ 5,837.09		\$ 5,837.09	Federal Home Loan Bank
FNMA15	3138W9GC8	\$ 835,784.72		\$ 835,784.72	Federal Home Loan Bank
FNMA 15	3138WA5D5	\$ 926,745.29		\$ 926,745.29	Federal Home Loan Bank
PINE	723002MK4	\$ 116,058.00		\$ 116,058.00	Federal Home Loan Bank
					Federal Deposit Insurance Corporation
		\$ 2,140,952.60	\$ 250,000.00	\$ 2,390,952.60	

I certify this report complies with the Internal Management Reports section of the Texas Public Funds Investment Act.

4-G CONSIDERATION AND APPROVAL OF MASTER SERVICES AGREEMENT WITH TECSIDEL, S.A. TO SERVE AS TOLL SYSTEMS INTEGRATOR FOR THE CAMERON COUNTY REGIONAL MOBILITY AUTHORITY.

CAMERON COUNTY REGIONAL MOBILITY AUTHORITY

AGREEMENT FOR

TOLL COLLECTION SYSTEM INTEGRATION, IMPLEMENTATION

AND MAINTENANCE

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Toll Collection System Integration, Implementation, and Maintenance Agreement

THIS TOLL COLLECTION SYSTEM INTEGRATION, IMPLEMENTATION, AND MAINTENANCE AGREEMENT (the "Agreement") is made as of the 12 day of October 2017 (the "Effective Date"), by and between the Cameron County Regional Mobility Authority, a political subdivision of the State of Texas, operating within Cameron County, Texas ("CCRMA"), and TECSIDEL SA (the "Contractor").

WHEREAS, the CCRMA issued a Request for Proposals (the "RFP") dated June 1, 2017, which contains requirements for the design, procurement, installation, testing, and maintenance of a Toll Collection System (as defined below) for toll projects operated by, and to be operated in the future by, the CCRMA (collectively, the "Projects"); and

WHEREAS, three (3) responses were received and evaluated based on the criteria set forth in the RFP; and

WHEREAS, the CCRMA Board of Directors identified three (3) firms as the lowest best bidders who satisfy the objectives set forth in the RFP and offer the best value to the CCRMA for the required equipment and/or services; and

WHEREAS, the Contractor is one of the firms selected to work on the Projects based on its proposal dated July 31, 2017 (the "Proposal"); and

WHEREAS, the Contractor understands and acknowledges that the Projects consist of a complete and operating electronic toll system, associated toll collection infrastructure, provisions for transaction processing, video enforcement, reconciliation, maintenance services, and a reporting system for the Projects (collectively the "Toll Collection System"); and

WHEREAS, the CCRMA desires to acquire from the Contractor, pursuant to the terms of this Agreement, equipment and/or services related to the design, testing, installation, and/or maintenance of the Toll Collection System.

NOW, THEREFORE, for and in consideration of the mutual covenants and conditions herein contained, and other good and valuable consideration the receipt and sufficiency of which are hereby acknowledged, the CCRMA and the Contractor hereby agree as follows:

ARTICLE 1 GENERAL

1.1 THE SERVICES, GENERALLY. The CCRMA retains the Contractor to serve as a contractor pursuant to the terms set forth in this Agreement. The Contractor may be required to customize, install, test, and maintain the Toll Collection System for CCRMA, and the CCRMA may purchase from the Contractor, the Toll Collection System equipment and services pursuant to the terms and conditions of this Agreement. All work performed by or on behalf of the Contractor or any equipment purchased by the CCRMA under this Agreement, including the Implementation Services and Maintenance Services as defined below, is hereinafter referred to as the "Services."

Work Authorizations are issued at the discretion of the CCRMA. While it is CCRMA's intent to issue Work Authorizations hereunder, the Contractor shall have no cause of action conditioned upon the lack or number of Work Authorizations issued.

1.2 **TERM OF AGREEMENT.** Unless otherwise terminated pursuant to Section 5.5, the initial term of this Agreement shall be for five (5) years, commencing on the Effective Date. At the sole discretion of the CCRMA, this Agreement may be renewed for up to one (1) additional five (5) year period, upon the same terms and conditions stated in the Agreement Documents or as modified and agreed to in writing.

1.3 **AGREEMENT DOCUMENTS.** This Agreement includes the documents attached to the RFP, and all amendments or Work Authorizations added hereto as Exhibits, all of which are incorporated herein by reference and are made a part hereof (together such documents are sometimes referred to herein as the "Agreement Documents"). For the avoidance of doubt, the term "Agreement" as used in this document shall include this Toll Collection System Integration, Implementation, and Maintenance Agreement, Attachments A through D, and all amendments added hereto and thereto as Exhibits.

1.4 **PRIORITY.** In the event of a conflict, the order of prevailing precedence ((a)-highest order to (e)-lowest order of precedence) shall be as follows:

- (a) Any amendments to the Agreement Documents.
- (b) Any Work Authorizations issued pursuant to Article 4.
- (c) The Agreement Documents.
- (d) Documents as approved by the CCRMA.

(e) The Contractor's Proposal, to the extent it meets or exceeds the requirements of the Agreement Documents. In other words, if the Proposal can reasonably be interpreted as providing higher quality materials or Services than those required by the Agreement Documents or otherwise contains offers, statements or terms more advantageous to the CCRMA, Contractor's obligations under the Agreement Documents shall include compliance with all such statements, offers and terms contained in the Proposal.

Notwithstanding the order of precedence set forth above, in the event of a conflict within documents of the same priority, the CCRMA shall have the right, in its sole discretion, to determine which provision applies, unless a provision expressly states that it shall control.

1.5 **AMENDMENTS TO AGREEMENT DOCUMENTS.** Any changes and/or additions made to the Agreement Documents as a result of negotiations with the CCRMA, including subsequent Work Authorizations, shall be included as part of this Agreement and attached hereto as an Exhibit. No such changes shall be effective unless in writing and signed by both parties.

1.6 **AGREEMENT CHANGES IN GENERAL.** Changes in the Agreement Documents or the work required thereunder may be accomplished after execution of the Agreement, and without invalidating the Agreement, by Work Authorizations, subject to the limitations stated in the Agreement Documents.

ARTICLE 2 TOLL COLLECTION SYSTEM CUSTOMIZATION AND IMPLEMENTATION

2.1 **COMMENCEMENT OF WORK.** The Contractor may be requested to perform Toll Collection System customization and implementation ("Implementation Services"), which consists generally of the products and work required for integration of the Toll Collection System as further described in Attachment B – Scope Of Services.

2.2 INVOICING AND PAYMENT.

(a) Upon a request for Implementation Services from the CCRMA, the Contractor shall submit an initial price proposal and project schedule for such Implementation Services. After negotiation and approval, a final price proposal and project schedule ("Guaranteed Date(s)") will become part of a Work Authorization initiating the Implementation Services pursuant to Article 4. The process for invoicing and payment shall be described in the Work Authorization and shall include a process for payment based on meeting the Guaranteed Date(s). All subsequent invoicing and payments shall conform with the process described in the approved Work Authorization.

(b) Contractor acknowledges that the CCRMA may obtain funding for portions of Implementation Services from the federal government, local agencies and other third parties, and Contractor agrees to segregate and format invoices and payments in a format reasonably requested by the CCRMA and with detail and information as reasonably requested by the CCRMA. Each invoice shall be organized to account for applicable reimbursement requirements, including an allocation for any reimbursements with respect to applicable insurance and/or bonds, and to facilitate the reimbursement process.

(c) The required contents of an invoice for Implementation Services (an "Implementation Draw Request") shall be specified in detail by the Work Authorization and shall include information relating to the payments owed and the current status of work according to the Guaranteed Date(s).

(d) Within fifteen (15) business days after the CCRMA's receipt of a complete Implementation Draw Request, the CCRMA will review the Implementation Draw Request and shall notify the Contractor of the amount approved for payment and the reason for disapproval of any remaining invoiced amounts or of any other information set forth in the Implementation Draw Request. Within thirty (30) days after the CCRMA's approval of a Implementation Draw Request, the CCRMA shall pay Contractor the amount approved for payment with respect to such request.

(e) In the event all requirements are not achieved for an applicable Guaranteed Date set forth in the Work Authorization, the Contractor may submit an invoice for payment to the CCRMA, showing the approximate quantities of work done and all permanent materials and equipment furnished but not incorporated in the work, up to the date of such certificate, and the value of such materials and equipment as security for the fulfillment of this Agreement by the Contractor until the completion of the particular Services. At the sole discretion of the CCRMA, the CCRMA may pay all or a portion of such invoice within thirty (30) days to the Contractor while carrying on the work.

(f) The acceptance by the Contractor of payment shall operate as and be a release to the CCRMA and its agents from all claims of, or liability to, the Contractor for anything done or furnished or omitted to be done or furnished for or relating to Implementation Services, or any act of the CCRMA to the Contractor or any corporation or person arising from Implementation.

ARTICLE 3 TOLL COLLECTION SYSTEM MAINTENANCE SERVICES

3.1 COMMENCEMENT OF WORK. The Contractor may be requested to perform Toll Collection System maintenance services ("Maintenance Services"), which consists generally of the products and work required for maintenance of the Toll Collection System as further described in Attachment B – Scope of Services. The Maintenance Services will continue for a term defined in an approved Work Authorization.

3.2 FEES AND CHARGES. The CCRMA shall pay a monthly fee (the "Monthly Fee") for

Maintenance Services to be performed. Upon a request for Maintenance Services from the CCRMA, the Contractor shall submit a proposed Monthly Fee for such services. After negotiation and approval, a final Monthly Fee will become part of a Work Authorization initiating the Maintenance Services pursuant to Article 4. The Monthly Fee shall not be increased following the issuance of a Work Authorization except for adjustment as a result of damages assessed or through a Supplemental Work Authorization.

3.3 PAYMENT TERMS.

(a) Contractor acknowledges that the CCRMA may obtain funding for portions of Maintenance Services from the federal government, local agencies and other third parties, and Contractor agrees to segregate Maintenance Services invoices and payments for all such work in a format reasonably requested by the CCRMA and with detail and information as reasonably requested by the CCRMA.

(b) The required contents of each invoice for Maintenance Services (a "Maintenance Draw Request") shall be specified in detail by the Work Authorization and shall include information relating to the Monthly Fee owed and the progress on ongoing Maintenance work.

(c) Within fifteen (15) business days after the CCRMA's receipt of a complete Maintenance Draw Request, the CCRMA will review the Maintenance Draw Request, as applicable, and all attachments and certificates thereto for conformity with the requirements of the Agreement Documents, and shall notify Contractor of the amount approved for payment and the reason for disapproval of any remaining invoiced amounts or of any other information set forth in the Maintenance Price Draw Request. Within thirty (30) days after the CCRMA's approval of a Maintenance Draw Request, the CCRMA shall pay Contractor the amount approved for payment in respect of such request.

(d) In the event the CCRMA, in good faith, disputes any invoiced amount, the CCRMA shall have the right to withhold or deduct payment of such disputed amount without incurring any interest provided that the CCRMA has provided the Contractor with written notice of the amount in dispute and the reason therefore. No greater than thirty (30) days after Contractor's receipt of written notice of the amount and reason for withholding or deducting payment, the parties will work together in good faith to settle the invoice dispute. If the parties cannot agree on such dispute, such dispute will be handled in accordance with Section 5.8.

(e) In the event the performance of Maintenance Services is not in conformity with the requirements specified in the Agreement Documents, the Monthly Fee due for the subsequent month in which the event occurred will be withheld without incurring any interest charges until such time as the Contractor corrects or otherwise rectifies the nonconformity. The CCRMA reserves the right to withhold all or a portion of such Monthly Fee, depending on the severity of the problem. The CCRMA shall give notice and a full description of the problem to the Contractor prior to withholding the payment. If the Contractor does not agree with the CCRMA's decision to withhold such payments, such dispute will be handled in accordance with Section 5.8.

3.4 CONTRACTOR REPRESENTATIONS AND WARRANTIES.

(a) Contractor warrants that the Maintenance Services shall be performed with that degree of skill and judgment normally exercised by recognized professional firms performing services of a similar nature. For any breach by the Contractor of this warranty for which CCRMA gives notice to the Contractor within ninety (90) days of delivery of the non-compliant work, the Contractor shall promptly re-perform any work that is not in compliance with this warranty.

(b) If the Contractor's performance of Maintenance Services or other actions of the Contractor cause damage to equipment, software and/or any other part or portion of the Project subject to the applicable Work Authorization, regardless of whether the performance of the Maintenance Services is in accordance with the warranty provided in Section 3.4(a), the Contractor shall be liable for either repair or replacement of the equipment, software and/or other part or portion of the Project that was damaged by the performance of Maintenance Services or other actions.

(c) If the performance of Maintenance Services or other actions is the cause of bodily injury, death or damage to property owned by third parties, regardless of whether the performance of the work is in accordance with the warranty provided in Section 3.4(a), the Contractor shall be liable and responsible for all Claims (as defined in Attachment A – General Provisions) related to such injuries, deaths and/or damage and the Contractor shall indemnify and hold harmless the CCRMA from and against such Claims.

(d) In the event the Contractor fails within five (5) days to commence and within thirty (30) days to repair, replace, reprogram, or re-perform its obligations as provided in Section 3.4(a) and/or Section 3.4(b) above with respect to any portion of the CCRMA's property that is subject to Maintenance Services, or fails to remedy and repair any and all damage as required by Section 3.4(a) and/or Section 3.4(b) above with respect to the same, the CCRMA shall have the right to engage another person or entity to perform such repair and/or remedial work, and the Contractor shall promptly reimburse the CCRMA for all costs and expenses incurred by the CCRMA in connection with such other person or entity performing such repair and/or remedial work. If the CCRMA is not promptly reimbursed, the CCRMA shall have the right to set off any such amounts against any payments due from the CCRMA to the Contractor or any of its affiliates.

(e) If the Maintenance Services provided by or on behalf of the Contractor under this Agreement causes damage to any of the CCRMA's property that is not subject to Maintenance Services, the CCRMA shall have the right to engage another person or entity to perform the necessary repair and/or remedial work, and the Contractor shall promptly reimburse the CCRMA for all costs and expenses incurred by the CCRMA in connection with such other person or entity performing such repair and/or remedial work. If the CCRMA is not promptly reimbursed, the CCRMA shall have the right to set off any such amounts against any payments due from the CCRMA to the Contractor or any of its affiliates.

(f) Contractor represents and warrants that CCRMA's use of the Contractor Property, as defined in Attachment A – General Provisions, as contemplated or otherwise permitted herein does not and will not violate the terms of any open source or other third-party license applicable to or governing the Contractor Property or any portion or component thereof. Contractor represents and warrants that none of the Contractor Property or any portion or component thereof is or are subject to any so-called "copyleft" or "viral" license such as any version of the GNU General Public License or similar license. Contractor represents and warrants that neither CCRMA's implementation of the Contractor Property to be provided hereunder, nor CCRMA's use of the Contractor Property, or any components thereof, as contemplated or otherwise permitted herein will cause any of CCRMA's own software to become subject to the terms of any new or different license, including any open source or third-party license.

(g) The warranties provided for in this Section 3.4 do not apply (i) if the Toll Collection System subject to the applicable Work Authorization is subject to material damage or misuse due to fault or negligence of the CCRMA or third parties that substantially impairs its integrity; (ii) to Force Majeure events, as defined in Attachment A – General Provisions; (iii) to damage caused by power sources or by peripheral equipment not supplied by Contractor; or (iv) to the extent maintenance, modifications or repairs are provided by the CCRMA or third parties without Contractor's approval and such work causes damage or causes Contractor to be unable to perform the Maintenance Services hereunder or to be able to perform the Maintenance Services only at additional costs to Contractor which are not reimbursed by the CCRMA.

3.5 LIMITATION OF LIABILITY.

(a) Except for the liability set forth in Sections 3.4(b) and (c), or obligations or liabilities relating to or arising from obligations of indemnification, confidentiality, or information security or appropriate treatment of information, above, the Contractor's total liability to the CCRMA and all liabilities arising out of or related to Maintenance Services provided and regardless of the legal theory, including breach of contract, warranty, negligence, strict liability, or statutory liability, shall not, in the aggregate, exceed the then average Monthly Fee multiplied by sixty (60) (the "Cap").

(b) Any claim by the CCRMA against Contractor relating to Maintenance Services provided, other than in warranty, must be in writing and presented to Contractor within the applicable statute of limitations period. Any claim under warranty must be made within the time specified in the applicable warranty clause.

(c) This Section 3.5 shall survive termination of this Agreement for any reason.

3.6 PRICE ADJUSTMENTS.

(a) The prices to be used for establishing pricing for the initial term and any renewal period described in Section 1.2 shall be based upon the pricing provided in a Work Authorization. Prices in each Work Authorization may be adjusted through a Supplemental Work Authorization to account for increases or decreases in the costs of labor and materials from the costs as of the date of issuance of the Work Authorization. These adjustments will be made as specified in this Section 3.6, regardless of the actual variations in cost of labor and materials for such items, and shall be the Contractor's sole and exclusive remedy for cost variations. The Contractor agrees that the economic price adjustments pursuant to this Section 3.6 shall be the sole basis for adjusting the price to reflect inflation and/or market conditions. The Contractor warrants that the prices contained in all Work Authorizations and Supplemental Work Authorizations do not include any contingency to cover anticipated increased costs of performance due to price inflation following the date of issuance of a Work Authorization.

(b) Economic price adjustments shall be based on the following indices: Labor amounts shall be adjusted in accordance with the Employment Cost Index (ECI) total compensation private industry all workers, Series ID CIU20100000000001, (not seasonally adjusted) as published by the U.S. Department of Labor, Bureau of Labor Statistics.

ARTICLE 4 WORK AUTHORIZATIONS

4.1 WORK AUTHORIZATIONS, GENERALLY.

(a) Each activity, task, or project that is expected to result in a fee to the Contractor shall be performed pursuant to a separate Work Authorization, signed by the CCRMA and the Contractor. Work shall be in accordance with the scope, schedule, and budget set forth in said Work Authorization.

(b) A Work Authorization shall be based upon agreement between the CCRMA and the Contractor. Upon oral directive from the CCRMA, the Contractor shall prepare a Work Authorization for a specific task, to be submitted for the CCRMA's approval.

(c) No work shall begin on the task until the Work Authorization is approved by the CCRMA's Board of Directors and is fully executed. The work shall be performed under applicable provisions of the Agreement Documents, and the Contractor shall proceed promptly therewith, unless otherwise provided in

the Work Authorization.

4.2 CONTENT OF WORK AUTHORIZATION. A Work Authorization is a written instrument signed by the CCRMA and the Contractor stating their agreement upon the following (or combination thereof):

(a) *Scope of Work.* A Work Authorization shall include a detailed Scope of Work for the relevant project.

(b) *Schedule.* A Work Authorization shall include the Guaranteed Date(s) for Implementation Services or a project term for Maintenance Services.

(c) *Budget.* A Work Authorization shall include a final price proposal for Implementation Services or a Monthly Fee for Maintenance Services and a not to exceed amount.

(1) If unit prices are stated in the Agreement Documents or subsequently agreed upon, and if quantities originally contemplated are so changed in a proposed Work Authorization that application of such unit prices to quantities of work will cause substantial inequity to the CCRMA or Contractor, the applicable unit prices shall be equitably adjusted.

(2) The Work Authorization shall specify whether payment methods for Implementation Services or Maintenance Services shall be applied as determined by the Authority to be most appropriate for the elements or scope of work within the Work Authorization. In no case will the maximum specified payment stated in the Work Authorization be exceeded without prior written approval from the CCRMA Executive Director.

(3) The monthly invoice to the CCRMA will include a progress summary of the work performed during the previous month under each outstanding Work Authorization.

(d) *Other.* The Work Authorization may include revisions to other terms and conditions of the Agreement Documents.

ARTICLE 5 MISCELLANEOUS

5.1 GOVERNING LAW - CHOICE OF FORUM. The Agreement shall be governed and construed in accordance with Texas statutes without taking into account conflicts of laws rules. The parties hereto expressly agree that the proper forum for adjudication of matters arising under or relating to the Agreement shall be the courts or tribunals of Cameron County, Texas.

5.2 SECTION HEADINGS. Section headings are included for section identification purposes only and are not to be considered Agreement terms.

5.3 NOTICE PROVISIONS. Notices under the Agreement Documents shall be in writing and (a) delivered personally, (b) sent by certified mail, return receipt requested, (c) sent by a recognized overnight mail or courier service, with delivery receipt requested, or (d) sent by facsimile communication followed by a hard copy and with receipt confirmed by telephone, to those individuals designated by Contractor and the CCRMA from time to time in writing:

TECSIDEL S.A.
ATTN: Gabriele Cangialosi
1801 S. 2nd St., Suite 370

Mcallen, TX 78503
C/O: Michael J. Daley
Email: Gabriele.cangialosi@tecsidel.es

Cameron County Regional Mobility
3461 Carmen Ave
Rancho Viejo, TX 78575
Attn: Pete Sepulveda, Jr.
Phone: 956.621.5571
Fax: 956.621.5590
Email: psepulveda@ccrma.org

In addition, copies of all notices to proceed and suspension, termination and default notices forwarded by either Party shall be delivered to the following Persons:

Locke Lord LLP
600 Congress Avenue, Suite 2200
Austin, TX 78701
Attn: C. Brian Cassidy
Phone: (512) 305-4855
Fax: (512) 391-4855
Email: bcassidy@lockelord.com

All communications to the CCRMA shall be clearly marked with the contract number to identify this Agreement.

5.4 ASSIGNMENT BY CCRMA OR CONTRACTOR.

(a) The Contractor shall cooperate with and assist the CCRMA in connection with any transition of the maintenance of all or any portion of the Project as applicable, to another maintenance provider. This cooperation and assistance shall include, but not be limited to, preparation of a detailed succession plan that shall be sufficient to assist the CCRMA and its new Maintenance Services provider in accomplishing a non-disruptive transition of Maintenance Services for the Project. The CCRMA shall pay the Contractor for its reasonable costs in connection with the preparation of such succession plan on a time and materials basis as set forth in the relevant Work Authorization.

(b) CCRMA has the right to assign the entire contract to another government or private agency.

(c) Contractor has the right to assign the contract to another company as part of a merger or full asset or company sale.

5.5 TERMINATION.

(a) *Causes.* The Agreement may be terminated due to any of the following conditions.

(1) By mutual agreement and consent, in writing from both parties.

(2) By CCRMA by notice in writing to the Contractor as a consequence of failure by the Contractor to perform the work set forth in the Agreement Documents in a satisfactory manner.

(3) By either party, upon the failure of the other party to fulfill its material obligations as set forth in the Agreement Documents. The parties agree that Contractor's failure to receive payment on any undisputed invoice for a period of sixty (60) days shall be a failure of a party to fulfill its material obligations.

(4) By CCRMA for reasons of its own, not subject to the mutual consent of the Contractor, by giving thirty (30) days' notice of termination in writing to the Contractor.

(5) By either party, without consent or advance notice to the other, in the event this Agreement is declared void or unenforceable by a court or tribunal of competent jurisdiction.

(6) By satisfactory completion of all Services and obligations described herein.

Prior to termination pursuant to 5.5(a)(2) and 5.5(a)(3), above, the party that has failed to perform or fulfill its material obligations shall be afforded ninety (90) days, following receipt of written notice from the other party, to cure the failure.

(b) *Measurement.* Should CCRMA terminate this Agreement as herein provided, no fees other than fees due and payable at the time of termination shall thereafter be paid to the Contractor. The value of the work performed by the Contractor prior to termination shall be determined in accordance with Section 5.5(d). Compensation for work at termination will be based on a percentage of the work completed at that time. Should CCRMA terminate the Agreement under Section 5.5(a)(4) above, the Contractor shall not incur costs during the thirty (30) day notice period in excess of the amount incurred during the preceding thirty (30) days.

(c) *Value of Completed Work.* If the Contractor defaults in the performance of this Agreement or if CCRMA terminates this Agreement for fault on the part of the Contractor, CCRMA will give consideration, in its sole discretion, to the following when calculating the value of the completed work: (1) the actual costs incurred (not to exceed the prices set forth in a Work Authorization) in performing the work to the date of default; (2) the amount of work required which was satisfactorily completed to date of default; (3) the value of the work which is usable to CCRMA; (4) the cost to CCRMA of employing another firm to complete the required work; (5) the time required to employ another firm to complete the work; and (6) other factors which affect the value to CCRMA of the work performed. If CCRMA terminates the Agreement for reasons of its own, not subject to the mutual consent of the Contractor, in accordance with Section 5.5(a)(4) above, or CCRMA terminates the Agreement in response to a court decision in accordance with Section 5.6(a)(5) above, then

(1) with respect to Implementation Services, CCRMA will pay to the Contractor the fair and reasonable value of the work completed in accordance with the Agreement up to the termination date. In such event, CCRMA will give consideration, in its sole discretion, to the following when calculating the value of the completed work: (1) the actual cost incurred (not to exceed the prices set forth in a Work Authorization) by the Contractor in performing the work to the date of termination; (2) the amount of work required which was satisfactorily completed to the date of termination; (3) the value of the work which is useable to CCRMA; and (4) other factors which affect the value to CCRMA of the work performed; and

(2) with respect to Maintenance Services, the Contractor shall immediately invoice CCRMA for all accrued and unpaid Monthly Fees (not to exceed the prices set forth in a Work Authorization), and CCRMA shall pay the invoiced amount pursuant to Section 3.3, provided, however, that (a) CCRMA shall have the right to set-off against such invoiced amount any and all amounts due or that may be due to CCRMA from the Contractor as a result of a breach of the Contractor's obligations or representations and warranties set forth in Article 3.

(d) *Calculation of Payments.* CCRMA shall use the appropriate Work Authorization in determining the value of work performed on Implementation Services up to the time of termination. If included in the applicable Work Authorization, the sum of the overhead percentage rate for payroll additives and for general and administrative overhead costs during the years in which work was performed on Implementation Services shall be used to calculate partial payments. Any portion of the fixed fee not previously paid in the partial payments shall not be included in the final payment.

(e) *Excusable Delays.* Except with respect to defaults of subcontractors, the Contractor shall not be in default by reason of any failure in performance of the Agreement in accordance with its terms (including any failure to progress in the performance of the work) if such failure arises out of causes beyond the control and without the default or negligence of the Contractor and meeting the definition of Force Majeure Events as set forth and qualified in Attachment A – General Provisions.

(f) *Materials.* In the event of any termination of this Agreement, CCRMA shall have the obligation to purchase materials delivered by Teccidel, if part of an approved invoice. In addition, in the event of any termination of this Agreement for any reason, both parties' obligations with respect to Contractor Confidential Information and CCRMA Confidential Information, as each is defined in Attachment A – General Provisions shall survive the expiration or earlier termination of this Agreement.

(g) *Surviving Requirements.* The termination of this Agreement and payment of an amount in settlement as prescribed above shall extinguish the rights, duties, and obligations of CCRMA and the Contractor under the Agreement Documents, except for those provisions that establish responsibilities that extend beyond the term of the Agreement or as otherwise provided in any other Agreement Document.

(h) *Transition.* In the event of any termination or expiration pursuant to this Agreement, or any order, statement of work, or other agreement or engagement hereunder, CCRMA's rights hereunder or thereunder and ability to use and access the Contractor Property hereunder or thereunder (including with respect to access to data) shall survive for a period of not less than 90 days to allow CCRMA to transition to its own or a third party's similar offerings or functionalities.

5.6 RIGHT TO SETOFF. The CCRMA shall have the right, without being in breach of any of its obligations hereunder to set off any amounts payable by the Contractor to CCRMA under this Agreement against any amounts payable by the CCRMA to the Contractor.

5.7 FEDERAL LAW COMPLIANCE. Contractor covenants at all times to perform its duties and obligations hereunder in compliance with all applicable federal laws and regulations necessary to be eligible for TIFIA funding.

5.8 DISPUTES. Any dispute between the parties as to the interpretation of, subject matter of, or in any way related to, any one or more of the Agreement Documents, is to be resolved by the two parties attempting to reach a fair and equitable resolution by using good faith negotiation followed by, if necessary, one or more of the following means. The means to be used are:

- (a) mediation;
- (b) arbitration; and/or
- (c) legal proceedings in a court of competent jurisdiction.

5.9 NON-SOLICITATION. Neither party shall, during the period beginning from the start of this agreement until one (1) year after termination of this agreement, directly or indirectly, recruit, solicit, employ, engage as a consultant or otherwise retain any of the other party's employees who are involved in the performance of this agreement. Each party agrees that the other party's remedy at law for a breach of this Section 5.9 shall be inadequate and that the non-breaching party shall be entitled to seek injunctive relief for such breach, without proof of irreparable injury, in addition to any other right or remedy it may have.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

CAMERON COUNTY REGIONAL MOBILITY
AUTHORITY

By: Frank Parker, Jr.
Frank Parker, Jr., Chairman

CONTRACTOR:

By: _____



ATTACHMENTS:

- Attachment A – General Provisions**
- Attachment B – Scope of Services**
- Attachment C – Contractor Proposal**
- Attachment D – Information Security Addendum**

Attachment A
General Provisions

ATTACHMENT A GENERAL PROVISIONS

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ARTICLE 1. NOTICES TO PROCEED – WORK AUTHORIZATIONS

A. Use. The Contractor shall not begin any Services until CCRMA issues a Work Authorization for the particular Services and a Notice to Proceed, if provided for in the Work Authorization. Costs incurred by the Contractor before a Work Authorization or Notice to Proceed are issued are not eligible for reimbursement.

B. No Guaranteed Work. Work Authorizations are issued at the discretion of the CCRMA. While it is CCRMA's intent to issue Work Authorizations hereunder, the Contractor shall have no cause of action conditioned upon the lack or number of Work Authorizations issued.

ARTICLE 2. PROGRESS

A. Inspections. The work and all reimbursements may be subject to periodic review by CCRMA and associated government agencies.

B. Reports. The Contractor shall promptly advise CCRMA in writing of events that have a significant impact upon the progress of the work, including:

1. problems, delays, or adverse conditions that will materially affect the ability to meet the time schedules and goals, or preclude the attainment of Guaranteed Dates set forth in a Work Authorization; this disclosure will be accompanied by statement of the action taken or contemplated, and any CCRMA or federal assistance needed to resolve the situation; and
2. favorable developments or events which enable meeting the Guaranteed Dates set forth in a Work Authorization sooner than anticipated.

C. Corrective Action. Should CCRMA determine that the progress of work does not satisfy the Guaranteed Dates set forth in a Work Authorization, CCRMA shall review the project schedule with the Contractor to determine the nature of corrective action needed.

ARTICLE 3. SUSPENSION OF WORK

A. Notice. Should CCRMA desire to suspend work but not terminate the Agreement, CCRMA may verbally notify the Contractor followed by written confirmation, giving 30 days' notice. Both parties may waive the 30-day notice in writing. In the event that CCRMA has not paid any undisputed invoice to Contractor within 60 days, Contractor shall have the right to suspend its operations until such payment has been made, plus any additional costs associated with suspending its operations.

B. Reinstatement. The work may be reinstated and shall be resumed in full force and effect within 60 days of receipt of written notice from CCRMA to resume the work. Both parties may waive the 60-day notice in writing.

C. Effect of Suspension of Work on Agreement Time. If CCRMA suspends the work for reasons related to its own convenience and not due to the actions or fault of Contractor, or if the Contractor suspends the Agreement as set forth in this Article, then the affected Guaranteed Date(s) set forth in a Work Authorization shall be extended for the same number of days that the work is suspended, plus a mutually agreed upon number of additional days for re-mobilization of Contractor's resources, and the period of the Agreement shall begin to run again whenever the work is reinstated. Furthermore, CCRMA shall pay all

reasonable and necessary costs actually incurred by Contractor in suspending the work and restarting the work. If CCRMA disagrees with the costs incurred by Contractor in suspending and restarting the work or with the number of additional days needed for re-mobilization of Contractor's resources, such dispute will be handled in accordance with Section 5.8 of the Agreement.

D. Limitation of Liability. Except as set forth in this Article, CCRMA shall have no liability for work performed or costs incurred prior to the date authorized by CCRMA to begin work, during periods when work is suspended, or after the completion date of the Agreement.

ARTICLE 4. OWNERSHIP OF DATA AND DELIVERABLES

A. Ownership of Material. Ownership of all data, materials, and documentation originated and prepared for CCRMA pursuant to the RFP and under the Agreement do and, shall immediately as prepared, belong exclusively to CCRMA and be subject to public inspection in accordance with applicable law.

B. For the purposes of this agreement, "Intellectual Property" means any intellectual or industrial property right, including any patent, copyright, trade mark, service mark or trade name, right in software, moral right, right in an invention, domain name, trade secrets, and all similar or equivalent rights in each case whether registered or not and including all applications (or rights to apply) for, or renewal or extension of, such rights which exist now or which will exist in the future in the United States of America and all other countries in the world.

C. Except as set forth herein, Contractor is the sole and exclusive owner of all Intellectual Property Rights in any software, concepts, ideas, methods, methodologies, procedures, processes, know-how, techniques (including, without limitation, structure, sequence, logic, coherence and methods of analysis and systems), and separable code developed independently by Contractor or by Contractor working in cooperation with CCRMA in the course of Contractor's performance of its obligations under this Agreement and related to the Toll Collection System (collectively, "Contractor Technology"), together with all Contractor trademarks, discoveries, improvements, and inventions that are related to the Contractor Technology (collectively, "Contractor Property"). Contractor shall retain ownership of the software source code at all times. Contractor shall have no Intellectual Property rights in any data or CCRMA Confidential Information provided to, hosted by, or accessible by Contractor in connection with this Agreement, and as between the parties, CCRMA shall hold all rights thereto, other than as expressly provided herein. CCRMA shall own all reports and deliverables provided, to be provided, or which Contractor is obligated to provide, under or in furtherance of purposes of this Agreement, and Contractor hereby assigns any and all Intellectual Property rights it may have in such reports or deliverables.

D. CCRMA grants Contractor a license to use any data or CCRMA Confidential Information provided to, hosted by, or accessible by Contractor in connection with this Agreement, and as between the parties, CCRMA as reasonably necessary for Contractor to fulfill the purposes of this Agreement and no other purpose. Contractor shall and hereby does grant to CCRMA a worldwide, fully-paid, perpetual, non-exclusive license and rights to use Contractor Technology, Contractor Property, and other Intellectual Property (and concepts, ideas, methods, methodologies, procedures, processes, know-how, techniques (including, without limitation, structure, sequence, logic, coherence and methods of analysis and systems), documents (in any format), materials and code subject thereto) as reasonably necessary or appropriate for fulfillment of the purposes of this Agreement or use of any Contractor Property hereunder.

E. Disposition of Documents. All documents prepared by the Contractor as part of work provided under the Agreement Documents and all documents furnished to the Contractor by CCRMA shall be delivered to CCRMA upon request by CCRMA. The Contractor, at its own expense, may retain copies of

such documents or any other data which it has furnished CCRMA under the Agreement Documents, but may only further use that data to the extent expressly authorized in the Agreement Documents, and shall return or securely destroy such documents following termination and transition, or upon written request of CCRMA.

F. Release of Design Plans. The Contractor (1) will not release any plans created or collected under the Agreement Documents except to its subcontractors as necessary to complete the Agreement; (2) shall include a provision in all subcontracts which acknowledges CCRMA's ownership of the plans and prohibits their use for any use other than on behalf of CCRMA under the Agreement Documents; and (3) is responsible for any improper use of the plans by its employees, officers, or subcontractors, including costs, damages, or other liability resulting from improper use. Neither the Contractor nor any subcontractor may charge a fee for the portion of the plans created by CCRMA.

G. Confidentiality of Information. The parties shall not disclose and shall use all reasonable endeavors, including through appropriate contractual or employee policy requirements, to prevent their employees and agents from disclosing any Confidential Information (meaning CCRMA Confidential Information and Contractor Confidential Information) or other data disclosed to the other party pursuant to this Agreement. Confidential Information shall include commercial, financial, marketing or technical information, know-how, trade secrets or business methods, or Personal Information (as defined in the Information Security Addendum), whether disclosed orally or in writing and whether marked confidential or not.

This Paragraph 4.G shall not apply to:

- i. any disclosure of information that is reasonably required by persons engaged in the performance of this agreement, provided that such disclosures be limited to that minimally necessary for performance of such person's responsibilities in furtherance of the performance of obligations under this Agreement;
- ii. any matter that is already generally available and in the public domain otherwise than as a result of a breach of this Paragraph 4.G;
- iii. any disclosure to enable a determination to be made in accordance with agreed procedures governing disputes between the parties;
- iv. any disclosure which is required by any law (including any order of a court of competent jurisdiction), any parliamentary obligation or the rules of any stock exchange or governmental or regulatory authority having the force of law, provided that the party upon whom such requirement is imposed shall, to the extent permissible: (a) disclose the requirement to the party whose Confidential Information is subject to such requirement in advance of making the disclosure, and (b) cooperate with the party whose Confidential Information is subject to such disclosure in seeking to resist or minimize the required disclosure and/or procure appropriate protections for the information to be disclosed; or
- v. any disclosure of information which is already lawfully in the party's possession prior to its disclosure by the other party.

Where disclosure is permitted under paragraphs (i) or (iii) above, the party disclosing the information shall procure that the recipient of the information be subject to the same obligation of confidentiality as that contained in this Paragraph 4.G.

The parties acknowledge and understand that in the course of fulfilling obligations under this Agreement, Contractor may come into possession of, gain access to, be provided with access to, or have in their possession, custody, or control certain personally identifiable information of individuals, such as an individual's Social Security number, driver's license number, bank or payment card account information, health or medical information, employment-related information, or login and password credentials ("Personal Information"). Contractor acknowledges its responsibility for Personal Information and shall at all times comply with the provisions of the Information Security Addendum, which is attached hereto and incorporated by reference with respect to Personal Information and CCRMA Confidential Information.

ARTICLE 5. PUBLIC INFORMATION

CCRMA will comply with Government Code, Chapter 552, the Public Information Act ("PIA"), and 43 Texas Administrative Code § 3.10 et seq. in the release of information produced under the Agreement. The Contractor has asserted that all Software delivered by the Contractor to CCRMA is deemed by the Contractor to be proprietary, confidential, or otherwise exempt from disclosure under the PIA. CCRMA will use reasonable efforts to notify the Contractor if a request for public information is received which may require CCRMA to disclose any portion of the Software or any other material that the respondent has clearly marked as proprietary, confidential, or otherwise exempt from disclosure under the PIA so as to allow the Contractor the opportunity to protect such materials from public disclosure. CCRMA is not obligated to assert or argue on behalf of the Contractor that any information provided to CCRMA is exempt from required disclosure and shall not be liable for the disclosure of any information submitted by the Contractor.

ARTICLE 6. PERSONNEL, EQUIPMENT AND MATERIAL

A. Contractor Resources. The Contractor shall provide adequate and sufficient personnel and equipment to perform the work required under the Agreement. The Contractor certifies that it presently has adequate qualified personnel in its employment for performance of the work required under the Agreement Documents, or it will be able to obtain such personnel from sources other than CCRMA.

B. Removal of Contractor Employee. All employees of the Contractor assigned to this Agreement shall have such knowledge and experience as will enable them to perform the duties assigned to them. The CCRMA may instruct the Contractor to remove any employee from association with work authorized in the Agreement Documents if, in the sole opinion of CCRMA, the work of that employee does not comply with the terms of the Agreement Documents or if the conduct of that employee becomes detrimental to the successful completion of the work.

C. Replacement of Key Project Personnel. The Contractor must notify CCRMA in writing as soon as possible, but no later than three business days after a person designated as Key Project Personnel is removed from association with this Agreement, giving the reason for removal.

D. CCRMA Approval of Replacement Personnel. The Contractor may not replace (1) Key Project Personnel without substituting in their positions replacements having equivalent qualifications and notifying CCRMA of such replacements which notice shall include the qualifications of the successors without the prior written consent of CCRMA. CCRMA must be satisfied that the new Key Project Personnel subject to this Paragraph 6.D is qualified to provide the authorized Services. If CCRMA determines that the new Key Project Personnel subject to this Paragraph 6.D is not acceptable, the Contractor may not use that person in that capacity and shall replace him or her with one satisfactory to CCRMA within 45 days.

ARTICLE 7. SUBCONTRACTING

A. Prior Approval. The Contractor shall not assign, subcontract or transfer any portion of the Services related to the work under the Agreement Documents without prior written approval from CCRMA; provided, however, that this does not limit Contractor's subcontracting to other firms to furnish specialized technology components and Services that the Contractor does not manufacture or produce in-house. CCRMA shall respond to a Contractor's request under this Article 7 to assign, subcontract or transfer any portion of the Services within seven (7) days of receipt of the request.

B. Required Provisions. All subcontracts for Services shall include the provisions included in this Attachment A, General Provisions, and any provisions required by law. The Contractor is authorized to pay the subcontractors in accordance with the terms of the subcontract, and the basis of payment may differ from the basis of payment by CCRMA to the Contractor.

C. Prior Review. Subcontracts for Services in excess of \$25,000 shall be subject to review and approval by CCRMA prior to performance of work thereunder.

D. Contractor Responsibilities. No subcontract relieves the Contractor of any responsibilities under the Agreement Documents.

ARTICLE 8. INSPECTION OF WORK

The Contractor shall furnish CCRMA, and its authorized representatives, with every reasonable opportunity and facility for inspection and making certain that the work under this Agreement is performed and the materials are furnished in accordance with the requirements and intent of the Agreement Documents. Such inspection may include plant and/or shop visits and extensive field inspection during the toll equipment installation and testing phases. CCRMA and its authorized representatives reserve the right to perform a plant or shop visit, as long as they provide two working days' notice prior to the actual visit.

ARTICLE 9. AUTHORITY RESPONSES

CCRMA agrees to use its best efforts to respond in a timely manner to all submittals made by Contractor and to all of Contractor's written requests for input, interpretation, clarification, confirmation or information in sufficient detail to permit Contractor to proceed with its work without delay.

ARTICLE 10. OBLIGATION TO PERFORM FUNCTIONS

Any failure or neglect on the part of CCRMA to enforce provisions provided in the Agreement dealing with supervision, control, inspection, testing, or acceptance and approval of the work shall not relieve the Contractor from full compliance with the Agreement Documents, nor render CCRMA liable to the Contractor for money damages, extensions of time or increased compensation of any kind. The Contractor shall not be held responsible for any time extensions which are initiated by CCRMA.

ARTICLE 11. COMPLIANCE WITH LAWS

The Contractor shall comply with all applicable federal, state, and local laws, statutes, codes, ordinances, rules and regulations, and the orders and decrees of any court, or administrative bodies or tribunals in any manner affecting the performance of the Agreement, including, without limitation, worker's

compensation laws, minimum and maximum salary and wage statutes and regulations, nondiscrimination, and licensing laws and regulations. When required, the Contractor shall furnish CCRMA with satisfactory proof of its compliance therewith.

ARTICLE 12. INDEMNIFICATION

A. ERRORS, OMISSIONS, NEGLIGENT ACTS. IN ADDITION TO ANY INDEMNIFICATION PROVISIONS SET FORTH IN ANY OTHER AGREEMENT DOCUMENT, THE CONTRACTOR SHALL DEFEND AND HOLD HARMLESS CCRMA, EACH OF CCRMA'S AFFILIATES, AND EACH OF THEIR RESPECTIVE SUCCESSORS, ASSIGNS, OFFICERS, DIRECTORS, SHAREHOLDERS, EMPLOYEES, AGENTS AND REPRESENTATIVES (EACH INDIVIDUALLY, A "CCRMA INDEMNIFIED PARTY" AND COLLECTIVELY, THE "CCRMA INDEMNIFIED PARTIES") FROM ANY AND ALL DAMAGES, LIABILITY, LOSSES, COSTS, EXPENSES, CLAIMS, JUDGMENTS, ATTORNEY'S FEES AND EXPENSES (COLLECTIVELY, "CLAIMS"), ARISING OUT OF THE PERFORMANCE OF THIS AGREEMENT BY THE CONTRACTOR TO THE EXTENT CAUSED, WHETHER IN WHOLE OR IN PART, BY REASON OF THE CONTRACTOR'S, ITS OFFICERS', DIRECTORS', AGENTS', EMPLOYEES', SUBCONTRACTORS', OR REPRESENTATIVES' ERROR OR OMISSION OR NEGLIGENT ACTS OR WILLFUL MISCONDUCT OR MATERIAL BREACH OF THIS AGREEMENT. THE CONTRACTOR HEREBY WAIVES POTENTIAL IMMUNITY AVAILABLE TO IT UNDER THE WORKERS' COMPENSATION ACTS OF THE STATE OF TEXAS OR ANY OTHER STATES AND ACKNOWLEDGES AND RECOGNIZES THAT THE CONTRACTOR IS ASSUMING POTENTIAL LIABILITY FOR ACTIONS BROUGHT BY ITS OWN EMPLOYEES ARISING OUT OF THE PERFORMANCE OF THIS AGREEMENT BY THE CONTRACTOR BUT ONLY WITH RESPECT TO CLAIMS AGAINST THE CONTRACTOR BY CCRMA FOR INDEMNITY UNDER THIS PROVISION. THIS INDEMNITY SHALL NOT APPLY TO LOSSES CAUSED BY THE (I) NEGLIGENCE OF CCRMA OR ITS EMPLOYEES OR (II) CCRMA'S MATERIAL BREACH OF THIS AGREEMENT. THIS INDEMNIFICATION SHALL SURVIVE THE EXPIRATION OR EARLIER TERMINATION OF ALL OR ANY PORTION OF THIS AGREEMENT.

B. Intellectual Property Indemnification. Contractor represents and warrants that it owns or has secured all rights necessary to provide the offerings provided under this Agreement to CCRMA. Contractor will defend, indemnify, and hold harmless Customer against any and all costs, damages, settlement amounts, liabilities, penalties, fees (including attorneys' fees, court costs, and litigation fees), or assessments arising from any third-party claims, actions, or demands relating to any allegation that any of the offerings hereunder or Customer's use of the offerings violates a third party's intellectual property or proprietary rights.

C. Attorney Fees. Each party shall, to the extent allowed by law, hold harmless the prevailing party from any and all expense, including, but not limited to, attorney fees which may be incurred by the prevailing party in litigation or otherwise resisting claims or liabilities which may be imposed on the other party as a result of activities by the other party, its agents, or employees.

D. Conduct of Claims. The indemnification obligations under this Agreement are subject to the following:

1. A CCRMA Indemnified Party shall promptly give notice to the Contractor of any claim, whether between the parties or brought by a third party, specifying in reasonable detail the factual basis for the claim; provided, however, that the failure to give prompt notice shall not jeopardize the right of any CCRMA Indemnified Party to indemnification except to the extent

such failure shall have materially prejudiced the ability of the Contractor to defend such claim. Such notice shall be given by the CCRMA Indemnified Party as promptly as reasonably practicable, but within ten (10) business days after the CCRMA Indemnified Party becomes aware of such claim.

2. The Contractor's indemnification obligations are conditioned upon the CCRMA Indemnified Party permitting the Contractor, upon request, in accordance with Paragraph 12.C.3 below, and at the Contractor's cost and expense, to assume and have sole control of the defense and settlement of any claim, whether between the parties or brought by a third party. Subject to the Contractor having assumed the defense in accordance with Paragraph 12.D.3 below, the CCRMA Indemnified Party agrees not to make any material admission voluntarily or intentionally of any liability or agreeing to settle or compromise any such claim without Contractor's prior written consent.
3. To assume the defense of such claim, the Contractor shall first have acknowledged in writing to the CCRMA Indemnified Party the Contractor's obligation to indemnify and defend the CCRMA Indemnified Party as set forth herein for the matter. Subject to the foregoing, the Contractor shall commence and proceed diligently to defend such claim. In the absence of such assurance in writing, the CCRMA Indemnified Party shall retain the right, but not the duty, to control the defense of such claim, without prejudicing in any way its right to recover all indemnified damages and claims under this Section.
4. Subject to the Contractor's agreement to reimburse the CCRMA Indemnified Party's expenses in doing so, the CCRMA Indemnified Party agrees to cooperate with Contractor in every reasonable manner in the defense of such claim. The Contractor shall at all times keep the CCRMA Indemnified Party reasonably apprised of the status of any such action.
5. The CCRMA Indemnified Party shall have the right to participate, at its expense, in the control of the defense in the event such action may subject the CCRMA Indemnified Party to either criminal or non-monetary regulatory penalties or sanctions.
6. The Contractor shall not, without the prior written consent of the CCRMA Indemnified Party, effect a settlement of any such claim to the extent that it contains (i) any admission on the part of the CCRMA Indemnified Party of wrongdoing; or (ii) any sanctions other than requiring the CCRMA Indemnified Party to stop using the Contractor Property, or portion thereof, deemed to be infringing.
7. To the extent Contractor does not assume the obligation to defend and pay as set forth herein and is ultimately found to have had such obligation, then the Contractor shall pay and reimburse the CCRMA Indemnified Party (in addition to Contractor's obligations as set forth herein) for its reasonable attorneys' fees, court costs and litigation expenses relating to the claim, as well as any settlement reasonably entered into by the CCRMA Indemnified Party with a third party.

ARTICLE 13. CONTRACTOR'S RESPONSIBILITY

A. Accuracy. The Contractor shall be responsible for the accuracy of work and shall promptly make necessary revisions or corrections resulting from its errors, omissions, or negligent acts without compensation.

B. Errors and Omissions. The Contractor's responsibility for all questions arising from design errors and/or omissions will be determined by CCRMA. The Contractor will not be relieved of the responsibility for subsequent correction of any such errors or omissions or for clarification of any ambiguities until after the work has been completed.

ARTICLE 14. PERMITS, LICENSES, FEES AND TAXES

The Contractor is responsible for obtaining all permits and licenses which are not provided by CCRMA and must pay all charges and fees and give all notices necessary and incidental to the due and lawful prosecution of the work under the Agreement Documents.

ARTICLE 15. COOPERATION BETWEEN CONTRACTORS

The Contractor shall work closely with any other contractors who will be working for CCRMA and for TxDOT for the purpose of coordinating any activity which may affect both contractors, including CCRMA and/or TxDOT contractors engaged in road construction, and contractors performing toll equipment installation, equipment testing, power requirements, conduit requirements, etc. It will be critical that close coordination between the Contractor and other contractors is maintained.

ARTICLE 16. INSURANCE

The Contractor shall secure and maintain insurance in its own name and at its own expense with insurance companies which are rated at least A-VII by A.M. Best Company. The Contractor shall not commence work under the Agreement Documents until it has provided insurance of such character and in such amounts shown below as will provide adequate protection for CCRMA employees, its authorized representatives, and others lawfully on its property and for the Contractor, against all liabilities, damages and accidents, or has provided equivalent protection by some approved method. The Contractor shall maintain such insurance or equivalent protection in force during the life of this Agreement. The Contractor shall furnish CCRMA with satisfactory proof of carriage of insurance prior to execution of the Agreement, and no modification or change of insurance carriage and provisions shall be made without 30-days written advance notice to CCRMA. A memorandum of issuance shall be available to CCRMA stating CCRMA is an additional insured, on a primary and non-contributory basis. Neither approval by CCRMA, nor a failure to disapprove insurance furnished by the Contractor, shall release the Contractor of full responsibility for liability, damages and accidents, as set forth herein.

If any operations are performed on the construction site by a subcontractor, the Contractor shall carry on its own behalf protective Liability and Property Damages Insurance at the same limits set forth for its own operations.

Before the Contractor, or any subcontractor, will be permitted to enter upon the right-of-way of the Project, the policies for the foregoing insurance shall have been approved by CCRMA and certificates therefore filed, as above required.

The minimum acceptable limits of coverage are:

- | | |
|---|-------------|
| • Comprehensive General Liability (each occurrence) | \$1,000,000 |
| • Comprehensive General Liability (Aggregate) | \$3,000,000 |

- Employee Liability \$500,000
 - Workers Compensation Statutory
 - Comprehensive Auto Liability, Bodily Injury and Property Damage including all owned, hired and non-owned vehicles \$1,000,000
 - Cyber liability or data breach loss insurance that includes coverage for any reimbursable amounts arising from a Security Incident as set forth in the Information Security Addendum. \$2,000,000
 - Excess/Umbrella Liability \$4,000,000*
- * In addition to the primary coverage listed, an umbrella or excess liability policy of not less than \$4,000,000 for any one occurrence of general liability, automobile liability, casualty (casualty, shall include but not be limited to any damage, theft, or other loss of CCRMA's spare parts stored by the Contractor on behalf of CCRMA) and employers' liability.

IN ADDITION TO ANY INDEMNIFICATION PROVISIONS SET FORTH IN ARTICLE 12 OF THIS ATTACHMENT A – GENERAL PROVISIONS OR ANY OTHER AGREEMENT DOCUMENT, THE CONTRACTOR AND CONTRACTOR'S DIRECT PARENT SHALL DEFEND AND HOLD HARMLESS CCRMA, EACH OF CCRMA'S AFFILIATES, AND EACH OF THEIR RESPECTIVE SUCCESSORS, ASSIGNS, OFFICERS, DIRECTORS, SHAREHOLDERS, EMPLOYEES, AGENTS AND REPRESENTATIVES (EACH INDIVIDUALLY, A "CCRMA INDEMNIFIED PARTY" AND COLLECTIVELY, THE "CCRMA INDEMNIFIED PARTIES") FROM ANY AND ALL DAMAGES, LIABILITY, LOSSES, COSTS, EXPENSES, CLAIMS, JUDGMENTS, ATTORNEY'S FEES AND EXPENSES (COLLECTIVELY, "CLAIMS"), ARISING OUT OF THE PERFORMANCE OF THIS AGREEMENT BY THE CONTRACTOR TO THE EXTENT CAUSED, WHETHER IN WHOLE OR IN PART, BY REASON OF THE CONTRACTOR'S, ITS OFFICERS', DIRECTORS', AGENTS', EMPLOYEES', SUBCONTRACTORS', OR REPRESENTATIVES' FAILURE TO OBTAIN THE PROPER INSURANCE COVERAGES SPECIFIED UNDER THIS ARTICLE 17. THE CONTRACTOR AND CONTRACTOR'S DIRECT PARENT EACH HEREBY WAIVES POTENTIAL IMMUNITY AVAILABLE TO IT UNDER THE WORKERS' COMPENSATION ACTS OF THE STATE OF TEXAS OR ANY OTHER STATES AND ACKNOWLEDGES AND RECOGNIZES THAT THE CONTRACTOR AND CONTRACTOR'S DIRECT PARENT ARE EACH ASSUMING POTENTIAL LIABILITY FOR ACTIONS BROUGHT BY CONTRACTOR'S OWN EMPLOYEES ARISING OUT OF THE PERFORMANCE OF THIS AGREEMENT BY THE CONTRACTOR BUT ONLY WITH RESPECT TO CLAIMS AGAINST THE CONTRACTOR BY CCRMA FOR INDEMNITY UNDER THIS PROVISION. THIS INDEMNITY SHALL NOT APPLY TO LOSSES CAUSED BY THE (I) NEGLIGENCE OF CCRMA OR ITS EMPLOYEES OR (II) CCRMA'S MATERIAL BREACH OF THIS AGREEMENT. THIS INDEMNIFICATION SHALL SURVIVE THE EXPIRATION OR EARLIER TERMINATION OF ALL OR ANY PORTION OF THIS AGREEMENT.

ARTICLE 17. MAINTENANCE, RETENTION AND AUDIT OF RECORDS

A. Retention Period. The Contractor shall maintain all books, documents, papers, accounting records and other evidence pertaining to costs incurred and work provided (hereinafter called the Records). The Contractor shall make the records available at its office during the term of the Agreement and for four years from the date of final payment under the Agreement, until completion of all audits, or until pending litigation has been completely and fully resolved, whichever occurs last.

B. Availability.CCRMA or any of its duly authorized representatives shall have access to the Contractor's records which are directly pertinent to this Agreement for the purpose of making audits, examinations, excerpts and transcriptions.

ARTICLE 18. DISPUTES

A. Disputes Not Related to Agreement Services. The Contractor shall be responsible for the settlement of all contractual and administrative issues arising out of any procurement made by the Contractor in support of the work authorized herein.

B. Disputes Concerning Work or Cost. Any dispute concerning the work under the Agreement Documents or additional costs, or any non-procurement issues shall be settled in accordance with Section 5.8 of the Agreement.

ARTICLE 19. SUCCESSORS AND ASSIGNS

The Contractor and CCRMA do each hereby bind themselves, their successors, executors, administrators and assigns to each other party of this Agreement and to the successors, executors, administrators and assigns of such other party in respect to all covenants of this Agreement. The Contractor shall not assign, subcontract or transfer its interest in the Agreement without the prior written consent of CCRMA. For the avoidance of doubt, the foregoing does not prevent Contractor from working with its banking facility to factor its invoices if it so desires.

ARTICLE 20. SEVERABILITY

In the event any one or more of the provisions contained in the Agreement Documents shall for any reason, be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision thereof and this Agreement shall be construed as if such invalid, illegal, or unenforceable provision had never been contained herein.

ARTICLE 21. BOND REQUIREMENTS

A. Payment Bond. In the event Contractor utilizes the Services of a subcontractor, the Contractor shall provide to CCRMA as obligee a Payment Bond in the amount of: (1) 20% of the sum of the amount specified for Implementation in the final price proposal included in the applicable Work Authorization, (2) 20% of the aggregate amount of the Monthly Fees over the course of the Maintenance term, or (2) another sum negotiated between the parties and included in a Work Authorization.

B. Performance Bond. The Contractor shall provide a separate Performance Bond for each separate Project, which may include Implementation Services, Maintenance Services, or both. Each Work Authorization identifying a new Project shall include a separate Performance Bond issued by a responsible surety company or financial institution acceptable to CCRMA and legally authorized to do business in the State of Texas. A Work Authorization including both Implementation Services and Maintenance Services shall include separate Performance Bonds for each Service. The Bonds shall be in a form acceptable to CCRMA.

Within 15 days after the execution of a Work Authorization for Implementation, the Contractor shall provide a bond ("Implementation Bond"). The penal sum of the Implementation Bond shall not be less than 20% of the amount specified for Implementation in the final price proposal included in the Work Authorization. The bond shall remain in place until completion of the Services performed under the Work

Authorization. If the Implementation Bond acceptable to CCRMA is not delivered to CCRMA prior to the expiration of the 15 day period, CCRMA shall have the right to terminate, with no penalties assessed against the Contractor, at which time the Agreement shall be of no further force and effect, and CCRMA shall not be obligated to the Contractor for any work that the Contractor may have performed up to and including the date of such termination, provided that CCRMA shall reimburse the Contractor for equipment purchased by the Contractor, with CCRMA's prior written consent (which consent must be separate and apart from the Agreement), for purposes of meeting the Contractor's obligations under the Agreement Documents during this 15 day period. If applicable, CCRMA shall reimburse the Contractor within 30 days after delivery to CCRMA of such equipment in good order.

Within 15 days after the execution of a Work Authorization for Maintenance, the Contractor shall provide a separate bond ("Maintenance Bond"). The penal sum of the Maintenance Bond shall not be less than 20% of the aggregate amount of the Monthly Fees over the course of the Maintenance term. The Maintenance Bond shall remain in place until expiration of the Agreement. If the Maintenance Bond acceptable to CCRMA is not delivered to CCRMA prior to the expiration of the 15 day period, CCRMA shall have the right to terminate, with no penalties assessed against the Contractor, at which time the Agreement shall be of no further force and effect, and CCRMA shall not be obligated to the Contractor for any work that the Contractor may have performed up to and including the date of such termination.

The Contractor shall have failed to satisfy its obligations under this Article 21 if the surety company requests modifications or changes to the Agreement Documents, or requests other separate agreements from CCRMA, that CCRMA, in its sole discretion, deems unacceptable. The premium for the Bonds shall be borne by the Contractor.

ARTICLE 22. FORCE MAJEURE

Contractor shall be entitled to an extension of the Guaranteed Date(s) set forth in a Work Authorization for completion of a specified portion of the Project due to certain specified Force Majeure Events that are outside the control of Contractor. Such Force Majeure Events shall be limited to the following: any earthquake, tornado, hurricane, flood or other natural disaster, fire, epidemic, freight embargo, strike, blockade, rebellion, war, riot, act of sabotage or civil commotion. Contractor shall only be entitled to an extension of the Guaranteed Date(s) set forth in the Work Authorization if any such Force Majeure Event materially and adversely affects Contractor's obligations, and provided such Force Majeure Event is beyond the control of the Contractor and is not due to an act, omission, negligence, recklessness, willful misconduct, breach of contract or law by Contractor and further provided that such Force Majeure Event (or the effects of such Force Majeure Event) could not have been avoided by the exercise of caution, due diligence, or reasonable efforts by Contractor. Under no circumstances will lack of human or financial resources be construed to constitute Force Majeure.

ARTICLE 23. CERTAIN DEFINITIONS

As used in this Agreement, the following terms have the meaning indicated below:

"Affiliate" means, with respect to a specified Person, any other Person, whether now in existence or hereafter created, directly or indirectly controlling, controlled by, or under direct or indirect common control of such specified Person. For purposes of this definition, "control" (including, with correlative meanings, "controlling," "controlled by," and "under common control with") means the power to direct or cause the direction of the management and policies of such Person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise.

“Contractor Confidential Information” means all information and data furnished by the Contractor to CCRMA, whether in oral, written, graphic or machine-readable form, including, without limitation, object code, source code, source listings, computer programs, specifications, user, operations or systems manuals, diagrams, graphs, technical data, research, business or financial information, plans, strategies, forecasts, forecast assumptions, business practices, procedures, marketing information, trade secrets and other proprietary ideas, concepts, know-how, methodologies and all other information related to the Software or Contractor; all information or proprietary materials (in every form and media) not generally known in the relevant trade or industry but commonly and uniformly treated as confidential and which has been or is hereafter disclosed or made available by Contractor to CCRMA and its successors, assignees, subcontractors, consultants, employees, and agents, in connection with the Agreement who are permitted access and disclosure pursuant to the terms of the Agreement; and, except as otherwise stated in Article 4 of these General Provisions, all modifications and derivative works of the foregoing, but excluding information and materials described in the Standard Exceptions.

“CCRMA Confidential Information” means: (a) information relating to CCRMA’s owned or licensed (but excluding such information licensed from Contractor) computer systems and systems architecture, including computer hardware, computer software, databases, algorithms, including source code, object code, commentary and documentation, program libraries, program listings, business methods, methods of processing, technical processes and operational methods, all of the foregoing individually and which comprise software; (b) information that describes CCRMA’s organizational structure, business plans, and new business initiatives; (c) confidential information of third parties including that relating to software and software licenses (but excluding such information licensed from Contractor), hardware, documentation, business plans, financial information, CCRMA lists and other business affairs; (d) all trade secrets owned by or licensed by CCRMA (but excluding such information licensed from Contractor); (e) CCRMA’s existing services, designs, technology, processes, technical data, engineering techniques, methodologies, and concepts; (f) information relating to CCRMA’s plans; (g) algorithms and business rules developed by CCRMA and its Affiliates and used in configuring the Contractor Property which are not modifications to the computer software comprising the Software; and (h) all information or proprietary materials (in every form and media) not generally known in the relevant trade or industry but commonly and uniformly treated as confidential and which has been or is hereafter disclosed or made available by CCRMA to Contractor and its successors, assignees, subcontractors, consultants, employees, and agents, in connection with the Agreement who are permitted access and disclosure pursuant to the terms of the Agreement, in the case of (a) – (h) modifications and derivative works of the foregoing, but excludes information and materials described in the Standard Exceptions.

“Direct Parent” shall mean with respect to a specified Person, any other Person having the power to direct or cause the direction of the management and policies of such Person, directly, whether through the ownership of voting securities, by contract or otherwise.

“Person” means any individual, corporation, company, voluntary association, partnership, joint venture, trust, limited liability company, unincorporated organization or government or any agency, instrumentality or political subdivision thereof, or any other form of entity.

“Standard Exceptions” means information which the receiving party can prove: (a) is in the public domain on or prior to the date hereof; (b) was in the possession of the recipient thereof or its Affiliates on or prior to the date hereof and was not acquired or obtained from the discloser of such information or its Affiliates; (c) became part of the public domain, by publication or otherwise, not due to any unauthorized act or omission on the part of the recipient thereof or its Affiliates; or (d) is supplied to the recipient or its Affiliates by a third party as a matter of right and, to the recipient’s knowledge, is not in violation of any confidentiality agreement between such third party and the discloser of such information.

Attachment B
Scope of Services

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1. Scope of Services

Cameron County Regional Mobility Authority Background

CCRMA was created in 2004 by the Texas Transportation Commission to promote and improve regional mobility both within Cameron County, South Texas and internationally with Mexico.

The CCRMA strives to meet the region's various transportation and infrastructure needs in an improved and more efficient manner. CCRMA's mission is to make significant contributions by providing effective, accelerated mobility improvements to encourage economic development in South Texas.

State Highway 550 Overview

State Highway 550 (the "SH 550") is a limited access ten-mile toll road around the northern and eastern edges of Brownsville, Texas, partly replacing and expanding FM 511. Its development provides a new entry point for truck traffic to the Port of Brownsville. The toll road connects I-69E and US 77/US 83 southeastward to FM 3248. Added to its benefit of opening a new entry to truck traffic, residents take advantage of an easier, faster, and safer route to points of interest such as Port Isabel and South Padre Island. It has alleviated traffic congestion in the area and prepares the Cameron County for its expected growth in population.

SH 550 is a cashless toll road. All vehicles are eligible for its use since no stops are required to pay tolls. The CCRMA utilizes TxTag as its primary Electronic Toll Tag. The use of other Texas agencies electronic toll collection accounts is supported through the Texas Statewide Interoperability Hub (IOPHub). TxTag account setup, maintenance, and customer service is provided through the Texas Department of Transportation's Toll Operation Division's (TOD) Customer Service Center (CSC).

SH 550 customers without tags can choose to Pay by Mail via video tolling. Pay by Mail customers are charged a slightly higher rate than TxTag customers and incur a processing charge per bill. Customers who fail to pay toll bills by the due date are subject to additional fees and violation processing including Notices of Toll Violation, collections, and court processes.

In December 2016, CCRMA completed implementation of a Back-Office System (BOS) and Project Host Server (PHS) to process Pay by Mail and Violation toll transactions. All toll transactions not eligible for processing via the IOPHub are submitted from CCRMA's PHS to the BOS for Pay by Mail and Register by Plate account processing including establishment of customer Register by Plate accounts, license plate identification using Optical Character Recognition (OCR) and manual image review, violation account management, generation and mailing of Toll Bills and Notices of Toll Violation, payment processing, and a full-service customer website.

Figure 1 SH 550 Region

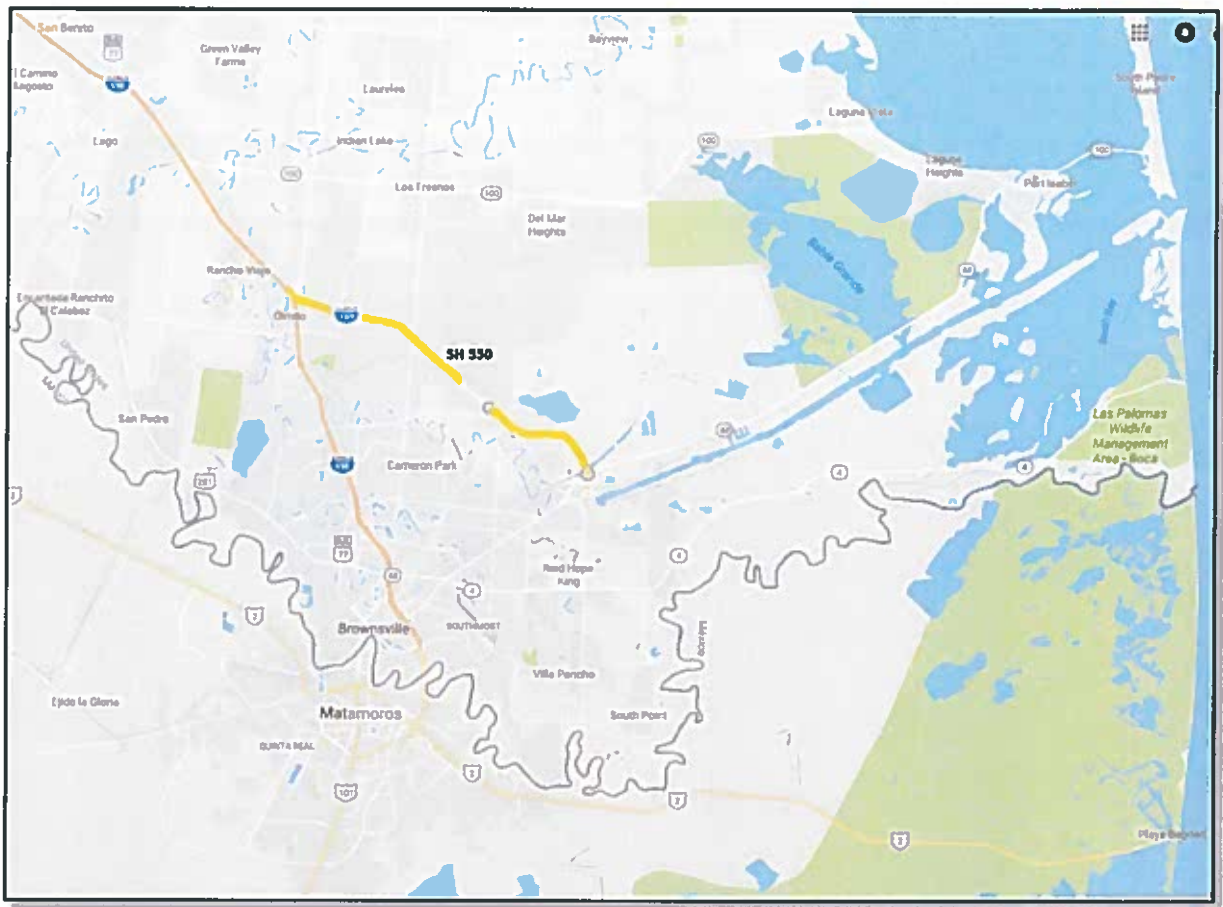
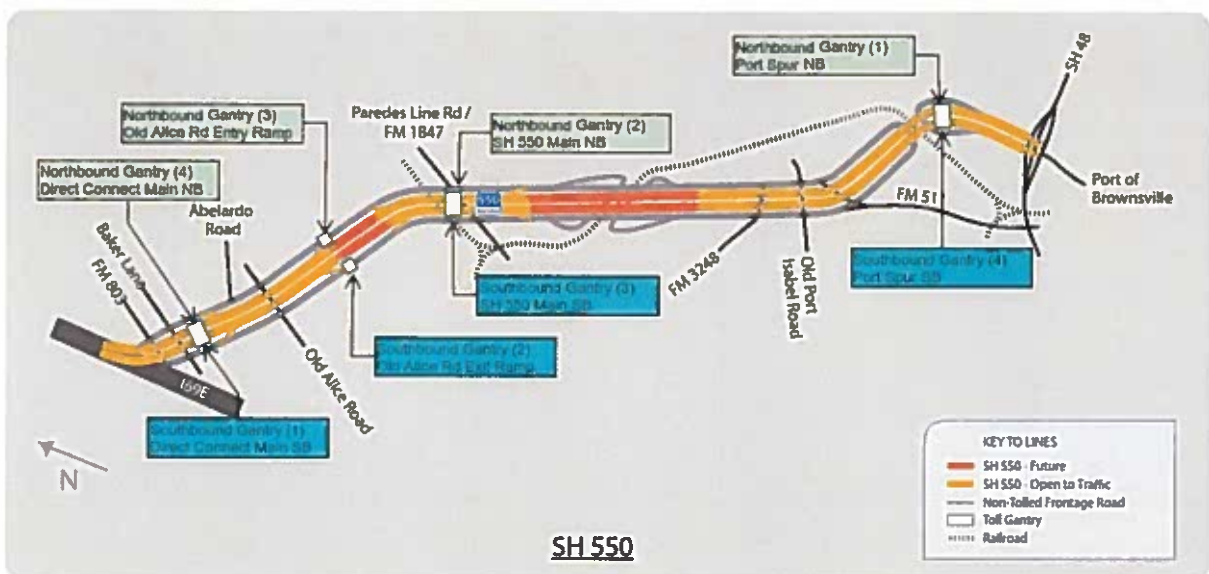


Figure 2 SH 550 Detailed Map



CCRMA Future Projects

CCRMA concentrates its transportation efforts in Cameron County but looks to the entire South Texas and Northern Mexico (Tamaulipas, MX) as a region of impact for future project development. A recent study has shown the population of this region to grow to 7 million by 2040. The US department of Transportation acknowledges this in a recent report "Beyond Traffic 2045" where it outlines South Texas as a "megaregion" with substantial population growth by 2050. Currently the CCRMA has a project system under development of over 2 billion dollars with over a quarter having been completed or undergoing construction. Of the 13 projects in the CCRMA system, 2 are planned as potential future toll roads to include the South Padre Island 2nd Access, and the Outer Parkway.

South Padre Island Second Access

CCRMA, in partnership with the Texas Department of Transportation (TxDOT) and the Federal Highway Administration (FHWA), is proposing a transportation project providing a second access point to and from South Padre Island. The development of the South Padre Island 2nd Access Project started several years ago with the initiation of an environmental process that included a series of public and stakeholder meetings to gather valued input and identify issues important to the community.

The second access will consist of three major components; the mainland roadway, the Laguna Madre crossing bridge, and the Island roadway. The route under consideration includes a four-lane road crossing over Laguna Madre with approximately 8 miles of tolled lanes.

Outer Parkway

The Outer Parkway project is newly planned four-lane tolled highway from I69E north of Harlingen, TX to FM106 also called General Brant Rd. The project is approximately 21.5 miles in length. The new facility will enhance east-west mobility in northern Cameron County, improve congestion relief when traveling west from South Padre Island, and promote economic development in the underdeveloped areas.

Cameron County Parks Overview

Cameron County currently operates various parks and access points that are controlled access facilities on South Padre Island and in Arroyo City. These parks serve the public with enhanced facilities and fees charged for access serve to support and maintain the facilities. Within the parks, Cameron County also provides Recreational Vehicles (RV) full service lot rentals and cabanas for overnight and long term stays. These services are provided for rental and utility fees charged and maintained by the parks operations. Toll operations and collection services may involve the development of lane hardware and systems for cash, credit card, and RFID electronic payment

options in the lane. Integration with the CCRMA BOS may be required for the support of all back-office functions including tag management, reporting, and rental management services. Cameron County Parks currently has 7 tolled lanes in which configuration of hardware, software, and other required lane equipment would be necessary for development.

PRIB Overview

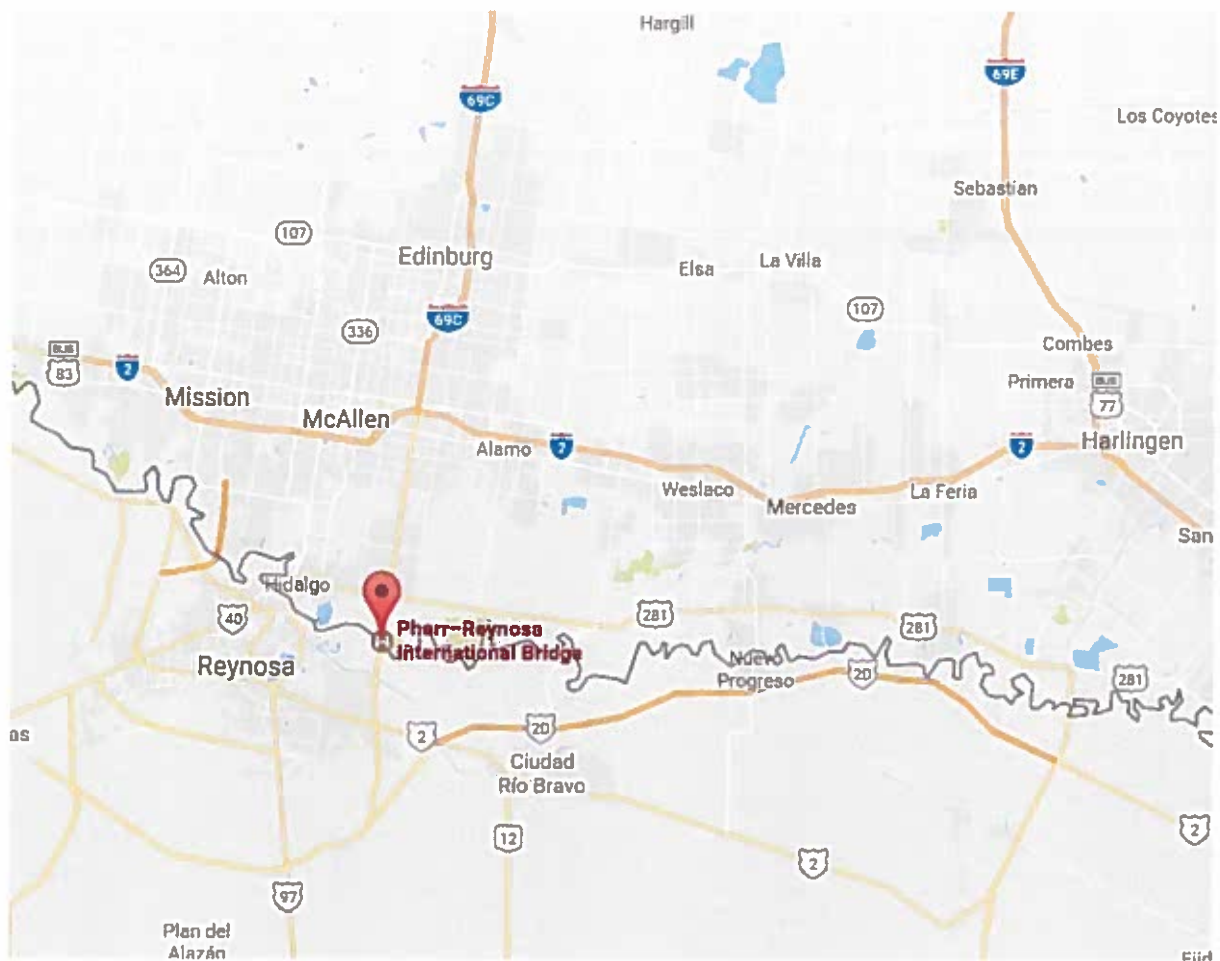
The PRIB, operated by the City of Pharr, Texas, serves as one of the most important ports on entry for the U.S.-Mexico border. The bridge handles commercial vehicles as well as passenger-operated vehicles. The PRIB connects U.S. 281 to the city of Reynosa, Tamaulipas, which is an important industrial city in northeastern Mexico, which has become one of the fastest growing cities in Latin America.

The Pharr Bridge crossing the Rio Grande river is recognized as the longest bridge connecting two countries in the world at a length of 3.2 miles. The residents from Mexico call it "The Intelligent Bridge," due to the state-of-the-art technology. GAMA Rays and Fast And Secure Trade program, known as FAST are implemented by both the U.S. and Mexican Customs, which allows an expedited inspection of documents and cargo, and limits crossing time on the U.S.-Mexican border.

The Pharr Bridge strategic location, surrounding infrastructure, services and potential for growth, gives a competitive advantage to the City of Pharr, Texas, as well as the City of Reynosa, Tamaulipas.

Importers, exporters, domestic and multinational manufacturing companies have found using the PRIB as their port of entry as a great advantage to conduct their operations, and has transformed into profits due to the regions low cost of doing business.

Figure 3 PRIB Region



PRIB Toll Collection System

For southbound traffic, the PRIB currently uses a TCS consisting of eight gated lanes (4 currently in use, 2 not currently in use, 2 reserved for oversize loads) where customers may pay their tolls using either transponders using automated vehicle identification (AVI), cash, or prepaid barcoded tickets. For customer convenience cash is collected in either U.S. or Mexican denominations and change is provided in the same denomination used to pay the toll.

Due in part to the international location of the facility, accepted methods of payment do not include video-based tolling, also known as "Pay by plate," or Pay by Mail in Texas. Toll rates are based on a pre-determined rate schedule. Vehicles pay tolls based on the number of vehicle axles, a classification system consistent with most tolling authorities. Discounts are currently provided for customers using transponders, however other types of discounts may be implemented in the future.

Transponders used by customers traveling on the PRIB are issued at PRIB's Customer Service Center (CSC). Currently, PRIB transponders are not interoperable with other Texas tolling agencies, and other Texas tolling agencies' transponders are not interoperable with PRIB.

Figure 4 Pharr International Bridge Toll Rates












Non-commercial Motorcycle, Car, Truck	\$ 3.50	  
Commercial 2 axle truck or bus	\$ 11.25	 
Commercial 3 axle	\$ 15.25	 
Commercial 4 axle	\$ 17.25	
Commercial 5 axle	\$ 22.25	
Commercial 6 axle	\$ 25.25	
Motorhome 2 axle	\$ 20.50	
Commercial wide load	\$ 33.25	

Table 1: Milestone and Deliverable Schedule

F.Y. 2015-2016	Car Crossings	Truck Crossings	Total Crossings
October-2015	69,211	45,969	115,180
November-2015	66,759	42,831	109,590
December-2015	73,316	40,966	114,282
January-2016	65,640	43,933	109,573
February-2016	63,769	46,087	109,856
March-2016	69,455	48,576	118,031
April-2016	69,353	46,883	116,236
May-2016	70,178	45,447	115,625
June-2016	68,061	45,100	113,161
July-2016	71,561	43,511	115,072
August-2016	72,827	46,467	119,294
September-2016	68,868	44,381	113,249
TOTAL Crossings	828,998	540,151	1,369,149

CCRMA and PRIB Interoperability

A significant number of vehicles utilizing the PRIB issued transponders also travel on and incur toll charges on CCRMA operated toll roads. These vehicles are not registered as CCRMA customers or with the Texas IOPHub, making it difficult for CCRMA to collect unpaid tolls. In addition, most of these vehicles are tractor trailers with Mexico license plates which use SH 550 as a direct route to the Port of Brownsville. Currently CCRMA's Pay by Mail process is unavailable for vehicles registered in other countries.

In 2015, CCRMA and the City of Pharr entered an Interlocal Agreements to operate their respective toll systems with interoperability. This will facilitate CCRMA's collection of tolls incurred by customers with valid Pharr-Reynosa Bridge System transponders on CCRMA toll facilities.

PRIB will utilize CCRMA's BOS for customer account management features such as payment processing, account replenishment, transponder assignment and inventory management, and reporting including customer account and customer data reports, financial and revenue reports, and reconciliation reports related to the interface between the to the BOS and PHS. PRIB and CCRMA will exchange information electronically based on an Interface Control Document (ICD).

International Bridge General Project Scope of Work

The Scope of Work (Work) to be performed by the Proposer for the Project is comprised of two segments. The first segment of Work begins with design and ends with System Acceptance; this is "Work Segment 1 – Integration." Upon System Acceptance, the second segment of warranty and maintenance; this is "Work Segment 2 – Maintenance." The Proposer will perform both segments under a single Agreement, and each segment will be associated with a separate Notice to Proceed (NTP). The Agreement terms allows CCRMA, at its sole discretion, to subsequently amend the Agreement to increase the Work to include the supply, installation, and maintenance of additional toll collection systems on future projects. A separate Work Authorization, which includes specifications, price and schedule, at a minimum, will be required for increases in scope. Refer to Volume 1, Section 1.4 for CCRMA's budget for implementation and maintenance of the PRIB TCS.

Contract Term

The initial term of the contract includes Phase I implementation and Phase II. Phase I is defined by the schedule in Section 8 and is expected to last 8 months from the date of Notice to Proceed (NTP) to the date of Go-Live. Phase II is to last for a period of five years from the date of Go-Live. CCRMA shall have a 5-year option to renew, which option shall be exercisable at the sole discretion of CCRMA.

Work Segment I - Integration

The Proposer shall furnish all hardware; cables and connections; software; interfaces; installation; integration, testing; labor, personnel; transportation; materials; storage; tools; supplies; permits; licenses; equipment; and any other services, equipment, or materials necessary to supply fully functional TCS in accordance with the requirements of the Agreement. The Proposer will work with the CCRMA for all traffic control activities for the duration of this Work Segment.

Work Segment I of the Project includes the design, development, installation, testing, training, integration, and implementation of the roadway equipment and the PHS. During this phase, the Proposer shall furnish all hardware; cables and connections; software; interfaces; installation; integration, testing; labor, personnel; transportation; materials; storage; tools; supplies; permits; licenses; equipment; and any other services, equipment, or materials necessary to supply fully functional PHS in accordance with the requirements of the Agreement. The Proposer shall be responsible for communicating coordinating with CCRMA for all traffic control activities for the duration of Work Segment I.

The Proposer shall provide the Toll Collection System (TCS) equipment, systems, subsystems, and components to comply with the requirements of the Agreement and including, but not limited to, the following:

- Automatic Vehicle Detection (AVD)
- Automatic Vehicle Classification (AVC)
- Automatic Vehicle Identification (AVI)
- Lightning protection / Surge Protection Device
- Environmentally controlled cabinet, lane controllers and related electronics
- Interfaces required for system integration
- Local Area Network (LAN) equipment
- Database Management System (DBMS)
- Maintenance Online Management System (MOMS)
- Project (or Plaza) Host Server (PHS)
- Secure roadside cabinets or enclosures that are not otherwise provided
- Spare parts
- Data connectivity to each Toll Point
- System interfaces, including an interface to a third-party BOS

The TCS shall record toll transactions in a manner to include, but not limited to, the following:

- Date and time
- Location (Toll Point)
- Transaction type
- Toll amount
- Amount Paid (including MXN Pesos, Conversion Rate, and USD value)
- Transponder ID (if applicable)
- The Proposer shall compile transaction data from all Toll Points in a format that is compatible with the Texas Interoperability Hub or similar BOS ICD provided by CCRMA.
- Equipment status codes

The Proposer shall provide a streamlined Project Host Server (PHS), or Plaza Host Server, to collect all toll transactions from all PRIB Toll Points and transmit valid transactions to the CCRMA PHS for further processing. The PHS will serve as the link between the PRIB lane system and the CCRMA PHS and ultimately the CCRMA BOS. The CCRMA BOS will serve as the primary source for all customer account management, tag status and inventory management, payment processing, and BOS reporting including reconciliation and financial reporting. The PHS will provide lane operator and standard lane reports described below. The PHS shall be housed in a secure and climate-controlled location provided by CCRMA. Once in production, the Proposer shall use a system environment separate from the PHS for testing software modifications, fixes, and updates prior to their releases into CCRMA's production environment.

The PHS shall have reporting capabilities that include, but are not limited to, the following:

- User generated reports based on predefined and ad-hoc report criteria

- Tour of duty reports for lane operations, that include cash, MXN, and ticket transaction data
- Monitor and report on the condition and maintenance of the TCS through an integrated MOMS

Works Segment II - Maintenance

After the Tolling Commencement / Open to Traffic Milestone and upon NTP2, the Proposer shall provide warranty and maintenance services for all hardware and software delivered under this procurement for up to ten (10) years in accordance with the requirements of the Agreement. The warranty and Maintenance period of the Agreement shall be for at least five years (5) and no more than ten (10) years. The Proposer will be responsible for maintaining the entire TCS, including training, coordination and support onsite maintenance staff provided by CCRMA. The Proposer will provide the necessary training and support for CCRMA staff to provide the onsite and preventative maintenance for the TCS. The Proposer shall coordinate all traffic control activities associated with lane closures and maintenance activities necessary under this Work Segment with the CCRMA.

During Work Segment II, the Proposer will provide hardware and software maintenance for the PHS system for a period of five (5) years. The first year of maintenance includes a warranty period of one (1) year that shall commence upon Work Segment I acceptance. Work Segment II includes the period of System Acceptance Test (SAT) which is expected to last sixty (60) days from the approved date of Go-Live. Upon completion of the first year of operation under the warranty period, maintenance services will be provided for an additional period of 4 years.

The Proposer will provide a fully integrated MOMS application that automates the tracking, reporting, and dispatching of work orders, alarm messages, equipment health, installed and spare parts equipment inventory.

The Proposer is not required to supply onsite maintenance personnel if support can be provided remotely at a level that is required per Volume 7, Performance Requirements. CCRMA will provide required onsite maintenance personnel using local CCRMA maintenance staff to perform related on-site tasks and assist as required with the maintenance of the TCS. It is assumed most alarms and automatically generated trouble tickets will be investigated and resolved remotely. However, local CCRMA maintenance staff will be available, at the direction of the Proposer, to assist with issues that require on-site support. Local CCRMA maintenance staff will have been trained by the Proposer to access spare parts, perform sub-component replacements, properly handle the return of defective equipment, properly administer inventory as required, etc. It is assumed that any Proposer required on-site maintenance support for issues local CCRMA staff is unable to resolve will be paid for by CCRMA on a time and material basis.

- Servers and central processing systems inclusive of operating systems, databases, backup systems, storage devices, etc.;
- Network equipment and cables;
- All Proposer provided equipment required to support this Scope of Work;

- UPS Equipment; and
- Software development and test configurations.

Toll Collection System

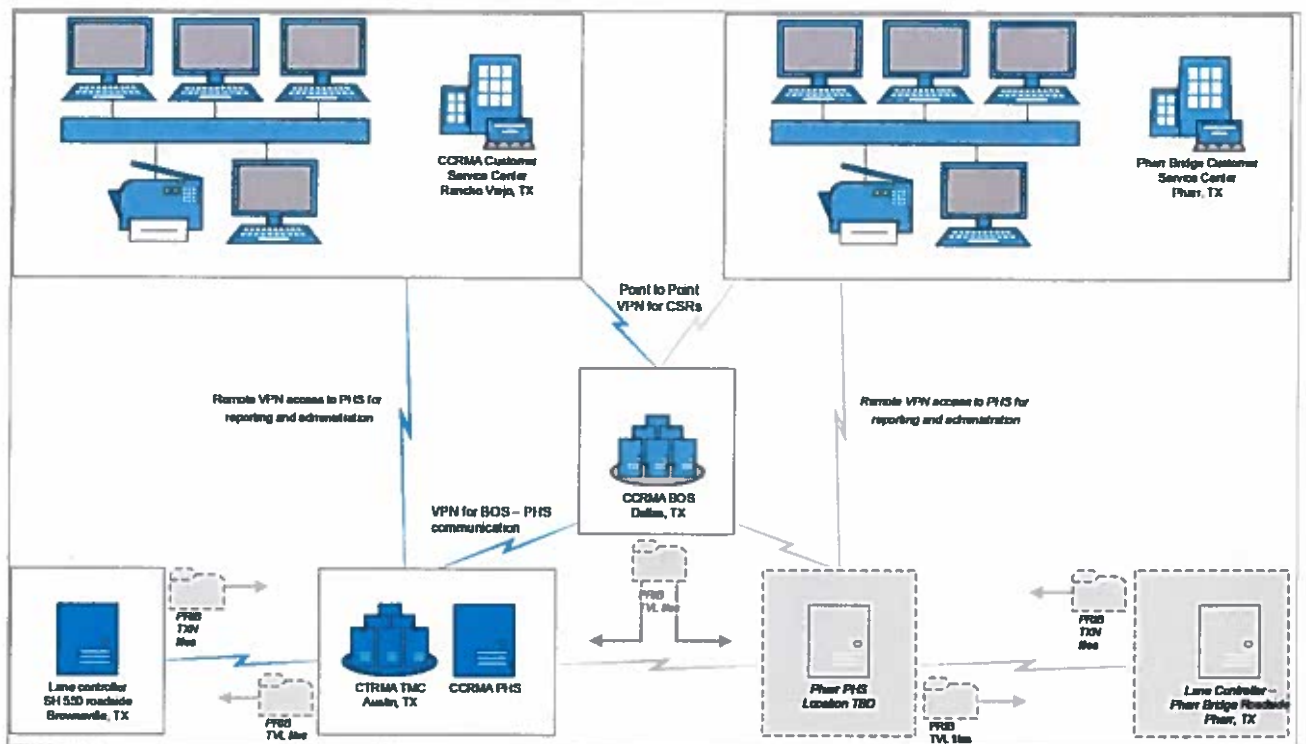
Figure 5 Pharr International Bridge Gantry



Systems Architecture

The Proposer is responsible for providing a TCS capable of transmitting transaction data to a Back-Office System (BOS) managed and operated by CCRMA through an integrated interface. The Proposer shall coordinate with PRIB, CCRMA, and CCRMA's 3rd party BOS provider to further define CCRMA's existing BOS Interface Control Document (ICD) during the design and development phase to receive Tag Validation Lists and send Transaction files and facilitate reconciliation between the PRIB and CCRMA systems.

Figure 6 PRIB and CCRMA Conceptual Network and Interface Design



*Items in grey / italics within scope of this RFP

Project Management

The Proposer shall provide overall project management and support in conformance with the requirements of the Agreement for the following:

- Schedule management
- Project status meeting participation and documentation
- Project coordination with CCRMA, their consultants, and third parties including the City of Pharr and other partnering agencies as applicable
- Risk Management
- Quality Management
- Progress reporting
- Change Management
- Document control
- Development of system manuals and training materials
- Administration of deliverable review and approval processes
- System design documentation
- System configuration verification and requirements traceability

Design and Development

The Proposer shall design and develop the TCS to meet or exceed all requirements set forth in the Agreement. The Proposer shall coordinate with CCRMA and its designees during the design process prior to system development to modify the Proposer's TCS to fit CCRMA's business rules.

The Proposer shall use existing and tested TCS modules where possible and appropriate to limit the amount of development and customization needed for the CCRMA. The Proposer shall clearly distinguish for CCRMA TCS components that are configurable in the base TCS, and TCS components that require modification or enhancement through development.

The Proposer shall deliver, in conformance with the requirements of the Agreement, the following:

System Detailed Design Document (SDD), which describes the design specifications of all hardware, software and communications to be provided by the Proposer to meet the requirements on the CCRMA TCS. Hardware design should describe all hardware specifications including appropriate diagrams and facility layouts. Software design should describe the module and/or process level. The SDD will first be submitted in draft form; the draft submission will be followed by an initial review and comment period, after which the design reviews will take place. Upon completion of the design reviews, the SDD may be revised and submitted to CCRMA for final review and approval.

The SDD shall include the following:

- The specification sheets for all equipment including full hardware manual set for all COTS hardware;
- Full software manual set for all COTS software;
- Computer sizing and design details;
- Description of all third-party software;
- System, subsystem and module level descriptions and interaction between modules;
- The requirements for all peripheral device interfaces;
- Reporting;
- High Level Process descriptions and data flow diagrams;
- Performance and reliability specifications;
- Description of system diagnostics, status monitoring and error handling;
- Description of redundancy and failover processes;
- Interface Control Documents (ICDs);
- Design for user interfaces including menus and screens;
- Data dictionary;
- Database design and entity relationship modeling;
- Data integrity assurance plan;
- Data Communications Diagram.

Within 60 days after the completion of the System Acceptance Test, the Proposer will submit the As-Built SDD including all changes made during the software development, installation and testing phases, including updates required related to resolution of defects.

Requirements traceability matrix (RTM), will cross reference the Business Rules, functional and technical requirements contained in, the SDD and the Test Cases.

A Preliminary RTM shall be submitted to CCRMA 60 days from Notice to Proceed (NTP). An Updated RTM adding SDD function cross references shall be submitted with the Preliminary SDD for review and comment 90 days after submittal of the Preliminary RTM.

The RTM should be updated throughout the course of development and testing as the design of the TCS is updated and refined. An updated RTM should be submitted at the following intervals:

- 120 days after NTP
- 30 days prior to the start of FAT
- Updated RTM upon completion of FAT
- Updated RTM upon completion of SIT

The Final RTM adding test case and procedure cross references and revisions based on comments received from CCRMA shall be submitted to CCRMA for approval thirty (30) days before start of FAT. Formal test results (pass/fail) shall be documented in the Final RTM during formal testing activities.

Testing

In accordance with the requirements of the Agreement, the Proposer shall provide a complete Master Test Plan and perform all TCS testing activities. In addition to any other criteria specified by CCRMA, test plans, procedure, and parameters shall be approved by CCRMA prior to commencing TCS testing. The CCRMA or its representatives will be present and witness all formal testing. After completing each test phase or event, the Proposer shall produce and submit a Test Report documenting the test results to CCRMA.

The Proposer shall maintain test environments as needed to ensure that CCRMA's configurations are matched exactly during every phase of development, installation, and testing.

The following test phases shall be performed in conjunction with and witnessed by CCRMA's staff and/or designees, unless otherwise determined by CCRMA:

- **Factory Acceptance Test (FAT)**, demonstrated at Proposer's test facility in a factory environment with hardware and software representative of the final system, including simulated transaction volumes to represent the expected real-world load on the system.
- **Systems Integration Test (SIT)**, demonstrated onsite with hardware and software to be used with completed TCS using simulated data to provide confidence the system can integrate with all required interfaces accurately and reliably.
- **Site Acceptance Test (SAT)**, demonstrated onsite with hardware and software to be used with the completed TCS and representative of all functionality required for full operation.

Upon successful completion of SAT, the Proposer will make final preparations for TCS Commissioning, including resolution of any critical defects, as agreed to by the Proposer and CCRMA.

Once CCRMA and the Proposer have agreed the system is fully prepared for Commissioning and all critical defects have been resolved to the satisfaction of CCRMA, a Commissioning date and time will be determined.

- **Operations Test**, will be conducted for a period of no less than 60 days after Commissioning. During this time, the system will be observed for accuracy, performance, and reliability. CCRMA reserves

the right to stop testing based on system issues. Testing will either resume where left off or start over based on the sole discretion of CCRMA.

The Proposer shall continue to resolve non-critical defects during this period, with CCRMA approval and coordination, and considering possible effects on system performance, accuracy, and reliability.

Final Project Acceptance for the CCRMA TCS will be given upon successful completion of required tests, closure of all software and hardware defects, completion and submission of all required documents, and meeting of other conditions as specified in the Agreement.

The Proposer may present modified or accelerated test plans that meet all the technical requirements listed in this RFP for CCRMA's consideration.

Maintenance

The Proposer will provide hardware, software, and network maintenance service for the CCRMA TCS.

The Proposer will be responsible for all CCRMA TCS software maintenance including the following:

- Operating systems;
- Databases;
- Application software;
- Third party software; and
- Configuration management and software version control.

The Proposer will provide maintenance services 24 hours a day, 7 days a week for all days in the year. Maintenance services may be provided on-site or off-site if the performance requirements described in **Volume 7, Performance Requirements** are met. Local CCRMA maintenance staff will be available, at the direction of the Proposer, to assist with issues that require on-site support. Local CCRMA maintenance staff will have been trained by the Proposer to access spare parts, perform sub-component replacements, properly handle the return of defective equipment, properly administer inventory as required, etc.

Any maintenance activities that will directly affect toll collection, customer service, or toll operations must be reported to CCRMA in the timeframe agreed upon by CCRMA and the Proposer.

The Proposer will provide a fully integrated MOMS application that automates the tracking and reporting of work orders, alarm messages, equipment inventory and equipment health.

Automated and manual work orders should be supported by the MOMS. The automated work orders should be generated for scheduled preventive and predictive tasks as well as for alarms generated by

equipment in the TCS. The MOMS should require that any updates to the maintenance work order, alarm response, and maintenance activity be appended to the ticket with a date and time stamp to record the entire history of the activity.

Schedule Milestone Dates

The Proposer shall deliver Phase 1 in accordance with the Milestones listed in Table 4 below. The Proposer shall deliver the Work in the sequence shown in Table 4, and the Proposer's schedule shall meet the Guaranteed Date or an accelerated date. The Proposer shall meet the requirements for the specified Deliverables and qualifying events as specified in the Agreement. The schedule is represented graphically in Figure 2 Milestone and Deliverable Timeline. Proposer may submit a modified and accelerated schedule that will fulfill all of CCRMA requirements listed below for CCRMA's consideration.

Table 2: Milestone and Deliverable Schedule

Milestone Name	Deliverable	Guaranteed Date¹
Project Initiation	Project Implementation Schedule	30 Days after NTP
	Project Management Plan	30 Days after NTP
	Security Plan	90 Days after NTP
Design Approval	Requirements Traceability Matrix (RTM)	Preliminary – 60 Days after NTP
		Updated – 120 Days after NTP
		Updated – 30 Days prior to FAT
		Updated – 15 Days after FAT complete
		Updated – 15 Days after SIT complete
		Final – 60 Days after Commissioning or Final System Acceptance
		Preliminary – 90 Days after NTP

¹ Days represented in calendar days

	System Detailed Design Document (SDD) for TCS	Updated – 30 Days prior to FAT
		As Built – 60 Days after Commissioning or Final System Acceptance
	System Detailed Design Document (SDD) for Interfaces	Preliminary – 120 Days after NTP
		Updated – 30 Days Prior to FAT
		As Built – 60 Days after Commissioning or Final System Acceptance
	System Detailed Design Document (SDD) for Reports	Preliminary – 120 Days after NTP
		Updated – 30 Days Prior to FAT
		As Built – 60 Days after Commissioning or Final System Acceptance
	Master Test Plan	Preliminary – 60 Days after NTP
		Final – 15 Days prior to FAT
	Training Plan and Materials	30 Days prior To Commissioning
Factory Acceptance Test	Factory Acceptance Test Plan	Preliminary – 15 Days Before FAT
		Final – Start of FAT
	Factory Acceptance Test Report	15 Days after FAT Complete
Systems Integration Test	System Integration Test Plan	Preliminary – 15 Days prior to SIT
		Final – Start of SIT
	Systems Integration Test Report	15 Days after SIT Complete
Systems Acceptance Test	TCS User & Administrator Manual	Preliminary – 90 Days prior to Commissioning
		Final – 30 Days prior to Commissioning
	Maintenance Plan	30 Days prior To Commissioning
	Disaster Recovery Plan	30 Days prior To Commissioning

	Commissioning "Go-Live" Plan	30 Days prior to Commissioning
	System Acceptance Test Plan	30 Day prior to Commissioning
	System Acceptance Test Report	15 Days after Commissioning or Final System Acceptance
	Start of Maintenance and Warranty Phase	Upon Final System Acceptance
	As-Built Documents	60 Days following Commissioning

Attachment C
Contractor Proposal

Attachment D
Information Security Addendum

Information Security Addendum

Whereas, Cameron County Regional Mobility Authority ("CCRMA") and TECSIDEL S.A. ("Contractor") have entered into the agreement to which this addendum is attached, and any associated contract documentation, as such agreement and documentation have been or may be amended ("Commercial Agreement") in connection with which Contractor will provide certain services and offerings ("Services") for CCRMA or in connection with services provided by CCRMA;

Whereas, in the regular course of business, CCRMA collects and maintains information about individuals (including toll customers, vehicle owners, and employees) that may include data such as a person's Social Security number, driver's license number, license-plate number, geolocation or travel data, bank account or credit card information, health information, employment-related information, or login and password credentials (all such data pertaining to individuals, whether or not specifically listed, being "Personal Information");

WHEREAS, in connection with the Services, Contractor may have access to, handle, or receive Personal Information or other confidential or proprietary materials, information, or data maintained by or concerning CCRMA (collectively with Personal Information, "CCRMA Information").

NOW, therefore, for good and valuable consideration, the receipt and sufficiency of which are acknowledged by Contractor, Contractor agrees as follows:

1. Contractor is responsible for the security of CCRMA Information that it receives or accesses in performing Services, and Contractor shall at all times maintain appropriate information-security measures with respect to CCRMA Information in a manner consistent with applicable law.
2. Contractor must implement and maintain current and appropriate administrative, technical, and physical safeguards with respect to CCRMA Information in its possession, custody, or control, or to which it has access, to protect against unauthorized access or use of such CCRMA Information. At a minimum, such safeguards shall be consistent with generally-recognized best practices for information security in the handling of similar types of data. Without limiting the foregoing, Contractor must appropriately and effectively encrypt CCRMA Information (i) transmitted over the Internet, other public networks, or wireless networks, and (ii) stored on laptops, tablets, or any other removable or portable media or devices.
3. Contractor represents and warrants that all systems, services, deliverables, or other offerings provided by Contractor in connection with the Commercial Agreement shall be designed, configured, and implemented in a manner to provide and allow for appropriate administrative, technical, and physical safeguards to protect CCRMA Information. Contractor shall inform CCRMA immediately of any identified vulnerability or occurrence within any system, service, deliverable, or other offering that may pose a threat to the confidentiality, security, integrity, or accessibility of CCRMA Information and provide patches or other appropriate remedies to cure such vulnerability or occurrence to CCRMA promptly and free of charge.
4. Contractor must identify to CCRMA all subcontractors, consultants, and other persons who may have access to CCRMA Information in connection with the Services. Before Contractor permits any subcontractor, consultant, or other person not directly employed by Contractor to have access to CCRMA Information, Contractor must obtain CCRMA's written approval, not to be unreasonably withheld (each approved party being an "approved subcontractor"). Contractor must restrict the CCRMA Information to which a given employee or approved subcontractor has access to only that CCRMA Information which such employee or approved subcontractor needs to access in the course of such employee's or approved

subcontractor's duties and responsibilities in connection with the Services.

5. Before granting access to CCRMA Information, Contractor must ensure that its employees and each approved subcontractor agrees to abide by these information security measures (or other applicable measures that are at least as protective of CCRMA Information). Contractor shall be responsible for the acts and omissions of its employees, subcontractors, and consultants under this Addendum as though such acts or omissions were those of Contractor.

6. Absent CCRMA's advance written permission, CCRMA Information must not be stored, accessed, or processed at any location outside of the United States.

7. Contractor may use CCRMA Information only for performing the Services, and Contractor must ensure that its employees and approved subcontractors are restricted from any use of CCRMA Information other than for such purpose.

8. Except to the extent otherwise expressly permitted under the Commercial Agreement, Contractor may not disclose CCRMA Information except as required by law or a governmental authority having jurisdiction over Contractor. In the event of such required disclosure, Contractor must notify CCRMA in advance (if legally permissible to do so) and reasonably cooperate with any decision by CCRMA to seek to condition, minimize the extent of, or oppose such disclosure.

9. Contractor will immediately notify CCRMA if Contractor discovers any actual or reasonably suspected breach of security or unauthorized use of CCRMA Information (i) in the possession, custody, or control of Contractor, its employees, or its subcontractors and/or (ii) effectuated using access permissions or credentials extended to an employee or subcontractor of Contractor (said (i) and (ii), a "Security Incident"). In no event shall Contractor's notification to CCRMA be later than three (3) calendar days after Contractor discovers the Security Incident; provided, however, that more immediate notification shall be given as the circumstances warrant or if more immediate notification is required by law. Contractor must provide all necessary and reasonable cooperation with respect to the investigation of such Security Incident, including the exchange of pertinent details (such as log files). In addition, Contractor must promptly undertake appropriate remediation measures and inform CCRMA regarding the same.

10. Subject to requirements of data security or privacy laws, CCRMA, in its sole discretion, will determine how, whether, and when to provide notice of a Security Incident to (a) any individuals whose personal information has been actually or potentially compromised; (b) any governmental authority; and/or (c) any other entity, including, but not limited to, consumer credit reporting agencies or the media. All notices must be approved by CCRMA before they are distributed. Contractor must reimburse CCRMA for costs or expenses CCRMA incurs in connection with such notices, or any similar occurrence arising from Contractor's failure to comply with Section 3 of this Addendum, (including the provision of credit monitoring or other identity protection services, to the extent the provision of such services is legally required or customary for similar data security incidents). Furthermore, Contractor shall indemnify and hold CCRMA harmless from all claims, costs, expenses, and damages (including reasonable attorneys' fees) that CCRMA incurs in connection with any regulatory action or third party claim arising from a Security Incident or any similar occurrence arising from Contractor's failure to comply with Section 3 of this Addendum.

11. Contractor must cooperate and permit CCRMA (and any governmental authorities with jurisdiction in connection with an audit requested by CCRMA) reasonable access for on-site review of Contractor's data security systems and procedures to verify Contractor's compliance with its obligations under this Addendum.

12. Each calendar year, Contractor must provide a current Type 2 Service Organizations Control (SOC) report or comparable report satisfactory to CCRMA, confirming the adequacy of Contractor's controls under the Trust Services Principles and Criteria of the American Institute of CPAs, or comparable principles and requirements satisfactory to CCRMA. The scope of each report must include all of Contractor's applications and systems that have access to or are involved in the processing of CCRMA Information, and each report must include a list of the controls that were tested.

13. Whenever CCRMA Information is no longer needed for the performance of Services, or at any time upon written notification from CCRMA, Contractor must unconditionally and without any charge or fee return or, at CCRMA's written election, certify the secure destruction of, all CCRMA Information in Contractor's possession, custody, or control (including CCRMA Information in the possession, custody, or control of any of Contractor's subcontractors).

14. With respect to all CCRMA Information that constitutes payment cardholder information under the Payment Card Industry Data Security Standard ("PCI DSS") and with respect to any actions or activity that may impact the security of CCRMA's systems securing payment cardholder information, Contractor must, and must cause its approved subcontractors, as applicable, to:

- a. abide by PCI DSS, as updated from time to time (currently, version 3.2), and related security and reporting requirements or standards imposed by applicable payment card brand(s) including through the provision of, preparation of, or cooperation in connection with any all reports, assessments, audits, inquiries, or attestations made, to be made, or desired by CCRMA pursuant to PCI DSS or applicable payment card brand requirements or standards;
- b. annually, and at such other times as CCRMA may reasonably request, provide CCRMA with a certification demonstrating compliance with PCI DSS in the relevant capacity, without charging CCRMA any fee or other amount with respect to such compliance or certification thereof; and
- c. without limiting the foregoing, refrain from any recording or storage of card security codes, render primary account numbers unreadable wherever stored, and dispose of payment cardholder information in compliance with PCI DSS Requirement 9.8.

15. If the Commercial Agreement contemplates access to or the handling of any information that constitutes "Protected Health Information" under the Health Insurance Portability and Accountability Act and regulations adopted thereunder ("HIPAA"), the parties must enter into a separate Business Associate Agreement that complies with HIPAA before Contractor will be granted access to any Protected Health Information.

16. This Addendum shall remain in effect as to CCRMA Information for so long as CCRMA Information remains in the possession, custody, or control of Contractor or its subcontractors.

**3-H CONSIDERATION AND APPROVAL OF AGREEMENT BETWEEN THE
CAMERON COUNTY REGIONAL MOBILITY AUTHORITY AND
PROFESSIONAL ACCOUNT MANAGEMENT, LLC, DBA DUNCAN
SOLUTIONS.**

CAMERON COUNTY REGIONAL MOBILITY AUTHORITY

TOLL REVENUE GUARANTEE AND DEBT COLLECTION SERVICES

CONTRACT FOR RFP NO. 2017-003

This Contract between the Cameron County Regional Mobility Authority (the "Authority") and Professional Account Management, LLC, a Duncan Solutions Company (the "Contractor" or "PAM") is hereby entered into and agreed to as of the 12th day of October 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 PAM.
- 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 Cameron County Regional Mobility Authority RFP No. 2017-003, the Authority's Business Rules, the Authority's Toll Collections Policies, the Contractor's proposal submitted in response to Cameron County Regional Mobility Authority RFP No. 2017-003, Change Orders, Addendums, 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.

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.
- 1.10 All capitalized terms herein shall have the meaning assigned by the Contract Documents.
- 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 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 the Authority's local customer service center and understands the business rules and 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 Authority.
 - 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 Term.

3.1 Notice to Proceed. The Authority shall issue a Notice to Proceed directing the Contractor to proceed with the Work on the date indicated in the notice (the "Commencement Date").

3.2 Time for Completion. The initial term of the Contract includes Phase I implementation and Phase II. Phase I shall terminate on the date of Go-Live, which shall in no event be more than four (4) months after the notice to proceed Date. Phase II shall begin on the date of Go-Live and shall continue for three (3) years. Upon the expiration of three (3) years from the date of Go-Live, the Authority shall have an option to renew up to three (3) years, which option shall be exercisable at the sole and absolute discretion of the Authority.

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).

3.3 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 INTENTIONALLY DELETED.

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 Provide the Authority with toll system integration services including but not limited to design, procurement, installation, testing, operations, and maintenance services related to toll transaction processing and collections for current and future transportation projects operated by the Authority.

5.2.2 Collect toll revenue with highly effective and efficient processes and technology.

5.2.3 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;

- 5.2.4 Provide overall project management and support in accordance with the Contract Documents;
 - 5.2.5 The furnishing of any insurance as required by the Contract;
 - 5.2.6 The furnishing of all warranties required by the Contract;
 - 5.2.7 Complying with all applicable federal, state, and local laws, including, but not limited to, the Federal Fair Debt Collection Practices Act, 15 U.S.C. §1692 – 1692p;
 - 5.2.8 Allowing employees of the Authority to have secure access to toll accounts on the Contractor's computer systems;
 - 5.2.9 Both retaining appropriate records of all payments and case status information in order to provide a clear audit trail for the Authority and settling disputes that may arise from processing and collection activities; and,
 - 5.2.10 The timely 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.
- 6.8 To the extent necessary to enable Contractor to comply with applicable laws and standards in the collection industry, the Authority agrees: (i) to reasonably cooperate with Contractor and provide reasonably necessary information it has regarding debts placed for collections under this Agreement, (ii) that debts placed with the Contractor are accurate to the best of the Authority's knowledge, (iii) that reasonable steps will be taken to report disputes, appeals, validation requests, and defenses of debtors to the Contractor that affect collectability (including any information regarding the bankruptcy, death, legal disability or other defenses), and (iv) to cooperate with Contractor in the event of any changes in law that may impose new or additional obligations.

7.0 Manner of Performance.

- 7.1 **Assigned Data Sets.** The Authority shall provide the Contractor with relevant transactional information (individually and collectively, "Data") so that Contractor can perform the Services. Data shall be transmitted in the file format attached as **Exhibit 3 (Data Set File Format)** via Secure File Transfer Protocol (SFTP) to a server address provided by Contractor. Data may be referred to individually as a "Periodic Data Set" and collectively, as "Periodic Data Sets"). The Authority shall forward Periodic Data Sets to Contractor using the Data Set Format over the agreed upon SFTP secure file transfer protocol at least monthly (provided such Violations occurred) no later than the last Business Day of each month for Violations that occurred in the previous month. If any deadline set forth in section 8.1.3 lands on a weekend or State holiday, then the deadline will be on the following Business Day. Any Data that should have been included in a particular Periodic Data Set as determined by the Authority's Business Rules but was omitted from the applicable Periodic Data Set may be included without penalty in a subsequent Periodic Data Set. The Authority does not guarantee any minimum number of Violations in any Data Set.

7.2 Requests to Discontinue Collection Activities.

7.2.1 Cessation Requests. The Authority may request that Contractor discontinue collection activities related to specific Violations for any reason (such request may be referred to individually as a "Cessation Request" or collectively, as "Cessation Requests").

7.2.1.1 Contractor to Cease Collection Efforts. In the event of a Cessation Request, the Contractor shall immediately halt any and all collection activity related to such Cessation Request until such time, if at all, that the Authority requests collection activity to recommence. Upon receipt of the Cessation Request, Contractor shall return to the Authority information related to the Violation(s) that are the subject matter of the applicable Cessation Request.

7.2.2 Violator-originated Disputes. If at any time during the Contractor's performance of the Services, a Violator disputes in writing that (s)he is not liable for Violation(s) ("Violator-originated Dispute") the Contractor shall immediately halt all collection efforts that are the subject of the Violator-originated Dispute and notify the Authority of the nature of the dispute as further set out below (note that debt validation requests received in the ordinary course are not disputes for purposes of this section):

7.2.3 Customer Disputes. Each time that Contractor receives a written dispute (excluding validation requests received in the normal course), Contractor shall forward such dispute in writing to the Authority to, on no less than weekly basis, within 7 calendar days of receipt of the dispute. This communication shall include the violation transaction information as well as the Data used. The Authority shall respond within 30 Days and advise whether the Authority agrees with any or all of the claims included in the dispute or whether the Authority disagrees. Contractor shall advise the Authority if it has not received the Authority's response within the time set forth above. Contractor shall cease altogether any Violator-originated Dispute that the Authority affirms. Contractor may proceed with collection activities in accordance with applicable Laws for any Violator-originated Dispute that the Authority denies.

7.2.4 Compensation for Removed Data. For each Data Set for which there exists Cessation Requests and/or Violator-originated disputes that the Authority affirms (collectively, "Removed Data"), the Authority will compensate the Contractor as noted below. Compensation for Removed Data shall be based on the number of unique license plates (i.e., unique state and license plate number) requested by the Authority to be removed (not the number of Violations) from an individual Data Set as follows:

7.2.4.1 Up to 3% – If the Removed Data for a particular Data Set amounts to 3% or less of the license plates remaining in such Data Set, then the Authority shall not reimburse Contractor for anything.

7.2.4.2 Greater than 3% and up to 5% - If the Removed Data for a particular Data Set involves more than 3% but 5% or less of the license plates remaining in such Data Set, then the Authority will only reimburse Contractor for the cumulative Base Toll actually paid by Contractor to the Authority for those Violations above the 3% threshold. For purposes of clarification only, in the scenario set forth in this Section 7.2.4.2, there shall be no compensation for those Violations requested to be removed that are associated with license plates removed at 3% or less.

7.2.4.3 Greater than 5% - If the Removed Data for a particular Data Set involves more than 5% of the license plates remaining in such Data Set, then the Authority will reimburse the Contractor the cumulative Base Toll for associated violations already paid by the Contractor plus \$1.25 per license plate requested by the Authority to be removed that exceeded the 5% threshold. For purposes of clarification only, in the scenario set forth in this Section 7.2.4.3, compensation for those Violations requested to be removed that are greater than 3% and up to 5% shall be calculated as set forth in Section 7.2.4.2, and there shall be no compensation for those Violations requested to be removed that are 3% or less.

7.2.5 **FIFO.** For purposes of determining which unique license plates fall into which percentage band in Section 7.2.4, the license plates will be sequenced on a First In/First Out (FIFO) basis based on the earliest transaction date associated with each unique license plate for each Data Set.

7.2.6 **When Compensation Due.** Compensation as set forth in Section 7.2.4 shall be used to offset the next Advance Payment due by Contractor to the Authority. Contractor shall provide Authority an accurate reconciliation of all violations transferred in a Data set and identifying which shall be paid to the Authority as set forth in Section 8.0 and which shall be due to Contractor as set forth in Section 7.2.4 to be eligible to offset Advance Payment.

7.3 Communications to Violators.

7.3.1 **Written Communications.** Contractor shall obtain pre-approval from the Authority for all proposed written communication between Contractor and the violators, including payment and collection notices. Approval will include all aspects of the communication including content, layout, format, wording and frequency of customer contact.

7.3.2 **Verbal Communications.** the Authority must approve all scripts used with violators, including Robo-dialing scripts.

7.3.3 **Other Actions.** Contractor shall obtain pre-approval from the Authority before including as part of its Services under this Contract, assignment to secondary collection agencies or to attorneys for collection efforts of violators who have failed to make payment.

7.4 Customer Service Center. Contractor shall provide a Customer Service Center ("CSC") with the following minimum requirements:

- 7.4.1 Trained Agents.** Contractor shall provide properly trained collection agents meeting all Fair Debt Collection Protection Act (FDCPA), Consumer Financial Protection Bureau (CFPB) guidelines and other requirements that would normally be followed by a firm using the highest level of care and skill exercised by other providers of similar Services under similar circumstances at the time the Services are provided.
- 7.4.2 Compliance with all Laws.** Contractor shall comply in all respects with all Texas, other applicable states, and Federal Laws related to Contractor's Services, including collections laws. the Authority shall cooperate with and permit Contractor to take necessary steps required for Contractor to maintain such compliance.
- 7.4.3 Customer Accessibility.** Contractor shall provide toll free phone numbers, web site and mailing address for payment services.
- 7.4.4 Payment Processing.** Contractor shall provide all payment processing services.
- 7.4.5 Dedicated Supervisor Phone Line.** Contractor shall provide a dedicated supervisor phone line such that the Authority can resolve any customer disputes during standard business hours without being placed on hold.
- 7.4.6 Hours of CSC.** Contractor shall provide at a minimum, business hours consistent with the Authority's to ensure that staff is available to respond to customer inquiries Monday through Friday, 8 AM through 5 PM, Central Standard Time, except for State or federal holidays.
- 7.4.7 Bi-lingual Representatives.** Contractor shall provide customer call representatives, who collectively are able, at a minimum, to handle calls in English and Spanish.
- 7.4.8 Call Monitoring.** Contractor shall provide the capability for call monitoring, at the Authority discretion and upon the Authority's request (including by call agent), and provide the Authority with electronic audio files such that the Authority can review disputed customer service incidences as well as monitor the quality of the customer care.
- 7.4.9 Hosting Location.** All Contractor locations that will be used to comply with this Contract must be located within the continental United States.

7.5 On-demand Queries. Contractor shall provide to the Authority on demand queries as follows:

- 7.5.1 Remote Access.** Contractor shall make available to the Authority secured remote access such that the Authority can determine, on demand, the status of a Violation and payment history such that the Authority can query account status by various methods, such as license plate (number and state), name, address and other account based fields.

7.5.2 Automated Interfaces. Contractor shall work with the Authority and its system administrators and provide automated interfaces to update the Authority databases with violation payment account status, if requested.

7.6 Identification of TxTag and other Transponder Customers. The Contractor shall support the Authority with the identification of TxTag customers or any customers with toll accounts interoperable with the Authority's toll system which may have received a toll violation. The Contractor will collaborate with the Authority to develop an efficient process to identify such customers and remove them from the collection effort, upon the Authority's request.

8.0 Compensation and Payment.

8.1 Base Toll Payment. Contractor shall make an up-front non-refundable (except as provided in Section 7.2.4.2 and 7.2.4.3) payment to the Authority for 100% of the actual Tolls and Processing Fees (but not Administrative Fees) associated with each Violation ("Base Toll(s)") from all license plate Violations that are included in each and every Data Set (the "Advance Payment"). Contractor shall make the Advance Payment to the Authority as follows:

8.1.1 Violations in Periodic Data Sets. The Contractor will make payment of an amount equal to the cumulative amount of the Base Tolls for all Violations included in each Periodic Data Set on the last Business Day of the month following the month in which each Periodic Data Set was furnished to Contractor.

8.1.1.1 Exclusions from Base Tolls. Contractor shall be required to make payment to the Authority of all Base Tolls except for Base Tolls included in Removed Data (subject to the provisions of Section 7.2.4). Notwithstanding the preceding sentence to the contrary, Contractor shall be obligated to make payment for Base Tolls associated with Data that was initially removed because of a Keying Error that was ultimately corrected by either Party that resulted in the identification of the license plate, and commonly known unique State syntax or formatting that the Contractor may need to translate for purposes of performing the Contractor Query.

8.1.2 Allocation of Collection Proceeds. Contractor shall retain each Base Toll collected from a Violator. For purposes of this Contract, Collection Proceeds shall mean all or a portion of the Base Toll, Processing Fees, and Administrative Fees received by Contractor as a result of the Services provided. Collection Proceeds shall be allocated between the Parties as follows:

8.1.2.1 Base Toll. For Collection Proceeds collected by Contractor and applied to the Base Toll amount of each violation, 100% of proceeds will be retained by Contractor.

- 8.1.2.2 Processing Fees.** For Collection Proceeds collected by Contractor and applied to the Processing Fee amount of each violation, 100% of proceeds will be remitted to and retained by the Authority.
- 8.1.2.3 Administrative Fees.** For Collection Proceeds collected by Contractor and applied to the Administrative Fee amount of each violation, 31% of proceeds will be retained by Contractor, and the remaining 69% of proceeds will be remitted to the Authority (net of Contractor's earned portion of the proceeds).
- 8.1.3 Payment Timing.** Payment to the Authority of its share of the Collection Proceeds shall be made monthly on an arrears basis and detailed by monthly status reports as required under **Section 10**. Payments shall be made via automated clearinghouse ("ACH") to the Authority's designated bank account by the tenth Day of the month following the month that the applicable Collection Proceeds are received.
- 8.1.4 Payment Reconciliation.** If at any time the Authority owes undisputed sums or reimbursements to Contractor pursuant to **Sections 8.0, 7.2.4.2 and/or 7.2.4.3**, Contractor may offset payments due to the Authority in the next Advance Payment or payment of Collection Proceeds (pursuant to **Section 8.0**) by the undisputed amounts owed by the Authority provided Contractor and the Authority meet to discuss and agree upon these amounts at least 3 Business Days prior to the applicable payment due date.
- 8.1.5 Full Compensation.** All Services performed by the Contractor in meeting the requirements of the Contract Documents shall be paid as set forth in this **Section 8.0** and in **Section 7.2.4**, which shall constitute full compensation for the Services, including but not limited to (a) the cost of all insurance and bond premiums, taxes, home office, job site and other overhead, and profit relating to Contractor's performance of its obligations under this Contract; (b) the cost of performance of each and every portion of the Services (including all costs of all Services provided by subcontractors and suppliers); (c) the cost of obtaining all permits and licenses and all costs of compliance with and maintenance of all Laws; (d) all risk of inflation, currency risk, interest and other costs of funds associated with the payment of the Advance Payment; (e) the cost of the Advance Payment; and (f) payment of any taxes, duties, permits and other fees and/or royalties imposed with respect to the Services and any equipment, materials, supplies, documentation, labor or services included therein.
- 8.1.6 Failure to Make Proper Payments.** If Contractor is late in making payment to the Authority of the Advance Payment or the Collection Proceeds or if the amount of the Advance Payment or Collection Proceeds paid to the Authority at any given time is incorrect, then Contractor shall owe to the Authority, in addition to that amount that is properly due to the Authority and 1 1/2% interest per month (or any portion thereof) or the maximum amount of interest allowed by law, whichever is lower, on the

amount that was not paid but should have been paid from the date the amount was originally owed to the date on which payment was actually made.

8.1.7 Changes in Toll Rates and Administrative Fee. If (a) the Authority's Board of Directors increase the range of Toll rates more than 15% than the range of toll rates as they existed on the Effective Date, or (b) the Processing Fees or Administrative Fees are changed by the Authority or any other Governmental Entity by more than 15%, the Parties agree to renegotiate the terms of Section 8.0 in good faith. If the Parties are unable to reach mutually acceptable terms, then either Party may terminate this agreement, without penalty, as provided in Section 14.0.

9.0 Billing Method.

- 9.1** 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 12 herein.
- 9.2** 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.
- 9.3** 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.
- 9.4** At a minimum, the payment application shall detail the following information:
- Unique payment application number
 - Contractor's name, address, and telephone number
 - Date of payment application and/or billing period
 - Applicable Contract No.
 - Applicable Purchase Order No.
 - 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)
 - Supporting documentation for the payment application
 - Total dollar amount being currently billed
- 9.5** 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.

10.0 Additional Obligations of the Contractor.

- 10.1** The Contractor shall be solely responsible for providing supervision and oversight to all of the Contractor's personnel.
- 10.2** In addition to any other reporting obligations under the Contract, the Contractor agrees to submit a status report to the Authority at least one (1) time every thirty (30) days during the term of this Contract.
- 10.3** 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.
- 10.4** 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.

10.5 Insurance Requirements.

10.5.1 Indemnity. The indemnity requirements are detailed within section 13.15 herein.

10.5.2 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:

10.5.2.1 Commercial General Liability Insurance. An original certificate evidencing Commercial General Liability coverage, including 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 \$1,000,000.00 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.

10.5.2.2 Business Automobile Liability Insurance. Such coverage shall be a combined single limit of not less than \$1,000,000.00.

10.5.2.3 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.

10.5.3 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 these insurance requirements either through the Contractor's coverage or through the subcontractors' coverage.

10.5.4 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.

10.5.5 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.

10.5.6 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 it 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.

11.0 Changes and Extensions of Time.

11.1 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. 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.

11.2 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, 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, and shall keep thorough records of the cost of performance of such Change Order. The parties shall work together in good faith to reasonably and expeditiously come to agreement on terms if any Change Order(s) significantly alter the work to be performed under this Contract or the associated costs and expenses of the Contractor, or if the NTE amount is significantly reduced.

11.3 All Change Orders, supplemental agreements, changes requested by the Contractor, or extensions of Contract Term shall be governed by this section and the Contract Documents. 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.

12.0 Notices, Invoices, and Reports.

12.1 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**

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

Professional Account Management, LLC
633 W. Wisconsin Avenue, Suite 1600
Milwaukee, WI 53203
Attention: Tim Wendler, CEO
Email: twendler@duncansolutions.com

13.0 Additional Considerations.

13.1 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.

13.2 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.

13.3 INTENTIONALLY DELETED.

13.4 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:

13.4.1 Funding is not available;

13.4.2 Legal restrictions are placed upon the expenditure of monies for this category of service or supplies; or,

13.4.3 The Authority's requirements in good faith change after award of the Contract.

13.5 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.

13.6 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.

13.7 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.

13.8 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.

13.9 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.

13.10 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.

13.11 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.

13.12 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.

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

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

13.15 Indemnification.

13.15.1 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 REASONABLE 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.

13.15.2 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 reasonable direct and incidental costs of such defense to the Contractor including attorney's fees and court costs.

13.15.3 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.

13.15.4 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.

13.15.5 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 REASONABLE 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.

13.16 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.

13.17 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.

13.18 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.

13.19 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. Notwithstanding any other provision of the Contract, the Contractor shall warrant Commercial Off-the-Shelf (COTS) software against defects and failures for the Warranty Period plus Maintenance Period of five (5) years beginning with Final System Acceptance.

13.20 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.

13.21 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 SECTIONS 13.15.1 AND 13.15.5, AND ANY OTHER INDEMNITY CLAUSE HEREIN, SHALL IN NO EVENT BE STRICTLY CONSTRUED AGAINST THE AUTHORITY.

14.0 Termination.

14.1 Termination for Cause. Upon an Event of a material Default that is not cured within 10 days of written notice, the Authority may, in its sole discretion, terminate this Contract in whole or in part. Termination shall take effect on the date set forth in the Authority's notice to Contractor, which shall be no less than five (5) Days after the date of such notice. Upon such termination the Authority shall not be required to pay Contractor any amounts for Services performed prior to the date of termination for which payment may be due and owing but not yet paid ("Remaining Payment"). In the event the Authority's expenses incurred or anticipated to be incurred as a result of Contractor's breach are less than the Remaining Payment, the Authority shall remit such differential to the Contractor. In the event the Authority's reasonable and necessary expenses actually incurred or anticipated to be incurred as a result of Contractor's breach exceed the Remaining Payment, then Contractor shall within thirty (30) Days of written notice from the Authority, make payment of the differential to the Authority. In addition to the rights and remedies in this Section 14.1, the Authority shall have all other rights and remedies against Contractor which are available at Law or in equity.

14.2 Termination for Convenience. the Authority may terminate this Contract, in whole or in part, for convenience or Contractor may terminate this Contract pursuant to Section 8.1.7, upon 30 Days written notice, which shall commence upon the date included in the notice. In the event of a termination for convenience in which the Authority does not allow Contractor forty-eight months to collect those Violations previously forwarded to Contractor in a Data Set then the Authority shall reimburse

Contractor for Base Toll amounts already paid by Contractor to the Authority for which Contractor did not receive a payment from a Violator. Except for this reimbursement, the Authority shall not be responsible for any other costs, fees and expenses of any nature whatsoever, including but not limited to administrative fees, legal fees, salary, or any other cost or expense, whether direct or indirect, whether foreseen or unforeseen. The Contractor acknowledges that the remedy set forth in this Section 14.2 is the Contractor's sole and exclusive remedy against the Authority for termination for convenience and Contractor hereby waives all other rights and remedies it may have against the Authority for termination for convenience.

15.0 Exhibits.

15.1 The following noted documents are a part of the Contract:

15.1.1 Exhibit 1. CCRMA RFP No. 2017-003. A true and correct copy of the CCRMA RFP No. 2017-003 may be found at the Authority's office and is incorporated by reference as if fully set forth herein.

15.1.2 Exhibit 2. Awarded proposal for CCRMA No. 2017-003. A true and correct copy of the proposal may be found at the Authority's office and is incorporated by reference as if fully set forth herein.

15.1.3 Exhibit 3. Data Set File Format.

15.2 Subject to section 13.21, to the extent that any provisions of this Contract conflict with the provisions of the Exhibits, the more specific provision shall control.

16.0 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)

CAMERON COUNTY REGIONAL MOBILITY AUTHORITY

CONTRACTOR

Professional Account Management, LLC

By:



Tim Wendler, CEO

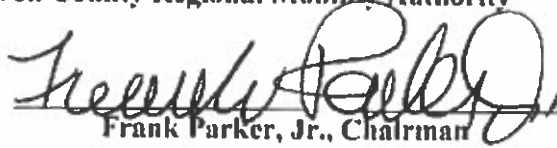
Date:

10/17/17

AUTHORITY

Cameron County Regional Mobility Authority

By:



Frank Parker, Jr., Chairman

Date:

10/17/17