

Appendix G

CAMERON COUNTY REGIONAL MOBILITY AUTHORITY

DEBT COLLECTION SERVICES

CONTRACT FOR RFP NO. 2024-001

This Contract between the Cameron County Regional Mobility Authority (the “Authority”) and _____ (the “Contractor”) is hereby entered into and agreed to as of the ___ day of _____ 2024, (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 _____.
- 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 Cameron County Regional Mobility Authority RFP No. 2024-001, the Contractor’s proposal submitted in response to Cameron County Regional Mobility Authority RFP No. 2024-001, 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.

- 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.
- 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** The Contractor assumes full responsibility to the Authority for the improper acts and omissions of its Subcontractors or others employed or retained by Contractor in connection with the Work.
- 3.0 Contract Time.**
- 3.1 Notice 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** The Contractor shall remunerate payment in full to the Authority for accepted placements within fifteen (15) calendar days. Upon acceptance by the Contractor, the placement Portfolio becomes property of the Contractor and no longer the

property of the Authority. Acceptance by the Contractor of any placements shall be effective as of the date the Authority sends such toll violations to the Contractor pursuant to section 9.0.

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 Contract Term. The initial term of the Contract shall begin on the Commencement Date and shall terminate three (3) years thereafter subject to the Authority’s right to renew the Contract for two (2) additional one (1) year terms. The Authority’s right is exercisable by the Authority in its sole and absolute discretion whether reasonable or not.

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

4.0 Contract Price.

4.1 For matured violations being collected through Portfolios I, II, and III, the Contractor shall provide payment to the Authority in accordance with the compensation structure described in the Contractor’s proposal in exchange for the Authority placing the foregoing toll violations in Portfolio I with the Contractor.

4.2 For new violations being collected through Portfolio IV, the Contractor shall provide advance payment of the entire amount due to the Authority in exchange for the Authority placing the foregoing toll violations in Portfolio IV with the Contractor.

5.0 Work.

5.1 The Contractor shall perform all Work necessary in accordance with this Contract.

5.2 Work Defined. The term “Work” shall mean whatever is done by or required of the Contractor to perform and complete its duties relating to the Work under the Contract, including, without limitation, the following:

5.2.1 Collect outstanding tolls, violation fees, and processing fees as a result of unpaid notices;

5.2.2 Provide collection services in compliance with State of Texas and Federal laws;

5.2.3 Provide detailed monthly reports regarding collection activity including reconciliation reports to any remuneration paid to the CCRMA;

- 5.2.4 Detailed monthly reports on outstanding portfolios, to include a summary of ongoing collection activities and efforts;
- 5.2.5 Ability to accept toll violation data in excel or csv format on a monthly basis;
- 5.2.6 Ability to perform collections on out of state violations;
- 5.2.7 Factor new receivables from CCRMA; and,
- 5.2.8 Perform any duties or obligations required by or incident to RFP No. 2024-001.

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 The Authority shall provide the Contractor with such information, existing and reasonably available, necessary to the Contractor's performance of the Contract as the Contract may request.
- 6.3 The Authority shall reasonably cooperate with the Contractor in the Contractor's performance of the Contract.
- 6.4 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.
- 6.5 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.

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 the 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 the 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 the Contractor using the Data Set File Format over the agreed upon SFTP 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 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 the 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(s) until such time, if at all, that the Authority requests collection activity to recommence. Upon receipt of the Cessation Request, the 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 the Contractor receives a written dispute (excluding validation requests received in the ordinary course), the Contractor shall forward such dispute in writing to the Authority within seven (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 thirty (30) Days and advise whether the Authority agrees with any or all the claims included in the dispute or whether the Authority disagrees. The Contractor shall advise the Authority if it has not received the Authority's response within the time set forth above. The Contractor shall cease altogether any Violator-originated Dispute that the Authority affirms. The 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 shall 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 the 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 the Contractor for the cumulative Base Toll actually paid by the 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 the Contractor to the Authority. The Contractor shall provide the 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 and which shall be due to the Contractor as set forth in Section 7.2.4 to be eligible to offset the Advance Payment.
- 7.3 **Communications to Violators.**
 - 7.3.1 **Written Communications.** The Contractor shall obtain pre-approval from the Authority for all proposed written communication between the 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.** The 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.** The Contractor shall provide a Customer Service Center (“CSC”) with the following minimum requirements:
- 7.4.1 Trained Agents.** The 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.** The Contractor shall comply in all respects with all Texas, other applicable states, and Federal Laws related to the Contractor’s Services, including collections laws. The Authority shall cooperate with and permit the Contractor to take necessary steps required for the Contractor to maintain such compliance.
- 7.4.3 Customer Accessibility.** The Contractor shall provide toll free phone numbers, web site, and mailing address for payment services.
- 7.4.4 Payment Processing.** The Contractor shall provide all payment processing services.
- 7.4.5 Dedicated Supervisor Phone Line.** The Contractor shall provide all payment processing services.
- 7.4.6 Hours of CSC.** The 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.** The 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.** The Contractor shall provide the capability for call monitoring, at the Authority’s 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 of the Contractor locations that will be used to comply with this Contract must be located within the continental United States.
- 7.5 On-demand Queries.** The Contractor shall provide to the Authority on-demand queries, as follows:
- 7.5.1 Remote Access.** The 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. The 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. The Contractor shall make an up-front non-refundable payment (except as provided in Sections 7.2.4.2 and 7.2.4.3) 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"). The 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 the Contractor.

8.1.1.1 Exclusions from Base Tolls. The 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, the 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 Collecting Proceeds. The 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 the 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 the Contractor and applied to the Base Toll amount of each violation, 100% of the proceeds will be retained by the Contractor.

8.1.2.2 Processing Fees. For Collection Proceeds collected by the 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 the Contractor and applied to the Administrative Fee amount of each violation, ___% of proceeds will be retained by the Contractor, and the remaining ___% of proceeds will be remitted to the Authority (net of the 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 (10th) 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 the Contractor pursuant to Sections 8, 7.2.4.2, and/or 7.2.4.3, the Contractor may offset payments due to the Authority in the next Advance Payment or payment of Collection Proceeds (pursuant to Section 8) by the undisputed amounts owed by the Authority provided that the Contractor and the Authority first meet to discuss and agree upon these amounts at least three (3) Business Days prior to the applicable payment 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 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 the 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 the 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 the Contractor shall owe to the Authority, in addition to that amount that is properly due to the Authority and 1.5% 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 in good faith. If the Parties are unable to reach mutually acceptable terms, then either Party may terminate this Contract, without penalty, as provided in Section 14.

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 by the Contractor 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 all applicable Federal, State and local laws, regulations, codes, and ordinances.

10.5 Insurance Requirements.

10.5.1 Indemnity. The indemnity requirements are detailed within section 10.14 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, naming the Authority as an additional insured, together with the appropriate endorsement to said policy reflecting the addition of the Authority as an additional insured under said policy (minimum of \$1,000,000 each occurrence and \$2,000,000 in the aggregate).

10.5.2.2 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.

10.5.2.3 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.

10.5.2.4 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.

10.6 Licensing. The Contractor shall also provide to the Authority a copy of any required licenses. Failure to maintain these licenses in a current status during the term(s) of the Contract shall constitute a material breach thereof.

10.7 Confidentiality. The Contractor, in connection with performing its services hereunder, will have access to or may be provided certain confidential information concerning the Authority and agrees that any information concerning the finances, accounting practices, business, client, client lists, property information, client data, records of the Authority or any other information which a reasonable person could conclude that should remain confidential (collectively "Confidential Information"), will not be disclosed to any party and without limitation, any employee of the Authority or any client or potential client of the Authority at any time, except for the Contractor's legal counsel, accounts, or financial advisors, who will also hold such Confidential Information in confidence. The Contractor acknowledges that the information is being provided with the sole understanding that all Confidential Information will remain confidential and will be held in the strictest confidence. The Contractor further acknowledges that any disclosure of the Confidential Information, whether intentional or inadvertent, may harm the Authority. The Authority will have the right to enforce the Contract by specific performance, as well as hold the Contractor liable for any damages caused by any disclosure of any Confidential Information, whether intentional or inadvertent. The Contractor agrees that 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 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, including reports, 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
E-mail: PSepulveda@ccrma.org**

9.2 All notices submitted to the Contractor by the Authority pursuant to the Contract shall be in writing and delivered to the attention of:

E-mail: _____

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 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:
- 13.3.1** Funding is not available;
 - 13.3.2** Legal restrictions are placed upon the expenditure of monies for this category of service or supplies; or,
 - 13.3.3** The Authority's requirements in good faith change after award of the Contract.
- 13.4 Local State, and/or Federal Permits.** Any and 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.
- 13.5 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 applicable ordinances or regulations of any applicable municipality or Cameron County, Texas) and any other enacted ordinance, code, law or regulation that is found to be applicable. 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.
- 13.6 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.

- 13.7 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.
- 13.8 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.
- 13.9 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.
- 13.10 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.
- 13.11 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.
- 13.12 Time of the Essence.** Time is of the essence under this agreement as to each provision in which time of performance is a factor.
- 13.13 Limitation of Liability.** IN NO EVENT SHALL THE AUTHORITY BE LIABLE TO THE CONTRACTOR FOR ANY INDIRECT, INCIDENTAL, CONSEQUENTIAL, OR EXEMPLARY DAMAGES.

13.14 Indemnification.

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

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

13.14.3 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.

13.14.4 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.

13.14.5 THE CONTRACTOR RELEASES THE AUTHORITY FROM AND AGREES TO INDEMNIFY, DEFEND, AND HOLD THE AUTHORITY (AND ITS OFFICERS, EMPLOYEES, AND AGENTS) HARMLESS FROM AND AGAINST ANY AND ALL CLAIMS, DEMANDS, DAMAGES, LOSSES, SUITS, ACTIONS, DECREES, JUDGMENTS, ATTORNEY'S FEES, COURT COSTS, AND OTHER EXPENSES OF ANY KIND OR CHARACTER FOR DEFENDING THE CLAIMS AND DEMANDS BASED ON THE NEGLIGENCE, GROSS NEGLIGENCE, OR OTHER ACTIONS OR INACTIONS OF THE AUTHORITY, OR THE AUTHORITY'S AGENTS, EMPLOYEES, OR OTHER THIRD PARTIES. THE CONTRACTOR HEREBY WAIVES ANY RIGHT TO DEFEND AGAINST THE ENFORCEABILITY OF THIS INDEMNIFICATION PROVISION AND EXPRESSLY AGREES THAT THIS PROVISION MEETS ALL LEGAL REQUIREMENTS AND IS LEGALLY ENFORCEABLE AGAINST THE CONTRACTOR.

13.15 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.

13.16 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.

13.17 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 13.14.1 AND 13.14.5, AND ANY OTHER INDEMNITY CLAUSE HEREIN, SHALL IN NO EVENT BE STRICTLY CONSTRUED AGAINST THE AUTHORITY.

13.18 Warranty of Workmanship. 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.

14.0 Termination.

14.1 Termination for Cause. Upon an Event of a material Default that is not cured within ten (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 the 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 the Contractor for 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 that the Authority’s expenses incurred or anticipated to be incurred as a result of the Contractor’s breach are less than the Remaining Payment, the Authority shall remit such differential to the Contractor. In the event that the Authority’s reasonable and necessary expenses actually incurred or anticipated to be incurred as a result of the Contractor’s breach exceed the Remaining Payment, then the Contractor shall make payment of the differential to the Authority within thirty (30) Days of written notice from the Authority. In addition to the rights and remedies in this Section 14.1, the Authority shall have all other rights and remedies against the 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 the Contractor may terminate this Contract pursuant to Section 8.1.7, upon thirty (30) Days written notice, which shall commence upon the date included in the notice. In the event of a termination for convenience, the Authority shall reimburse the Contractor for Base Toll amounts already paid by the Contractor to the Authority for which the Contractor did not receive payment from a Violator. The Authority shall otherwise not be responsible for any costs, fees, and expenses of any nature whatsoever, including but not limited to administrative fees, legal fees, 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 the Contractor hereby waives all other rights and remedies it otherwise might have had against the Authority for termination for convenience.

15.0 Exhibits.

15.1 In addition to section 1.4 herein, the following documents are a part of the Contract:

15.1.1 Exhibit 1. CCRMA RFP No. 2024-001. A true and correct copy of the CCRMA RFP No. 2024-001 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. 2024-001. 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 13.17, 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)

CONTRACTOR

By: _____

Date: _____

Name/Title

AUTHORITY

Cameron County Regional Mobility Authority

By: _____

Date: _____

Frank Parker, Jr., Chairman