

THE STATE OF TEXAS §

COUNTY OF CAMERON §

BE IT REMEMBERED on the 14th day of December 2016, there was conducted a Special Meeting of the Cameron County Regional Mobility Authority, at the Joe G. Rivera and Aurora de la Garza County Annex thereof, in San Benito, Texas, for the purpose of transacting any and all business that may lawfully be brought before the same.

THE BOARD MET AT:

12 Noon

PRESENT:

FRANK PARKER, JR.
CHAIRPERSON

RUBEN GALLEGOS, JR.
DIRECTOR

DAVID N. GARZA
DIRECTOR

MICHAEL F. SCAIEF
DIRECTOR

MARK ESPARZA
DIRECTOR

DIRECTOR

DIRECTOR

NAT LOPEZ
ABSENT

HORACIO BARRERA
ABSENT

ABSENT

=====

The Meeting was called to order by Chairman Frank Parker, Jr., at 12:04 P.M. At this time, the Board considered the following matters as per RMA Agenda posted and filed for Record in the Office of the County Clerk on this 8th day of December 2016 at 10:55 A.M.



AGENDA

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

Joe G. Rivera and Aurora de la Garza County Annex
1390 West 169E
San Benito, Texas 78586

Wednesday, December 14, 2016

12:00 Noon

FILED AND RECORDED
OFFICIAL PUBLIC RECORDS
On: Dec 08, 2016 at 10:55A

Document Number: 00000579

Sylvia Garza-Perez
County Clerk
By
Claudia Rodriguez, Deputy
Cameron County

PUBLIC COMMENTS:

1. Public Comments

CONSENT ITEMS:

2. 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:

November 10, 2016 – Regular Meeting

ITEMS FOR DISCUSSION AND ACTION:

3. Action Items

- A. Approval of Claims
 - B. Consideration and Approval of the Financial Statements and Budget Amendments for the month of November 2016
 - C. Discussion and Possible Action regarding the Cameron County Regional Mobility Authority's Material On Hand (MOH) Policies and Procedures
 - D. Discussion and Possible Action regarding the Cameron County Regional Mobility Authority's Amended Procurement Policies

- F. Consideration and Authorization for Staff to Request Qualifications for Environmental Assessment Services and related Engineering Services for the SH 32 (East Loop) Project**

EXECUTIVE SESSION

4. Executive Session


- A. Confer with Legal Counsel regarding the Cameron County Regional Mobility Authority VS. MCMD, Case. Cause No. 2012-CCL-931, the legal status of the case, the handling of the case and legal issues pertaining thereto, pursuant to Vernon Texas Code Annotated (V.T.C.A.), Government Code, Section 551.071(1)(A) (B) and (2)**
- B. Deliberation and Discussion Concerning the evaluation and duties of the Cameron County Regional Mobility Authority Executive Director, Pete Sepulveda, Jr., Pursuant to Vernon Texas Code Annotated (V.T.C.A.), Government Code, Section 551.074**

5. Action Relative to Executive Session

- A. Possible Action**
- B. Possible Action**

ADJOURNMENT:

Signed this 8th day of December 2016


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.

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

2-A Consideration and Approval of the Minutes for:

November 10, 2016 – Regular Meeting

Director Esparza moved to approve the minutes of November 10, 2016 Regular Meeting. The motion was seconded by Secretary Garza and carried unanimously.

ACTION ITEMS

3-A Approval of Claims

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

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

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

The Claims are as follows:

3-B Consideration and Approval of the Financial Statements and Budget Amendments for the month of November 2016

Mr. Adrian Rincones, RMA Chief Financial Officer went over the Financial Statements for November 2016. He also provided the Board with a detailed presentation of the Back Office System.

Secretary Garza moved to approve the Financial Statements for the month November 2016. The motion was seconded by Vice Chair Gallegos and carried unanimously.

The Financial Statements are as follows:

3-C Discussion and Possible Action regarding the Cameron County Regional Mobility Authority's Material On Hand (MOH) Policies and Procedures

Mr. Pete Sepulveda, Jr., went over the MOH Policies and Procedures and stated that this was a Texas Department of Transportation requirement prior to letting the SH 550 Gap 1 Project.

Director Scaief moved to approve the Cameron County Regional Mobility Authority's Material On Hand (MOH) Policies and Procedures. The motion was seconded by Director Esparza and carried unanimously.

The MOH Policies and Procedures:

3-D Discussion and Possible Action regarding the Cameron County Regional Mobility Authority's Amended Procurement Policies

Secretary Garza moved to TABLE the Item. The motion was seconded by Vice Chair Gallegos and carried unanimously.

3-E Consideration and Authorization for Staff to Request Qualifications for Environmental Assessment Services and related Engineering Services for the SH 32 (East Loop) Project

Secretary Garza moved to TABLE the Item. The motion was seconded by Vice Chair Gallegos and carried unanimously.

EXECUTIVE SESSION ITEMS

Secretary Garza made a motion at 12:46 P.M. to go into Executive Session. The motion was seconded by Director Esparza and carried unanimously.

EXECUTIVE SESSION:

4-A Confer with Legal Counsel regarding the Cameron County Regional Mobility Authority VS. MCMD, Case, Cause No. 2012-CCL-931, the legal status of the case, the handling of the case and legal issues pertaining thereto, pursuant to Vernon Texas Code Annotated (V.T.C.A.), Government Code, Section 551.071(1)(A) (B) and (2)

4-B Deliberation and Discussion Concerning the evaluation and duties of the Cameron County Regional Mobility Authority Executive Director, Pete Sepulveda, Jr., Pursuant to Vernon Texas Code Annotated (V.T.C.A.), Government Code, Section 551.074

Director Esparza moved to come back into open session at 1:17 P.M. The motion was seconded by Secretary Garza and carried unanimously.

ACTION RELATIVE TO EXECUTIVE SESSION:

- 5-A Confer with Legal Counsel regarding the Cameron County Regional Mobility Authority VS. MCMD, Case, Cause No. 2012-CCL-931, the legal status of the case, the handling of the case and legal issues pertaining thereto, pursuant to Vernon Texas Code Annotated (V.T.C.A.), Government Code, Section 551.071(1)(A) (B) and (2)**

Director Esparza moved to acknowledge report of Counsel. The motion was seconded by Vice Chair Gallegos and carried unanimously.

- 5-B Deliberation and Discussion Concerning the evaluation and duties of the Cameron County Regional Mobility Authority Executive Director, Pete Sepulveda, Jr., Pursuant to Vernon Texas Code Annotated (V.T.C.A.), Government Code, Section 551.074**

Director Scaief moved to proceed as discussed in Executive Session. The motion was seconded by Secretary Garza and carried unanimously.

ADJOURNMENT

There being no further business to come before the Board and upon motion by Secretary Garza and seconded by Vice Chair Gallegos and carried unanimously the meeting was **ADJOURNED** at 1:19 P.M.

APPROVED this 12th day of January 2016.


CHAIRMAN FRANK PARKER, JR.

ATTESTED: 
SECRETARY DAVID N. GARZA

3-A APPROVAL OF CLAIMS



Claims for Consideration and Approval - Administrative

Vendor ID	Vendor Name	Invoice Number	Cash Required	Invoice/Credit Description
December 14, 2016				
AFLAC	Aflac	254614	218.67	Employee Supplemental Insurance
April Romero	April Romero	APR 12.12.16	32.45	Intern travel reimbursement
Blanca C. Betancourt	Blanca C. Betancourt	BCB 12.13.16	34.06	Reimbursement for Office Supplies for Admin Office
Fagan Consulting	Fagan Consulting LLC	F4-1611	21,073.71	BDS Support; meetings with Toll Plus to review testing and go live plan
HNTB	HNTB CORPORATION	131-40619-PL-002	135,545.64	SPI route and design studies, social economic and env studies and project management
Locke Lord	Locke Lord LLP	1285396-1	565.00	Conference calls regarding special board meeting
Locke Lord	Locke Lord LLP	1285398-1	1,700.00	Review SDA Report regarding TxDOT design build practices. Review legislative hearing and related issues
Locke Lord	Locke Lord LLP	1285399-1	12,565.00	Procurement questions by TxDOT related to pending procurement, CCRMA policies of compliance
Locke Lord	Locke Lord LLP	1285400-1	6,758.00	Revised documents on financial assistance agreement for funding for GAP Project - SH550
Locke Lord	Locke Lord LLP	1285401-1	5,872.00	Conference calls regarding services provided by engineering consultant and actions to GEC Contracts - SPI
Locke Lord	Locke Lord LLP	1288866	62.00	Services regarding possible interlocal agreement for operations with Pharr Intl Bridge
Locke Lord	Locke Lord LLP	1288867	5,116.40	Discussion of common legislative issues and strategies. Transportation related bills chart; TxDOT Sunset staff report
Locke Lord	Locke Lord LLP	1288868	2,626.00	Research and draft compliance manual regarding new federal professional services procurement rules; review items related
Locke Lord	Locke Lord LLP	1288869	4,981.00	Review draft amendments to Trust Agreement and SH550
Locke Lord	Locke Lord LLP	1288870	700.00	Review correspondence with interactions with General Engineering Consultant. Emails regarding environmental plan
PEDRO SEPULVEDA JR	PEDRO SEPULVEDA JR.	PSI 12.9.15	862.14	Travel Reimbursement for Meeting of Sunset Commission in Austin, TX
S&B	S&B Infrastructure, LTD	U1965.102/103-10	22,569.17	SH550 Wetland mitigation monitoring Aug-Oct 2016
S&B	S&B Infrastructure, LTD	U2299.102-01	8,966.18	Slope erosion repairs SH550 bid preparation
S&B	S&B Infrastructure, LTD	U2299.700-02	5,165.14	Environmental services for Spur 54
Sullivan Public Affa	Sullivan Public Affairs	CC112016	7,500.00	Government relations consulting services for Nov 2016
The Rentfro Law Fir	The Rentfro Law Firm, PLLC.	020787	256.00	Legal Services for Nov 2016
VMUD	Valley Municipal Utility District	Nov 2016 - 6802	40.07	Water Utilities for Nov 2016
Report Total:			<u>243,708.63</u>	



Claims for Consideration and Approval - Toll Operations

Vendor ID	Vendor Name	Invoice Number	Cash Required	Invoice/Credit Description
December 14, 2016				
Culligan	Culligan of the Rio Grande Valley	Nov 2016	128.99	Water services for Nov 2016
Emp Cristina Alcocer	Cristina Alcocer	CA 12 13 16	495.69	Employee travel and office supplies reimbursement
Emp Luis Perez	Luis Perez	LP 12 12 16	17.42	Employee travel reimbursement
Evelio Rivas	Evelio Rivas	640721	40.00	Relocation of desk for mailing room
Fagan Consulting	Fagan Consulting LLC	CC051611	4,032.00	Toll Operations Support: traffic reports, tag accts, image
LexisNexis	LexisNexis Risk Solutions FL Inc	1546392-20161130	95.00	PreCourt Program Services for Nov 2016
Matus Contractor Co	Matus Contractor Company	43	4,030.00	Cutting grass, garbage collection and application of herbicide in Section 3 FM 550 to Hwy 77
Megashine	Megashine	1274	1,200.00	Janitorial Cleaning Services for Dec 2016
PUB	Public Utilities Board	Nov 2016 - 600710	234.92	Utilities for DC - 5H550 for Nov 2016
Rancho Viejo Resort	Rancho Viejo Resort & Country Club	101238	1,178.38	Border Trade Advisory Committee Meeting reception and food services
Time Warner Cable	Time Warner Cable Business Class	TWC Dec 2016	1,595.72	Phone and Internet Services for Dec 2016
VMUD	Valley Municipal Utility District	Nov 2016 - 8105	36.31	Water Utilities for Nov 2016
VMUD	Valley Municipal Utility District	Nov 2016 - 8005	35.55	Water Utilities for Nov 2016
Xerox	Xerox	087157276	457.89	Monthly printing services rent
Report Total:			13,547.87	



MEMORANDUM

TO: Chairman and Board Members

FROM: Adrian Rincones, Chief Financial Officer

A handwritten signature in blue ink, appearing to be "JR" or "Adrian Rincones", is placed next to the "FROM" line.

Digitally signed by Adrian A.
Rincones
DN: cn=Adrian A. Rincones,
o=CCRMA, ou=
amlg-rincones@ccrma.org,
c=US
Date: 2016.12.12 11:55:07 -0500

RE: Claims

DATE: December 14, 2016

Attached are the claims paid on November 18, November 23, and December 2, 2016 for Administrative and Toll Operations that are being presented for the Board's acknowledgement.

Also attached, Administrative and Toll Operations claims being presented to the Board for consideration for December 14, 2016. Staff recommends approval of the claims.



Claims Acknowledgement - Administrative

Vendor ID	Vendor Name	Invoice Number	Cash Required	Invoice/Credit Description
Claims Paid November 18, 2016				
Adrian	Adrian Rincones	AR 11.16.16	955.57	Reimbursement for Office Supplies, Lunch Meetings and Training
AFLAC	Aflac	823721	145.78	Employee Supplemental Benefits
Cameron County	Cameron County	2016-1004100-01-	10,070.00	Reimbursement to County for work performed related to SH32
CNA Surety	CNA Surety	Policy # 71344644	323.75	Surety Bonds for Board Member Ruben Gallegos, Jr.
Evelio Rivas	Evelio Rivas	640709	50.00	Desk assemble labor
International Carpet	International Carpet One	6854	390.79	Carpet installation for mailing room for BOS
Office World	Office World	OW-102524	820.00	Mail Room desk, delivery and installation
PEDRO SEPULVEDA JR	PEDRO SEPULVEDA JR.	PSJ 11.16.16	858.89	PSJ Travel Reimbursement for Testify for Senate Committee
The Brownsville Hera	The Brownsville Herald	008915785	300.00	Veterans Day Advertisement
Verizon Wireless	Verizon Wireless	7440711889	52.16	Wifi Hotspot Services for Nov 2016
VMUD	Valley Municipal Utility District	Oct 2016 - 8005	35.55	Water Utilities for Admin for Oct 2016
VMUD	Valley Municipal Utility District	Oct 2016 - 8105	36.68	Water Utilities for Admin for Oct 2016
Wayfair LLC	Wayfair LLC	2343020081	119.95	Door Storage Cabinet for TPS Office
Claims Paid November 23, 2016				
Barkhurst & Hinojosa	Paul Barkhurst & Hinojosa P.C.	2187	15,000.00	Legal Services and Paralegal Services rendered and related expenses
Gexa Energy	Gexa Energy, LP	22233420	142.20	Energy Utilities for Admin Office for Nov 2016
Michelle Lopez	Michelle Lopez	ML 11.22.16	112.37	Mileage Reimbursement for Nov 2016
Ogilvy Public	Ogilvy Public Relations Worldwide	91378707	15,000.00	Government Relations Consulting for Nov 2016
Staples Credit	Staples Credit Plan	Nov 2016 - Admin	111.90	Admin Office Supplies for Nov 2016
Texappraise	Texappraise, Inc.	Tex App 11.2.16	6,045.82	Professional services for appraisal and est. of just compensation regarding a 202.008 acre tract belonging to MCMD and expenses for appraisal and analyses
Claims Paid December 2, 2016				
Adrian	Adrian Rincones	AR 12.2.16	4,274.03	Reimbursement for Office Computers for BOS and supplies
Barkhurst & Hinojosa	Paul Barkhurst & Hinojosa P.C.	2187	1,615.68	Legal Services and Paralegal Services rendered and related expenses
BNY	Bank of New York Mellon	252-1976326	2,170.00	Admin and Agent Fee for Ref Ref Bds 2014 VRF
Emp Ericka Trevino	Ericka Trevino	ET 12.2.16	189.76	Travel and Membership Reimbursement
Lone Star Shredding	Lone Star Shredding Document Storage	1929682	52.50	Shredding services for Nov 2016
Prisciliano Delgado	Prisciliano Delgado	10519	200.00	Monthly Lawn Care Services for November 2016
Rancho Viejo Pet	Rancho Viejo Pet Club LLC	Dec 2016	1,750.00	Admin Offices December 2016 Rent
Sullivan Public Affairs	Sullivan Public Affairs	CC012016	7,500.00	Government relations consulting services for Jan 2016
Sullivan Public Affairs	Sullivan Public Affairs	CC022016	7,500.00	Government relations consulting services for Jan 2016
Sullivan Public Affairs	Sullivan Public Affairs	CC032016	7,500.00	Government relations consulting services for Jan 2016
The Rentfro Law Firm	The Rentfro Law Firm, PLLC.	020785	2,000.00	Legal Services for West Rail Nov 2016
The Rentfro Law Firm	The Rentfro Law Firm, PLLC.	020786	2,758.27	Legal Services for West Rail Nov 2016
TML Emp Health	TML Intergovernmental Employee Benefits Pool	2016-12	5,769.30	Employee Health Benefits for Dec 2016
TXP Inc	Fundamentals Group Inc	1274	7,000.00	Consulting Fees for Sep, Oct and Nov 2016 related to TRZ



Claims Acknowledgement - Toll Operations

Vendor ID	Vendor Name	Invoice Number	Cash Required	Invoice/Credit Description
Claims Paid November 18, 2016				
Emp Luis Perez	Luis Perez	LP 11.18.16	49.92	Employee travel reimbursement
Franco San Miguel	FRANCISCO J SANMIGUEL	FSM 11.16.16	30.25	Reimbursement for office supplies for BOS
Jose Salazar	International Electric, LLC	2016-070	165.50	Labor and materials for installation of power outlet for printer and folding machine for TPS
Jose Salazar	International Electric, LLC	2016-071	110.00	Labor to replace damage receptacle on SH550 and labor for existing power panel in TPS Office
PUB	Public Utilities Board	Nov 2016 - 588837	223.76	Utilities on SH550 - Port Spur Nov 2016
Sombrero Festival	Sombrero Festival LTD	SF 11.17.16	5,000.00	Sombrero Festival Sponsor Marketing Booth
The Brownsville Heral	The Brownsville Herald	008915796	500.00	Thanksgiving 2016 Ad
VMUD	Valley Municipal Utility District	Oct 2016 - 6802	38.94	Water Utilities for TPS for Oct 2016
Xtreme Security	Xtreme Security	065938	104.85	Alarm Services for TPS Office
Claims Paid November 23, 2016				
Adrian	Adrian Rincones	AR 11.21.16	2,923.36	Travel for Adrian, Ericka, and Cristina IBTTA Mexico City
Adrian	Adrian Rincones	AR 11.22.16	2,126.29	Travel for FAT/SIT Testing Back Office System
Reliant	Reliant	193001142784	252.84	Energy Utilities for TPS Office for Nov 2016
Staples Credit	Staples Credit Plan	Nov 2016 - TPS	862.65	TPS Office Supplies for Nov 2016
TXU	TXU Energy	055826696131-1765	390.07	Utilities on SH550 for Nov 2016 - DC
TXU	TXU Energy	055826696131-3128	414.20	Utilities on SH550 for Nov 2016 - FM1847
Claims Paid December 2, 2016				
Emp Cristina Alcocer	Cristina Alcocer	CA 11.30.16	72.05	Employee travel and office supplies
Entravision	Entravision Communications	Nov 2016 - 001	1,000.00	SH550 Radio Ads
Franco San Miguel	Francisco J Sanmiguel	FSM 11.30.16	820.77	Reimbursement for supplies for image and mailing room and AC Blower Motor for SH550
IBTTA	International Bridge, Tunnel and Turnpike Association	2017-A-NA-004	2,995.46	Annual membership dues for IBTTA 2017
Temp Control, Inc.	Temp Control, Inc	20442	130.00	Servies on installation of condensed motor on SH550

**3-B CONSIDERATION AND APPROVAL OF THE FINANCIAL
STATEMENTS AND BUDGET AMENDMENTS FOR THE MONTH OF
NOVEMBER 2016**

SH 550, future I-169, was the first Toll Road in South Texas. Construction began in 2010 and was completed in 2015. The 10-mile Toll Road begins on I-69-E and runs along SH 550 to SH 48, creating an alternate route to the Port of Brownsville and South Padre Island.



CCRMA MONTHLY FINANCIAL REPORT NOVEMBER 2016

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, Expenditures And Changes in Net Assets - Unposted Transactions Included In Report
From 11/1/2016 Through 11/30/2016
(In Whole Numbers)

	Current Period Actual	Current Year Actual	YTD Budget - Original	YTD Budget Variance - Original
Operating Revenues				
Vehicle registration fees	262,968	525,936	3,100,000	(2,574,065)
TRZ revenue	0	0	175,000	(175,000)
Other revenue	0	0	3,390,213	(3,390,213)
Total Operating Revenues	262,968	525,936	6,665,213	(6,139,278)
Operating Expenses				
Personnel costs	45,928	89,163	633,159	543,996
Professional services	22,756	30,256	290,300	260,044
Contractual services	2,484	18,004	185,000	166,996
Debt interest	0	0	5,703,666	5,703,666
Project expenses	0	0	314,688	314,688
Advertising & marketing	300	355	25,000	24,645
Data processing	0	402	10,000	9,598
Dues & memberships	0	0	25,000	25,000
Education & training	199	199	10,000	9,801
Fiscal agent fees	0	2,170	45,000	42,830
Insurance	324	489	10,000	9,511
Maintenance & repairs	250	1,530	22,400	20,870
Office supplies	1,951	3,238	36,000	32,762
Rent	1,750	3,500	30,000	26,500
Travel	1,444	2,625	30,000	27,375
Utilities	394	687	10,000	9,313
Other expenses	0	0	5,000	5,000
Total Operating Expenses	77,780	152,619	7,385,213	7,232,595
Non Operating Revenue				
Interest income	398	765	15,000	(14,235)
Other Financing sources	0	0	705,000	(705,000)
Total Non Operating Revenue	398	765	720,000	(719,235)
Changes in Net Assets	185,585	374,082	0	374,082
Net Assets Beginning of Year	188,497	0	0	0
Net Assets End of Year	374,082	374,082	0	374,082

CAMERON COUNTY REGIONAL MOBILITY AUTHORITY
Statement of Revenues and Expenditures - Toll Operations - Unposted Transactions Included In Report
From 11/1/2016 Through 11/30/2016

	Current Period Actual	Current Year Actual	YTD Budget - Original	YTD Budget Variance - Original
Toll Operating Revenues				
Toll Revenue	39,100.95	81,501.75	475,200.00	(393,698.25)
Toll Violation Revenue	21,747.41	49,487.60	665,280.00	(615,792.40)
Interop Revenue	46,549.61	94,534.11	550,000.00	(455,465.89)
Bridge Interoperability	0.00	0.00	25,000.00	(25,000.00)
Other Revenue	0.00	0.00	50,000.00	(50,000.00)
Other Financing Sources	0.00	0.00	275,000.00	(275,000.00)
Total Toll Operating Revenues	107,397.97	225,523.46	2,040,480.00	(1,814,956.54)
Toll Operating Expenses				
Payroll - Indirect	9,606.40	17,412.49	159,640.00	142,227.51
Payroll Taxes	711.93	1,278.75	12,212.00	10,933.25
Payroll Benefits - Retirement	888.77	1,610.32	16,732.00	15,121.68
Advertising & Marketing	7,000.00	8,000.00	50,000.00	42,000.00
Contractual	0.00	2,000.00	40,000.00	38,000.00
Education & Training	1,600.00	1,600.00	4,000.00	2,400.00
Maintenance - SH 550	818.69	7,118.07	100,000.00	92,881.93
Interop Collection Fees	3,066.42	6,227.11	55,000.00	48,772.89
PBM Add on Fees	4,168.25	8,647.37	25,000.00	16,352.63
PBM Image Review	4,118.19	9,527.17	30,000.00	20,472.83
PBM Pre-Court Program	95.00	190.00	4,000.00	3,810.00
Postage	0.00	0.00	50,000.00	50,000.00
Rent	0.00	457.89	35,000.00	34,542.11
Travel	5,126.17	5,430.75	8,000.00	2,569.25
Utilities	4,128.44	9,979.38	40,000.00	30,020.62
Transfer to General Operations	0.00	0.00	405,000.00	405,000.00
Bridge Interoperability Maintenance	0.00	0.00	0.00	0.00
Toll Road Property Insurance	0.00	14,490.25	75,000.00	60,509.75
Toll Operational Support	4,032.00	10,102.00	100,000.00	89,898.00
Toll System Provider Maintenance	0.00	0.00	225,000.00	225,000.00
BOS System Provider Maintenance	0.00	0.00	175,000.00	175,000.00
Merchant Card Services	0.00	0.00	45,000.00	45,000.00
Maintenance & Debt Reserve	0.00	0.00	312,896.00	312,896.00
Total Toll Operating Expenses	45,360.26	104,071.55	1,967,480.00	1,863,408.45
Changes in Net Assets	62,037.71	121,451.91	73,000.00	48,451.91

CAMERON COUNTY REGIONAL MOBILITY AUTHORITY
Combined Statement of Revenues and Expenses - Unposted Transactions Included In Report
From 11/1/2016 Through 11/30/2016

	Current Period Actual	Current Year Actual	YTD Budget - Original	YTD Budget Variance - Original
Operating Revenues				
Vehicle registration fees	262,968.00	525,935.50	3,100,000.00	(2,574,064.50)
Toll revenues	107,397.97	225,523.46	1,715,480.00	(1,489,956.54)
TRZ revenue	0.00	0.00	175,000.00	(175,000.00)
Other revenue	0.00	0.00	3,440,213.00	(3,440,213.00)
Total Operating Revenues	370,365.97	751,458.96	8,430,693.00	(7,679,234.04)
Operating Expenses				
Personnel costs	59,261.10	113,045.53	869,743.00	756,697.47
Accounting software and services	0.00	0.00	10,300.00	10,300.00
Professional services	22,756.00	30,256.00	280,000.00	249,744.00
Contractual services	2,484.07	20,004.47	225,000.00	204,995.53
Debt interest	0.00	0.00	5,303,666.00	5,303,666.00
Project expenses	0.00	0.00	1,027,584.00	1,027,584.00
Advertising & marketing	7,300.00	8,355.00	75,000.00	66,645.00
Data processing	0.00	402.00	10,000.00	9,598.00
Dues & memberships	2,995.46	2,995.46	25,000.00	22,004.54
Education & training	1,799.00	1,799.00	14,000.00	12,201.00
Fiscal agent fees	0.00	2,170.00	45,000.00	42,830.00
Insurance	323.75	14,979.50	85,000.00	70,020.50
Maintenance & repairs	2,202.40	3,482.40	22,400.00	18,917.60
Office supplies	3,334.26	4,854.77	111,000.00	106,145.23
Road maintenance	818.69	7,118.07	545,000.00	537,881.93
Rent	1,750.00	3,957.89	65,000.00	61,042.11
Toll services	15,479.86	34,693.65	619,000.00	584,306.35
Travel	6,570.64	8,055.58	38,000.00	29,944.42
Utilities	4,522.52	10,666.40	50,000.00	39,333.60
Other expenses	0.00	0.00	5,000.00	5,000.00
Total Operating Expenses	131,597.75	266,835.72	9,425,693.00	9,158,857.28
Non Operating Revenue				
Interest income	397.86	765.06	15,000.00	(14,234.94)
Other Financing sources	0.00	0.00	980,000.00	(980,000.00)
Total Non Operating Revenue	397.86	765.06	995,000.00	(994,234.94)
Changes in Net Assets	239,166.08	485,388.30	0.00	485,388.30
Net Assets Beginning of Year	246,222.22	0.00	0.00	0.00
Net Assets End of Year	485,388.30	485,388.30	0.00	485,388.30

CAMERON COUNTY REGIONAL MOBILITY AUTHORITY
Capital Projects in Progress - Unposted Transactions Included In Report
From 11/1/2016 Through 11/30/2016
(In Whole Numbers)

	Current Period Actual	Current Year Actual	YTD Budget - Original	YTD Budget Variance - Original
Capital Projects				
South Padre Island 2nd Access	5,872	6,980	1,250,000	1,243,020
Outer Parkway	0	0	1,000,000	1,000,000
FM 1925	0	0	500,000	500,000
West Rail Relocation	10,804	33,247	2,500,000	2,466,753
SH 550	29,327	35,199	5,250,000	5,214,801
SH 32 (East Loop)	22,635	23,778	1,000,000	976,222
Port Isabel Access Rd	0	0	50,000	50,000
Spur 54 Project	5,165	5,165	44,000	38,835
Toll Equipment & Operational Infrastructure	21,074	214,610	1,250,000	1,035,390
Total Capital Projects	<u>94,877</u>	<u>318,979</u>	<u>12,844,000</u>	<u>12,525,021</u>

CAMERON COUNTY REGIONAL MOBILITY AUTHORITY

Statement of Revenues and Expenditures - Unposted Transactions Included In Report
From 11/1/2016 Through 11/30/2016
(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	1,108	550,000	548,892
CIP - Preliminary Engineering & Design	15110	0	0	200,000	200,000
CIP - Environmental Studies	15120	0	0	500,000	500,000
CIP - Direct Legal Costs	15300	5,872	5,872	0	(5,872)
Total South Padre Island 2nd Access		5,872	6,980	1,250,000	1,243,020
Outer Parkway	2050				
CAPITALIZED PROJECT COSTS	01CAP				
CIP - Planning & Coordination	15100	0	0	200,000	200,000
CIP - Preliminary Engineering & Design	15110	0	0	125,000	125,000
CIP - Environmental Studies	15120	0	0	675,000	675,000
Total Outer Parkway		0	0	1,000,000	1,000,000
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	2,000	2,877	0	(2,877)
CIP - Right of Way	15200	8,804	30,306	0	(30,306)
CIP - Construction	15220	0	0	2,500,000	2,500,000
CIP - Direct Legal Costs	15300	0	64	0	(64)
Total West Rail Relocation		10,804	33,247	2,500,000	2,466,753
SH 550	2200				
CAPITALIZED PROJECT COSTS	01CAP				
CIP - Mitigation	15130	22,569	22,569	100,000	77,431
CIP - Public Presentations, RFP, RFQ, Bidding & Letting	15140	0	1,225	0	(1,225)
CIP - Construction	15220	0	0	5,000,000	5,000,000
CIP - Construction Management	15240	0	4,647	150,000	145,353
CIP - Direct Legal Costs	15300	6,758	6,758	0	(6,758)
Total SH 550		29,327	35,199	5,250,000	5,214,801
SH 32 (East Loop)	2250				
CAPITALIZED PROJECT COSTS	01CAP				
CIP - Planning & Coordination	15100	10,070	10,070	250,000	239,930
CIP - Environmental Studies	15120	0	0	750,000	750,000
CIP - Public Presentations, RFP, RFQ, Bidding & Letting	15140	12,565	13,708	0	(13,708)
Total SH 32 (East Loop)		22,635	23,778	1,000,000	976,222
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	0	10,000	10,000
CIP - Environmental Studies	15120	5,165	5,165	34,000	28,835
Total Spur 54 Project		5,165	5,165	44,000	38,835
Toll Equipment & Operational Infrastructure	5000				
CAPITALIZED PROJECT COSTS	01CAP				

Unaudited Financials Subject to Change

CAMERON COUNTY REGIONAL MOBILITY AUTHORITY

Statement of Revenues and Expenditures - Unposted Transactions Included In Report
From 11/1/2016 Through 11/30/2016
(In Whole Numbers)

		Current Period Actual	Current Year Actual	YTD Budget - Original	YTD Budget Variance - Original
Toll Equipment & Software in Process	16000	21,074	214,610	1,250,000	1,035,390
Total Toll Equipment & Operational Infrastructure		21,074	214,610	1,250,000	1,035,390
Total Capital Projects		94,877	318,979	12,844,000	12,525,021

CAMERON COUNTY REGIONAL MOBILITY AUTHORITY

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

	<u>Current Year</u>
ASSETS	
Current Assets:	
Cash and cash equivalents	
CCRMA Claims Account	176,598
CCRMA Operating Fund	2,134,764
CCRMA Mail Payments Account	100
CCRMA Line of Credit Account - TRB	1,000
Toll Operators Cash	60
TxDMV Escrow Account	1,000
TxTag - Replenishment Account	5,918
CCRMA Bond/Debt Funds	<u>193,949</u>
Total Cash and cash equivalents	2,513,388
Restricted cash accounts - debt service	
CCRMA Toll Revenue Funds	66,105
2010 A & B Pledged Revenue Funds	429,860
2010 A Debt Reserve	1,044,031
2010 A Debt Service	378,301
2010 B Debt Reserve	1,224,597
2010 B Debt Service	339,284
2012 Bond CAPI funds	999
2012 Bond Operating Fund	113,798
2012 Bond Project Funds	1,951,201
2012 Bonds Rate Stabilization Fund	1,600,000
2012 Bonds Debt Service	50,000
2012 Bond Renewal & Replacement Fund	40,000
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	7,245,723
Accounts receivable	
Accounts Receivable - Customers	8,397
Vehicle Registration Fees - Receivable	<u>58,396</u>
Total Accounts receivable	66,793
Accounts receivable - other agencies	
Accounts Receivable - Other Agencies	1,102
Due from Other Agencies	<u>595,285</u>
Total Accounts receivable - other agencies	596,387
Prepaid expenses	
Prepaid Rent	1,750
Prepaid Other Expense	<u>5,866</u>
Total Prepaid expenses	<u>7,616</u>
Total Current Assets:	10,429,907
Non Current Assets:	
Long-term receivables	
TxDot - SH550 PTT	<u>1,385,000</u>
Total Long-term receivables	1,385,000
Capital assets, net	
Land & Right of Way	98,750
Buildings	202,803
Accumulated Depreciation-Buildings	(15,210)
Improvements	20,791
Accumulated Depreciation-Improvements	(768)

CAMERON COUNTY REGIONAL MOBILITY AUTHORITY

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

	<u>Current Year</u>
Furnishings & Equipment	7,591,215
Accumulated Depreciation-Furnishings & Equipment	(1,128,395)
Software & Technology	19,792
Accumulated Depreciation Software & Technology	(11,875)
Infrastructure & Utilities	64,200,349
Improvements - Infrastructure	8,966
Accumulated Depreciation-Infrastructure	<u>(2,790,385)</u>
Total Capital assets, net	68,196,033
Capital projects in progress	
CIP - Planning & Coordination	841,698
CIP - Preliminary Engineering & Design	3,789,259
CIP - Environmental Studies	14,995,527
CIP - Mitigation	284,315
CIP - Public Presentations, RFP, RFQ, Bidding & Letting	51,823
CIP - Right of Way	53,638
CIP - Construction Management	56,164
CIP - Direct Legal Costs	295,855
CIP - Capitalized Interest	61,658
CIP - Direct Administration	493,049
CIP - Indirect Administration and Overhead	570,258
Toll Equipment & Software in Process	<u>1,062,602</u>
Total Capital projects in progress	22,555,847
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>138,878,236</u>
Total ASSETS	<u><u>149,308,143</u></u>
LIABILITIES	
Current Liabilities	
Accounts payable	
AP - Operations	45,542
AP - Project Exenditures	<u>219,478</u>
Total Accounts payable	265,020
Accrued expenses	
TxTag Customer Deposits	(5)
Toll Refunds from MSB	5,253
Accrued Expense	<u>450,790</u>
Total Accrued expenses	456,038
Payroll liabilities	
Federal Tax Withholding	(4,106)
Payroll Tax Payable	(2,470)
Retirement Contribution Payable	2,071
Health Insurance Payable	1,050
Aflac Employee Liabilities	(87)
Dental Insurance Payable	61
Employee Vision Insurance	25

CAMERON COUNTY REGIONAL MOBILITY AUTHORITY

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

	<u>Current Year</u>
Total Payroll liabilities	<u>(3,456)</u>
Deferred revenue	
UFV Fund Deposits	1,800
Deferred Revenue	<u>1,985</u>
Total Deferred revenue	<u>3,785</u>
Total Current Liabilities	721,388
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	<u>2,271,686</u>
Due to TxDot	
Union Pacific - West Rail Project	29,461,531
Union Pacific - Olmito Switchyard	9,919,811
TxDot FAA - South Padre Island	12,820,809
TxDot FAA - West Parkway	2,244,589
TxDot FAA - Outer Parkway	<u>54,365</u>
Total Due to TxDot	<u>54,501,105</u>
Long term bond payable	
2010A Bonds Payable	4,480,000
2010A Unamortized Premium	13,761
2010B Bonds Payable	15,535,000
2012 Bonds Payable	40,000,000
2012 Unamortized Premium	3,862,351
2014 Bonds Payable	5,000,000
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	4,500,000
2015 CO Bonds Discount	<u>(37,186)</u>
Total Long term bond payable	<u>79,098,071</u>
Total Non Current Liabilities	<u>135,870,862</u>
Total LIABILITIES	<u>136,592,250</u>
 NET POSITION	
Beginning net position	
	<u>13,088,186</u>
Total Beginning net position	13,088,186
Changes in net position	
	<u>(55,359)</u>
Total Changes in net position	<u>(55,359)</u>
Total NET POSITION	<u>13,032,827</u>
 TOTAL LIABILITIES AND NET POSITION	<u><u>149,625,077</u></u>

CAMERON COUNTY REGIONAL MOBILITY AUTHORITY

Statement of Cash Flows

As of 11/30/2016

	<u>Current Period</u>	<u>Current Year</u>
Cash Flows from Operating Activities		
Receipts from Vehicle Registration Fees	222,130.00	451,200.00
Receipts from Toll Revenues	109,216.98	218,952.20
Receipts from other Operating Income	37,500.00	37,500.00
Payments to Vendors	(67,849.88)	(224,426.01)
Payments to Employees	<u>(71,947.43)</u>	<u>(119,971.90)</u>
Total Cash Flows from Operating Activities	<u>229,049.67</u>	<u>363,254.29</u>
Cash Flows from Capital and related Financing Activities		
Acquisitions of Property and Equipment	(8,966.18)	(8,966.18)
Receipts from Grants and Other income	397.86	765.06
Acquisitions of Construction in Progress	(605,329.57)	(653,867.33)
Proceeds from TxDot FAA	<u>824,587.58</u>	<u>1,028,117.27</u>
Total Cash Flows from Capital and related Financing Activities	<u>210,689.69</u>	<u>366,048.82</u>
Net Increase (Decrease) in Cash & Cash Equivalents	<u>439,739.36</u>	<u>729,303.11</u>
Beginning Cash & Cash Equivalents	<u>289,563.75</u>	<u>0.00</u>
Ending Cash & Cash Equivalents	<u><u>729,303.11</u></u>	<u><u>729,303.11</u></u>

**3-C DISCUSSION AND POSSIBLE ACTION REGARDING THE
CAMERON COUNTY REGIONAL MOBILITY AUTHORITY'S
MATERIAL ON HAND (MOH) POLICIES AND PROCEDURES**



Cameron County Regional Mobility Authority (CCRMA)

Material On Hand (MOH)

Policies and Procedures

Table of Contents

- **Policy**
- **Eligible Items**
- **Acceptable Storage**
- **Testing and Approval**
- **Records and Reports**
- **Contractor's Responsibility for MOH**
- **Procedures**
- **Monitoring and Auditing**
- **CCRMA Responsibility for MOH**
- **Process Reviews**
- **Contractor Record Audits**

Appendix A: Material on Hand Forms

Appendix B: Material on Hand Certification

Material on Hand (MOH)

Policy

Payment for Material on Hand (MOH) may be provided to contractors to help offset large capital outlays in assembling and stockpiling materials to be used in the contract. Contractors should request MOH payments only for those materials that have an invoice cost of at least \$1,000.00. Contractors are expected to use good judgment and adhere to sound recordkeeping practices. Do not make MOH payments for incidentals such as nuts, bolts, washers and other incidental items.

Eligible Items

Only nonperishable materials are eligible for MOH payments. Nonperishable materials are those that do not have a shelf life or whose characteristics do not materially change when exposed to the elements. The following are examples of nonperishable items eligible for MOH payment:

- concrete traffic barrier
- pre-cast concrete box culverts
- concrete piling
- reinforced concrete pipe
- illumination poles
- base material or aggregates stockpiled onsite, or produced and stockpiled specifically for the contract at a non-commercial source in the vicinity of the work locations. (If more than one contract is being supplied, ensure that separate stockpiles are maintained for each contract. For the purpose of MOH payment for base material and stockpiled aggregates, a commercial source is defined as any source that supplies base, aggregates, HMA or concrete to the general public, while a non-commercial source is defined as a source that does not supply to the general public.)

Transportation costs are eligible for MOH reimbursement when the materials are delivered to the project. Transportation costs may be eligible when contractors receive the materials at a remote contractor-owned yard where the materials can be monitored by the CCRMA. If materials are delivered to a remote contractor-owned yard, the transportation cost shall not exceed the cost for a direct delivery to the project.

Other materials determined to be nonperishable and approved as such may be considered for MOH payment.

As determined beneficial, separate identifiable stock piles located at a commercial source may be eligible for MOH payment. In addition any item considered unique in nature and fabricated specifically for a contract, may be considered for MOH payment. Verify that all materials meet contract requirements.

Acceptable Storage

Ensure that material is accessible and properly stored (for example, reinforcing steel on wood blocks off the ground, etc.). MOH payments may be made for some products (for example, pre-cast concrete and steel girders) when stored at the fabrication plant if the material has been sampled, tested, approved, or certified, and are ready for incorporation into the work.

Ensure that hot mix and concrete aggregate stored at the contractor's plant is not contaminated or mingled with other materials. Unless an exception is approved, do not make MOH payments for materials which are stockpiled at a commercial plant that sells or supplies to numerous customers.

The contractor should physically check quantities shown on the request for payment each month to ensure the materials are located in the stockpile. Inspect and measure the material stockpiled and included in the request for payment as determined necessary. Resolve any quantity discrepancies prior to including on the monthly estimate.

Testing and Approval

Ensure that material is approved and properly tagged or marked. Verify test reports for approved materials, including those stored at approved sites. The CCRMA shall verify the storage of approved materials that have been inspected by CCRMA and stored at approved sites where they perform inspection.

Do not make MOH payments for perishable materials. Perishable materials are materials which have a shelf life or whose characteristics materially change when exposed to the elements.

Examples of Perishable Materials

Asphalt & other petroleum products	Water proofing material
Concrete curing compound	Joint sealing materials
Concrete surface finish	Fly ash
Rapid setting mortar	Concrete Admixtures
Paint (warehouse stock)	Anti-strip agents
Paint (open market)	Waterstop materials
Epoxy for pavement marking	Cement
Hot mix asphaltic concrete mixtures	Lime
Concrete surface treatment	Herbicide
Hay	Plants

Examples of Perishable Materials

Epoxy	-
-------	---

Records and Reports

Contractors must use TxDOT forms [1915](#), "Request for Payment of Material on Hand," and [1914](#), "Request for Material on Hand Summary Sheet." See Appendix A for forms. The contractor is responsible for maintaining all documentation supporting MOH payments and retaining the documentation until final acceptance of the contract. Contractor documentation must include paid invoices for all MOH within sixty (60) days of receiving MOH payment. The contractor's paid invoices must contain:

- ⦿ the manufacturer
- ⦿ the unit price
- ⦿ the item supplied
- ⦿ a statement signed by the contractor indicating that payment for the material shown on the invoice has been made.

Spot check contractor MOH payment documentation as determined necessary. Future MOH payments may be excluded if the contractor is found in violation of MOH Contract requirements.

Audits may be conducted and the contractor's recordkeeping system examined to ensure that accurate records are maintained for the payments requested.

Contractor's Responsibility for MOH

To request payment for MOH, the contractor must submit TxDOT forms 1914 and 1915. Do not accept these forms from subcontractors. With their submittal, the contractor must:

- ⦿ determine what items are eligible for MOH payment and only request payment for eligible materials (the unit price requested by the contractor shall not exceed the actual cost of the material as established by invoice, or the total costs for the associated item less reasonable placement costs, whichever is less)
- ⦿ establish a procedure to ensure that plan quantity less placed quantity is not exceeded on the request
- ⦿ include a procedure to determine the quantity "used this period" as requested on Form 1915
- ⦿ retain paid invoices for all materials included in any request for MOH payment within sixty (60) days (two estimate cycles).

Procedures

Contractors requesting MOH payments should submit the request as specified at the preconstruction conference. As deemed appropriate, consider eligible items for MOH payment. Deduct from the estimate previous MOH payments if the material for which payment was made becomes unusable or is no longer intended for incorporation into the work, or is sold to the general public.



A "Test and Material Activity" report shall be provided to the contractor each month.

Monitoring and Auditing

Contract MOH payments are monitored or audited as follows:

- ⦿ cursory reviews
- ⦿ annual spot checks
- ⦿ process reviews
- ⦿ contractor record audits.

The contractor must allow CCRMA personnel immediate access to MOH records for all spot checks and process reviews.

CCRMA Responsibility for MOH

The CCRMA shall fill out the MOH Certification form attached in Appendix B with all MOH requests.

Monitor MOH payments as follows:

Cursory Reviews. Review MOH payment requests received from the contractor to ensure that materials are eligible for MOH payment. Request an explanation from the contractor for any apparent discrepancies, such as quantity or price irregularities. The monthly MOH payment request must be reviewed and initialed by one of the following: CCRMA Project Manager, CCRMA Project Engineer, CCRMA Responsible Person in Charge.

Monthly Spot Checks. At least once a month, conduct a random review of at least one item per project until all items are checked, material on hand is zero or the project is complete. On the monthly MOH payment request, indicate which item was checked and initial the document to show the monthly spot check was completed and the person that conducted the spot check. In addition to these random spot checks, spot checks may be conducted for cause or as directed by authorized personnel, such as the CCRMA Executive Director, CCRMA Chief Financial Officer, TxDOT or FHWA representative.

If a spot check indicates the need for corrective action, the affected contractor request for MOH payment may be corrected. Notify the contractor in writing of any corrections made.

If a spot check indicates that the CCRMA overpaid the contractor for MOH, correct the overpayment with a supplemental estimate or with the next monthly estimate. Make this correction before making any additional payments to the contractor.

Use the guidelines listed in the following table to conduct spot checks.

Monitoring Guidelines for MOH

Step	Action
1	The engineer or their representative performs spot check at the contractor's office.
2	Check eligibility of requested material: <ul style="list-style-type: none"> • nonperishable • test report issued when required.
3	Review invoices to verify quantity and unit price requested.
4	Review contractor's procedure for determining plan quantity for material requested.
5	Review contractor's procedure for determining how much material was used each month.
6	Verify contractor has paid invoices (for all material requested for payment) dated within 60 days of receiving MOH payment.
7	Verify materials are properly stored in approved stockpiles.

Process Reviews

Conduct process reviews to ensure that the contractor's internal process satisfies contract MOH requirements (for example, recordkeeping system, site reviews, or measuring procedures, etc.). The contractor should have sufficient checks and balances in place to ensure the accuracy of requests for MOH payment. These reviews may be initiated at any time by any appropriate CCRMA personnel or any other party with a vested interest in the CCRMA's financial dealings.

If a process review indicates the need for corrective action, notify the contractor in writing of any corrective actions needed. Consider conducting a complete audit of the contractor's records and recordkeeping system if the process review indicates serious concerns or possible noncompliance with contract MOH requirements.

Contractor Record Audits

Normally, the CCRMA audits contractor records for cause only; however, the CCRMA retains the right to audit contractor records at any time to ensure contract compliance. The following table lists examples of possible causes for initiating an audit of the contractor's records:



Possible Causes for Auditing a Contractor's Records

The contractor is suspected of submitting erroneous, inflated, deceptive or fraudulent requests for MOH payment.
A spot check of contractor's MOH quantities indicates the possibility of a large scale error.
A process review indicates a major flaw in the contractor's record-keeping system.
The contractor is suspected of willfully neglecting to comply with any of the requirements of the MOH contract requirements.
The contractor has indicated, or it is suspected, that the contractor will file a claim for additional compensation and use MOH records to support the claim.
Material supplier, subcontractor or any other creditor complains to the department that the contractor has not paid for materials.

Consult with the CCRMA Executive Director and/or CCRMA Board of Directors prior to notifying the contractor of an impending audit. Once approved, send a written notice via certified mail to the contractor advising of the impending audit. Specify in the notice that the contractor must allow the CCRMA access to conduct the audit within seven (7) days of receipt of the notice.

The CCRMA office will coordinate the audit with all parties involved. Parties involved may include other department personnel or any other party with a vested interest in the CCRMA's financial dealings.

Ensure that all parties involved in the audit are provided with copies of the audit findings. The CCRMA office is responsible for ensuring that any corrective actions identified are implemented.



APPENDIX A

Material on Hand Forms

CSJ: _____
 PROJECT: _____
 HIGHWAY: _____
 COUNTY: _____

REQUEST FOR PAYMENT OF MATERIALS ON HAND SUMMARY PAGE

Sheet Totals	Amount
Sheet _____ of _____	
Sheet _____ of _____	
Sheet _____ of _____	
Sheet _____ of _____	
Sheet _____ of _____	
Sheet _____ of _____	
Sheet _____ of _____	
Sheet _____ of _____	
Sheet _____ of _____	
Sheet _____ of _____	
Total Value:	
Less Previous Total Value:	
Net Change This Estimate:	

1. Materials are non-perishable and suitable for incorporation into the work.
2. All materials are stored properly to prevent deterioration, contamination or intermingling of stockpiles.
3. Paid invoices are available for review for any materials that have been presented for payment.
4. All materials are identified and set apart for this project and have not been included in a request for payment on any other Texas Department of Transportation (Department) project.
5. The signatory hereby warrants that they have the authority to execute this request.

I certify that the quantities and values shown on this request for payment are true and correct. The materials are stored on the project site, or in a Department-approved location(s), and meet all requirements of the contract.

Contractor

Name (Print or Type)

Title

Signature Date

CSJ: _____

 PROJECT: _____

 HIGHWAY: _____

 COUNTY: _____

REQUEST FOR PAYMENT OF MATERIAL ON HAND

CONTRACTOR _____

Estimate Period From _____ To _____

[Click on (+) to ADD Items (-) to DELETE Items]

Item and Description Number (0000-0000)	Material Description and Location	Unit of Meas	Received This Period	Previous Quantity On Hand	Used This Period	Balance On Hand	Unit Price \$	Total Installed to Date	Plan Qty	Total Value \$

Grand Total Sheet Total _____

By submitting a request for Material on Hand (MOH) payment, the Contractor expressly authorizes the Texas Department of Transportation (Department) to audit MOH records, and to perform process reviews of the record-keeping system. If the Department determines noncompliance with any of the requirements of the contract, the Department may exclude payment for any or all MOH for the duration of the Contract.

Signature of Contractor Authorized Representative: _____ Date: _____



APPENDIX B

Material on Hand Certification

LG Entity Name
LG Entity Address
LG Entity Phone Number
Date

RE: Project:
CSJ:
HWY:
County:

District Engineer
TxDOT District
District Address

Dear District Engineer:

On behalf of LG Entity, I hereby certify that the quantities and values for Materials on Hand indicated on the attached TxDOT Forms 1914 and 1915 executed by the Contractor and included in the Request for Payment (dated) have been reviewed by representatives of the LG Entity and are true and correct. The amount requested includes only the invoice cost of acceptable nonperishable materials that have not been used in the work and have been delivered to the work location or are in acceptable storage places. Only materials that have been sampled, tested, approved, or certified, and are ready for incorporation into the work are included in this request. Only materials which are completely constructed or fabricated on the Contractor's order for this project (and are so marked) and on which an approved test report has been issued are included.

All related project records are subject to review by TxDOT and will be retained in accordance with TxDOT's record retention policy.

Texas P.E. Seal
Date

LG Engineer Signature
LG Engineer Printed Name and Title

**3-D DISCUSSION AND POSSIBLE ACTION REGARDING THE CAMERON
COUNTY REGIONAL MOBILITY AUTHORITY'S AMENDED
PROCUREMENT POLICIES (TABLED)**

**3-F CONSIDERATION AND AUTHORIZATION FOR STAFF TO REQUEST
QUALIFICATIONS FOR ENVIRONMENTAL ASSESSMENT SERVICES
AND RELATED ENGINEERING SERVICES FOR THE SH 32 (EAST
LOOP) PROJECT (TABLED)**