



CENTRAL TEXAS REGIONAL  
**MOBILITY AUTHORITY**

February 28, 2018  
**AGENDA ITEM #9**

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Approve an agreement with Cofiroute USA,  
LLC for Pay By Mail, violation processing,  
collections and customer services

Strategic Plan Relevance: Regional Mobility  
Department: Operations  
Contact: Tracie Brown, Director of Operations  
Associated Costs: Payment based on monthly volume of receipts  
Funding Source: Toll Revenues  
Action Requested: Consider and act on draft resolution

**Summary:**

The process to procure a new Pay By Mail (PBM) program began in December 2016 with the issuance of a Request for Qualifications. Twelve responses to the RFQ were received from which six firms were selected to participate in the Request for Proposals phase. Four of the shortlisted firms submitted proposals which were evaluated in accordance with the Request for Proposals. After reviewing the Cost Proposals, a request for Best and Final Offers was issued to clarify the desired compensation for the collection of pre-paid transactions. Cofiroute USA was determined to be the best value proposer based on the criteria and weighting established in the procurement documents. At the December 13, 2017 Board meeting, staff was authorized to negotiate a contract with Cofiroute USA, LCC for Pay-By Mail violation processing, collections and customer services.

The Executive Director now seeks Board authorization to execute the proposed Agreement with Cofiroute USA, LLC. The proposed Agreement establishes the terms for (1) sending and receiving electronic files containing Pay By Mail (PBM) transaction information; (2) determining the license plate information for PBM transactions if requested by the Authority; (3) using license plate information to obtain the registered vehicle owner information; (4) maintaining a database of PBM and violation transactions; (5) sending toll bills and notices to identified customers for the purpose of collecting PBM toll amounts and associated fees; (6) accepting payments of PBM toll amounts and



**GENERAL MEETING OF THE BOARD OF DIRECTORS  
OF THE  
CENTRAL TEXAS REGIONAL MOBILITY AUTHORITY**

**RESOLUTION NO. 18-0XX**

**AWARD A CONTRACT FOR PAY BY MAIL, VIOLATIONS PROCESSING,  
COLLECTIONS AND CUSTOMER SERVICE**

WHEREAS, in anticipation of the expiration of the Mobility Authority's current agreement with Gila Corporation, a Texas corporation subsequently converted to Gila LLC, a Texas limited liability company, d/b/a Municipal Services Bureau ("MSB") on January 14, 2018, on December 7, 2016, the Mobility Authority issued a request for qualifications from firms interested in providing pay by mail, violations processing, collections and customer services to the Mobility Authority with a deadline to submit responses by January 10, 2017; and

WHEREAS, the Mobility Authority received twelve responses by the deadline which were evaluated and ranked in accordance with the terms of the request for qualifications; and

WHEREAS, by Resolution No. 17-014, dated March 29, 2017, the Board authorized and directed the Executive Director to issue a request for proposals to a shortlist of the six firms determined to be the most highly qualified based on the evaluation of the responses to the request for qualifications; and

WHEREAS, pursuant to the Board's direction, the Mobility Authority issued a requests for proposals to the shortlisted firms on April 19, 2017; and

WHEREAS, the Mobility Authority received four responses to the request for proposals on October 27, 2017 which were evaluated in accordance with the terms of the request for proposals and then conducted interviews with each of the four eligible firms on November 15-16, 2017; and

WHEREAS, following the conclusion of the interview process, Mobility Authority staff determined it was in the best interests of the Mobility Authority to request Best and Final Offers ("BAFOs") from all four firms who responded to the request for proposals; and

WHEREAS, the Mobility Authority issued a request for BAFOs on November 21, 2017, and received responses from each of the four eligible firms on December 1, 2017; and

WHEREAS, Mobility Authority staff conducted final scoring of BAFO responses and established a ranking of the eligible firms on December 8, 2017; and

WHEREAS, by Resolution No. 17-066 dated, December 13, 2017, the Board authorized the Executive Director to negotiate a contract for pay by mail, violations processing, collections and customer services with Cofiroute USA, LLC; and

WHEREAS, the Executive Director and Cofiroute USA, LLC have negotiated an agreement for pay by mail, violations processing, collections and customer services which is attached hereto as Exhibit A and sets forth the Scope of Services, Compensation and other terms; and

WHEREAS, the Executive Director recommends that the Board authorize him to finalize and execute the proposed agreement in substantially the form attached hereto as Exhibit A.

NOW THEREFORE, BE IT RESOLVED that the Board of Directors hereby adopts and approves the agreement in substantially the form attached hereto as Exhibit A; and

BE IT FURTHER RESOLVED that the Executive Director is authorized to finalize and execute the agreement with Cofiroute USA, LLC on behalf of the Mobility Authority.

Adopted by the Board of Directors of the Central Texas Regional Mobility Authority on the 28<sup>th</sup> day of February 2018.

Submitted and reviewed by:

Approved:

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Geoffrey Petrov, General Counsel

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Ray A. Wilkerson  
Chairman, Board of Directors

**Exhibit A**

**CENTRAL TEXAS REGIONAL MOBILITY AUTHORITY**

**AGREEMENT FOR**

**PAY BY MAIL, VIOLATIONS PROCESSING, COLLECTIONS  
AND CUSTOMER SERVICES**

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**CENTRAL TEXAS REGIONAL MOBILITY AUTHORITY  
AGREEMENT FOR  
PAY BY MAIL, VIOLATIONS PROCESSING, COLLECTIONS, AND CUSTOMER SERVICES**

This Services Agreement (the "Agreement") is made and entered into by and between the Central Texas Regional Mobility Authority (the "Authority" or "CTRMA"), a regional mobility authority and a political subdivision of the State of Texas, and Cofiroute USA, LLC ("Cofiroute" or the "Contractor") to be effective as of the \_\_ day of \_\_\_\_\_, 2018 (the "Effective Date") with respect to Pay By Mail processing, collections, and customer services to be performed by Cofiroute, as an independent contractor, for the CTRMA, the North East Texas Regional Mobility Authority ("NETRMA") and, potentially, other regional mobility authorities.

**WITNESSETH:**

WHEREAS, pursuant to that certain Request for Proposals dated April 2017 (the "RFP"), the CTRMA sought to identify and obtain the services of a qualified firm to provide Pay By Mail, violation processing, collection, and customer services for the CTRMA, NETRMA and, potentially, other regional mobility authorities; and

WHEREAS, six firms were shortlisted and four firms submitted responses setting forth their respective proposals for the work; and

WHEREAS, Cofiroute was identified by the CTRMA as the best and most responsive proposer to provide the required services and this Agreement has been negotiated and finalized between those parties whereby the services shall be provided by Cofiroute as set forth herein;

NOW, THEREFORE, in consideration of the mutual and individual benefits received and realized by the respective parties hereto, the parties do hereby agree as follows:

**ARTICLE 1  
THE SERVICES**

The Authority hereby retains the Contractor, as an independent contractor, and the Contractor agrees to provide services to the Authority, NETRMA and possibly other regional mobility authorities upon the terms and conditions provided in this Agreement. The scope of services (the "Services"), shall include, but not be limited to the Contractor: (1) sending and receiving electronic files containing Pay By Mail (PBM) transaction information, including images of PBM vehicles to be used to determine license plate information; (2) using a combination of Optical Character Recognition (OCR) software/hardware and manual review of video images to determine the license plate information for PBM transactions if requested by the Authority; (3) using license plate information to obtain the registered vehicle owner information from the Vehicle Titles and Registration Division of Texas Department of Motor Vehicles (VTR) and/or other sources for both Texas and non-Texas license plates; (4) maintaining a database of PBM and violation transactions with data obtained from CTRMA, VTR, customers themselves and other relevant sources to facilitate reporting on and reconciliation of PBM toll amounts, associated fees and funds disposition; (5) sending toll bills and notices to identified customers for the purpose of collecting PBM toll amounts and associated fees; (6) accepting payments of PBM toll amounts and associated fees and other ancillary payments from customers; (7) bundling and transmitting PBM toll amounts and fee payments to CTRMA

on a periodic basis; (8) preparing and maintaining documents to be used in the course of legal proceedings, collection actions, etc. for violation transactions; (9) attempting to collect unpaid fees and PBM toll amounts and other ancillary payments as described in the Scope of Services; (10) providing full reporting and auditable data detailing the amount of PBM transactions, actual collections, outstanding amounts, account payment status, and other information requested by CTRMA, with such reporting to occur at intervals and in the format specified by CTRMA; (11) assuring that its systems (and those of its subcontractors) maintain compliance with industry standard financial, security, quality and software process standards, as outlined in the technical proposal in Appendix F; and (12) providing other technical services as requested as Additional Services at the rates outlined in Appendix D, Change Order Rate Schedule. The foregoing items, however, are considered to be part of the Services whether or not they are more fully described in Appendix A.

The Contractor acknowledges and agrees that the Services provided for herein will be provided to CTRMA and will also be provided for the benefit of NETRMA and possibly other regional mobility authorities through agreements between CTRMA and the other entities. All terms related to the performance of the Services hereunder to CTRMA shall apply equally to Services provided to NETRMA and other regional mobility authorities, and CTRMA shall have the right, without objection from Contractor, to seek performance hereunder and enforce the terms of this Agreement on its own behalf and on behalf of any other entities receiving the Services provided for herein.

The Contractor will provide CTRMA and/or representatives of CTRMA various reports and real time access to the PBM and violation database maintained by the Contractor in accordance with the terms of this Agreement and as otherwise agreed between the parties from time to time.

The Contractor shall be expected to operate independently from the Authority and without extensive oversight and direction. The Contractor shall commit the personnel and resources reasonably required to promptly and fully perform and fulfill the responsibilities and tasks necessary to meet the key performance indicators/service level agreement (KPIs/SLAs) contained in Appendix B.

## **ARTICLE 2** **COMPENSATION**

Authorization for Contractor to perform the Services, compensation for Contractor's work, and other aspects of the mutual obligations concerning Contractor's work and payment therefore are as follows:

**FEE COLLECTION.** Contractor shall collect tolls and fees consistent with the Authority's Toll Rate Policy. Such tolls and fees shall be directly collected by Contractor and a portion thereof shall be remitted to CTRMA as provided herein on a weekly basis. Contractor shall be entitled to retain on a weekly basis a portion of the tolls and fees collected as shown on Appendix C as full compensation for the performance of the Services and other work under this Agreement. The Authority shall have no further obligation to pay any funds or provide any compensation to the Contractor in relation to any of the Services, except as otherwise specifically provided herein.

**EXPENSES.** The compensation described above is anticipated by the Authority and the Contractor to be full and sufficient compensation and reimbursement for the Services. The Contractor shall not be entitled to reimbursement from the Authority for out of pocket expenses incurred by the Contractor related to the performance of its duties under this Agreement.

**FEE SUMMARIES AND RECORDS.** The Contractor shall electronically submit one (1) copy of a weekly summary of tolls and fees charged and tolls and fees collected in providing the Services under this Agreement during the previous week, and shall also present a reconciliation of the invoices and accounts to which the work relates. Each summary shall be in such detail as is required by the Authority. All books and records relating to the Contractor's work and Services to the Authority under this Agreement shall be made available during the Contractor's normal business hours to the Authority and its representatives for review, copying, and auditing throughout the term of this Agreement and, after completion of the work, for four (4) years, or such period as is required by Texas law, whichever is longer.

**TAXES.** The Contractor acknowledges that the Authority is a tax-exempt entity under Sections 151.309, et seq., of the Texas Tax Code.

**AS-NEEDED BASIS.** As provided for above, the Authority may request that the Contractor perform specific additional Services on an as-needed basis consistent with the rates set forth in Appendix D, and the scope of such additional Services shall be set forth in a separate Work Authorization that is agreed to and executed by both parties. No representation or assurance has been made on behalf of the Authority to the Contractor as to the total compensation to be paid to the Contractor under this Agreement.

### **ARTICLE 3** **TIME OF PERFORMANCE**

It is understood and agreed that the initial term of this Agreement shall be a maximum of five (5) years, commencing on the Effective Date and concluding on \_\_\_\_\_, 2023, (the "Expiration Date") subject to the earlier termination of this Agreement pursuant to Articles 4 or 5 below or further extension upon agreement of both parties. There shall be two (2) successive two (2) year renewal terms following the expiration of the initial five (5) year period. In addition to any termination rights set forth in this Agreement, either party may elect not to extend the term of one or both of the renewal years by providing ninety (90) days written notice to the other prior to the end of the then current term. Absent such notice or termination pursuant to other provisions of this Agreement, the renewal terms will automatically take effect. If at any time during the contract term the Contractor cannot provide the requested Services within the time required by the CTRMA or for any other reason, the Authority reserves the unilateral right to procure the Services from any other source it deems capable of providing those Services in addition to any other rights that CTRMA may have.

### **ARTICLE 4** **TERMINATION FOR DEFAULT**

Time is of the essence with respect to the performance and completion of all the Services to be furnished by the Contractor pursuant to Work Authorizations issued and which specify an agreed-upon completion or delivery date. Without limiting the foregoing, the Contractor shall furnish all Services in such a manner and at such times as the CTRMA may require. Except as provided below, should the Contractor at any time (a) not carry out its obligations under this Agreement or (b) not be providing the Services to be rendered hereunder in an expeditious and efficient manner and in full compliance with this Agreement, or if the Contractor shall fail in any manner to discharge any other of its obligations under this Agreement, the Authority may, upon providing the Contractor with not less than thirty (30) days prior written notice and opportunity to cure (provided that in no event shall the cure period be more than thirty

(30) days from receipt of the written notice), terminate this Agreement. Such termination shall not constitute a waiver or release by the Authority of any claims for damages, claims for additional costs incurred by the Authority to complete and/or correct the work described in this Agreement, or any other claims or actions arising under this Agreement or available at law or equity which it may have against the Contractor for its failure to perform satisfactorily any obligation hereunder, nor shall such termination pursuant to this Article 4 or Article 5 below abrogate or in any way affect the indemnification obligations of the Contractor set forth in Article 16 hereof.

Notwithstanding the foregoing, in the event that Contractor fails, in the sole discretion of CTRMA, to demonstrate operational readiness of local facilities (i.e., physical facilities required to meet operational requirements under this Agreement that are located in Travis or Williamson Counties) ninety (90) days prior to Go Live, as defined in and based on the Project Schedule as set forth in Appendix A or as may be mutually agreed between the Parties, or fails to demonstrate the hiring and training of local staffing necessary to meet the operational requirements and KPIs under this Agreement, CTRMA shall, in its sole discretion, have the right, acting in good faith, to terminate this Agreement after Authority has given contractor no less than thirty (30) day prior written notice to Contractor and Contractor has, within such notice period, not cured the failure notified.

If the Authority terminates this Agreement as provided either in this Article 4 or Article 5, no fees of any type, other than fees due and payable as of the termination date pursuant to Article 2 hereof for work performed and acceptable to the Authority, shall thereafter be paid to or collected by the Contractor, and the Authority shall have a right to offset or otherwise recover any damages incurred by reason of the Contractor's breach hereof, together with the right to offset amounts owed to the Contractor pursuant to the indemnity provisions. In determining the amount of any payments owed to the Contractor, the value of the work performed by the Contractor prior to termination shall be no greater than the value that would result by compensating the Contractor in accordance with Article 2 hereof for all Services performed and expenses reimbursable in accordance with this Agreement.

## ARTICLE 5 OPTIONAL TERMINATION

In addition to the process for termination described above, this Agreement may also be terminated as follows:

- a. **GENERALLY.** The Authority has the right to terminate this Agreement at its reasonable option, at any time with or without cause, by providing ninety (90) days written notice of such intention to terminate pursuant to this subsection 5.a. hereof and by stating in said notice the optional termination date". Upon such optional termination, the Authority shall enter into a settlement with the Contractor upon an equitable basis as determined by the Authority, which shall fix the value of the work performed by the Contractor prior to the optional termination date. In determining the value of the work performed, the Authority in all events shall compensate the Contractor for any reasonable costs or expenses actually incurred and which are attributable to the exercise of the Authority's optional termination, including reasonable and actual costs related to developing a transition plan and providing data as provided for in Article 6 on an equitable basis as determined by the Authority as noted above, provided, however, that no consideration will be given to anticipated profit which the Contractor might possibly have made on the uncompleted portion of the Services.



- b. **NO FURTHER RIGHTS, ETC.** Termination of this Agreement and payment of an amount in settlement as described in this Article 5 shall extinguish all rights, duties, obligations, and liabilities of the Authority and the Contractor under this Agreement (except those which are designated as surviving termination, including without limitation the indemnification obligations of Contractor set forth in Article 16), and this Agreement shall be of no further force and effect, provided, however, such termination shall not act to release the Contractor from liability for any previous default either under this Agreement or under any standard of conduct set by common law or statute.
- c. **NO FURTHER COMPENSATION.** If the Authority shall terminate this Agreement as provided in this Article 5, no fees of any type, other than fees due and payable as of the optional termination date, shall thereafter be paid to the Contractor, provided that the Authority shall not waive any right to damages incurred by reason of the Contractor's breach thereof. The Contractor shall not receive any compensation for Services performed by the Contractor after the optional termination date, and any such Services performed shall be at the sole risk and expense of the Contractor.

#### **ARTICLE 6** **TERMINATION, GENERALLY**

The Authority's rights and options to terminate this Agreement, as provided in any provision of this Agreement, shall be in addition to, and not in lieu of, any and all rights, actions, options, and privileges otherwise available under law or equity to the Authority by virtue of this Agreement or otherwise. Failure of the Authority to exercise any of its said rights, actions, options, and privileges to terminate this Agreement as provided in any provision of this Agreement or otherwise shall not be deemed a waiver of any of said rights, actions, options, or privileges or of any rights, actions, options, or privileges otherwise available under law or equity with respect to any continuing or subsequent breaches of this Agreement or of any other standard of conduct set by common law or statute. Upon notice of termination of this Agreement by either of the parties, and subject to Article 12 hereto, the Contractor shall update and implement the transition plan as required in Appendix A, Section 19 to ensure a smooth, efficient, and uninterrupted transition to any successor Contractor or subcontractor.

#### **ARTICLE 7** **SUSPENSION OR MODIFICATION OF SERVICES; DELAYS AND DAMAGES**

In addition to the foregoing rights and options to terminate this Agreement, the Authority may elect to suspend any portion of the Services of the Contractor hereunder, but not terminate this Agreement, by providing the Contractor with prior written notice to that effect. Thereafter, the suspended Services may be reinstated and resumed in full force and effect upon receipt from the Authority of written notice requesting same. In the event the Authority elects to suspend the performance of the Services in their entirety for a period that exceeds ninety (90) days, Contractor shall be entitled to terminate the Agreement subject to Appendix A, Section 19.

Similarly, the Authority may expand, cancel (in whole or part), or otherwise modify any portion of the Services previously assigned to the Contractor in accordance with this Agreement. In the event the Services are modified, the Parties shall agree to and execute a Work Authorization and Contractor's compensation shall be adjusted (up or down) based on the rates set forth in Appendices C or D as applicable. Without limiting the foregoing, the Contractor agrees that no claims for damages or other compensation shall be made by the Contractor for any delays, hindrances or modifications occurring during the progress of any portion of the Services specified in this Agreement as a result of any suspension or modification of

the Services or otherwise. Such delays or hindrances, if any, shall be provided for by an extension of time for such reasonable periods as the Authority may decide. It is acknowledged, however, that permitting the Contractor to proceed to complete any Services or any part of them after the originally specified date for completion, or after the date to which the time for completion may have been extended, shall in no way operate as a waiver on the part of the Authority or any of its rights herein.

**ARTICLE 8**  
**PERSONNEL, EQUIPMENT AND MATERIAL, GENERALLY**

Contractor shall provide personnel and equipment as follows:

- a. **ADEQUATE PERSONNEL, ETC.** The Contractor shall furnish and maintain, at its own expense, adequate and sufficient personnel (drawn from its own employees or from approved subcontractors) and equipment, in the reasonable opinion of the Authority, to perform the Services with due and reasonable diligence customary of a firm providing similar services and enjoying a favorable national reputation, and in all events without delays attributable to the Contractor which have a reasonable likelihood of adversely affecting the progress of others involved with one or more of the Projects. All persons, whether employees of the Contractor or of an approved subcontractor, providing the Services shall be fully licensed to the extent required by their professional discipline associations' codes or otherwise by law.
- b. **REMOVAL OF PERSONNEL.** All persons providing the Services, whether employees of the Contractor or of an approved subcontractor, shall have such knowledge and experience as will enable them, in the Contractor's reasonable belief, to perform the duties assigned to them. Any such person who, as determined by the Authority in its sole discretion, is incompetent or by his/her conduct becomes detrimental to the provision of the Services shall, upon request of the Authority, immediately be removed from the Services. The Contractor shall furnish the Authority with a fully qualified candidate for the removed person within ten (10) days thereafter, provided, however, said candidate shall not begin work under this Agreement unless and until approved by the Authority.
- c. **CONTRACTOR FURNISHES EQUIPMENT, ETC.** Except as otherwise specified or agreed to by the CTRMA, the Contractor shall furnish all equipment, transportation, supplies, and materials required for its performance of Services under this Agreement.

**ARTICLE 9**  
**KEY PERSONNEL**

The Contractor acknowledges and agrees that the individual(s) identified on Appendix E attached hereto and incorporated herein are key and integral to the satisfactory performance of the Contractor under this Agreement. Throughout the term of this Agreement, the Contractor agrees that the identified individual(s) will remain in charge of the performance of the Services and they shall devote substantial and sufficient time and attention thereto. The death or disability of any such individual, his/her disassociation from the Contractor or the approved subcontractor, or his/her failure or inability to devote sufficient time and attention to the Services shall require the Contractor promptly to replace said individual with a person suitably qualified and otherwise acceptable to the Authority. Failure to do so within thirty (30) days of the event requiring replacement shall be an event of default under this Agreement.

**ARTICLE 10**  
**BUSINESS OPPORTUNITY PROGRAM AND POLICY COMPLIANCE**

Contractor acknowledges that the Authority has a Business Opportunity Program and Policy ("BOPP") with which it requires contractors to comply in connection with Disadvantaged Business Enterprises. To the extent the Contractor utilizes third parties to provide the Services hereunder, Contractor agrees to comply with the BOPP and observe the guidelines set forth therein. Contractor shall provide annual reporting to the CTRMA (beginning one (1) year from the Effective Date) regarding its utilization of disadvantaged business enterprises ("DBEs") and the manner in which such utilization complies with, or deviates from, Contractor's commitment to DBE utilization as reflected in its response to the RFP attached as Appendix F.

**ARTICLE 11**  
**PLANNING AND PERFORMANCE REVIEWS; INSPECTIONS**

As directed by the Authority, key personnel shall meet with the Authority's Executive Director and/or his designee(s) upon request to: (a) assess the Contractor's performance of the Services; and (b) plan staffing levels to be provided by the Contractor to the Authority for the upcoming calendar quarter. The Contractor shall permit inspections of its Services and work by the Authority or others, when requested by the Authority. Nothing contained in this Agreement shall prevent the Authority from scheduling such other planning and performance reviews with the Contractor or inspections as the Authority determines necessary.

**ARTICLE 12**  
**OWNERSHIP OF REPORTS**

Ownership of reports and related materials prepared by Contractor (or any subcontractor) at the direction of the Authority shall be as follows:

- a. **GENERALLY**. All of the documents, reports, plans, computer records, software maintenance records, discs and tapes, proposals, sketches, diagrams, charts, calculations, correspondence, memoranda, opinions, testing reports, photographs, drawings, analyses and other data and materials, and any part thereof, created, compiled or to be compiled by or on behalf of the Contractor solely under this Agreement ("work product"), including all information prepared for or posted on the Authority's website and together with all materials and data furnished to it by the Authority, shall at all times be and remain the property of the Authority and, for a period of four (4) years from completion of the Services or such period as is required by Texas law, whichever is longer, if at any time demand be made by the Authority for any of the above materials, records, and documents, whether after termination of this Agreement or otherwise, such shall be turned over to the Authority without delay. The Authority hereby grants the Contractor a revocable license to retain and utilize the foregoing materials, said license to terminate and expire upon the earlier to occur of (a) the completion of Services described in this Agreement or (b) the termination of this Agreement, at which time the Contractor shall deliver to the Authority all such materials and documents. If the Contractor or a subcontractor desires later to use any of the data generated or obtained by it in connection with the Projects or any other portion of the work product resulting from the Services, it shall secure the prior written approval of the Authority. Notwithstanding anything contained herein to the contrary, the Contractor shall have the right to retain a copy of the above materials, records, and documents for its archives.



- b. **SEPARATE ASSIGNMENT.** If for any reason the agreement of the Authority and the Contractor set forth in subsection 12.a. above regarding the ownership of work product and other materials is determined to be unenforceable, either in whole or in part, the Contractor hereby assigns and agrees to assign to the Authority all right, title, and interest that Contractor may have or at any time acquire in said work product and other materials which are prepared for this Agreement, without royalty, fee or other consideration of any sort, and without regard to whether this Agreement has terminated or remains in force. The Authority hereby acknowledges, however, that all documents and other work product provided by the Contractor to the Authority and resulting from the Services performed under this Agreement are intended by the Contractor solely for the use for which they were originally prepared. Notwithstanding anything contained herein to the contrary, the Contractor shall have no liability for the use by the Authority of any work product generated by the Contractor under this Agreement on any project other than for the specific purpose and Project for which the work product was prepared. Any other reuse of such work product without the prior written consent of the Contractor shall be at the sole risk of the Authority.
- c. **DEVELOPMENT OF CONTRACTOR WORK PRODUCT.** The Authority acknowledges that the Contractor's work product will be developed using data that is available at the time of the execution of a given work authorization, and will not constitute any guarantee or other assurance of future events. The Contractor will prepare work product using practices that are standard procedures in the industry.
- d. **OWNERSHIP OF MATERIALS, SOFTWARE AND LICENSES.** The Authority acknowledges and agrees that, the Contractor and/or its subcontractors or licensors of are the exclusive owners all copyrights, trade secret rights and related intellectual property rights (such rights together referred to herein as "Intellectual Property Rights") in all Software and accompanying documentation developed, produced or implemented in connection with this Agreement by the Contractor, its officers, employees, subcontractors or agents. Except as expressly stated herein, this Agreement does not grant the Authority any rights in or to such Intellectual Property Rights. The Contractor reserves the right to grant licenses to use such Software to any other party or parties, provided that any such licenses do not affect the provision of any of the Services to the Authority pursuant to this Agreement.
- i. The provisions of this subsection 12.d. shall be without prejudice to, and shall not interfere with the Authority's Ownership of Reports as provided for under the subsection 12.a to 12.c. of this Agreement.
  - ii. The Contractor reserves all rights in Software and all Intellectual Property associated therewith that have not been expressly granted herein.
  - iii. For the duration of this Agreement, the Contractor hereby grants to the Authority a non-exclusive, non-transferable license to use the Software for such purposes and to the extent necessary to enable the Authority to receive the Contractor's Services under this Agreement. Notwithstanding anything to the contrary in this Agreement, the license referred in this sub-clause (iii) shall not survive termination or expiry of this Agreement. Provided however that the license referred to in this sub-clause (iii) shall be extended for the limited purposes and term that may be necessary to give effect to any post termination or post expiry transition related obligations expressly undertaken by the Contractor under

this Agreement, such that Contractor's Services shall remain continuous and uninterrupted for the duration of any post termination or post expiry transition period under this Agreement, with Contractor providing the Authority with all permissions and licenses necessary to enable the Authority to receive Contractor's Services throughout any such transition period, including permissions and licenses necessary for use of any third-party software implemented by Contractor under this Agreement.

- iv. The Authority shall have no right to access or use the source code of the Software.
- v. The Authority shall not attempt to make any part of the Software or any accompanying documentation supplied by the Contractor along with the Software, available to any third party, or otherwise allow access to the same to any third party except as required by law.
- vi. The Authority shall not attempt to reverse compile, decompile, disassemble or reverse engineer the Software, nor shall it amalgamate, amend, incorporate, modify, reproduce, translate or otherwise alter the same into or with any other software or use the same in conjunction with any third party's software.
- vii. For purposes of this Agreement, the term Software shall mean any software used by the Contractor or any subcontractor of the Contractor to provide the Services to the Authority, including any software owned or provided by the Contractor or by a sub-consultant of the Contractor.

### **ARTICLE 13** **SUBLETTING OF WORK**

The Contractor shall not sublet, assign, or transfer any part of the work or obligations included in this Agreement without the prior written approval of the Authority, which approval shall not be unreasonably withheld. Responsibility for sublet, assigned or transferred work shall remain in all instances with the Contractor.

### **ARTICLE 14** **APPEARANCE AS WITNESS AND ATTENDANCE AT MEETINGS**

Contractor shall cooperate with the Authority and requests for attendance at meetings and in various types of proceedings as follows:

- a. **WITNESS.** If requested by the Authority or on its behalf, the Contractor shall use its best efforts to help Authority prepare such exhibits as may be requested for all hearings and trials related to any of the Services provided under this Agreement.
- b. **MEETINGS.** At the request of the Authority, the Contractor shall provide appropriate personnel for conferences at its offices, or attend meetings and conferences at (a) the various offices of the Authority, (b) the offices of the Authority's legal counsel, bond counsel, and/or financial advisors, or (c) any reasonably convenient location.

- c. **WORK AUTHORIZATION**. In the event that services under this section are not covered by an existing Work Authorization, the Authority will issue a Work Authorization, pursuant to Article 2 hereto, to cover such services.

**ARTICLE 15**  
**COMPLIANCE WITH LAWS AND AUTHORITY POLICIES;  
PROTECTION OF DATA AND INFORMATION**

The Contractor shall comply with all federal, state, and local laws, statutes, ordinances, rules, regulations, codes and with the orders and decrees of any courts or administrative bodies or tribunals in any matter affecting the performance under this Agreement, including, without limitation, debt collection laws, workers' compensation laws, antidiscrimination laws, environmental laws, minimum and maximum salary and wage statutes and regulations, health and safety codes, licensing laws and regulations, the Authority's enabling legislation (Chapter 370 of the Texas Transportation Code), other applicable portions of the Texas Transportation Code, and all amendments and modifications to any of the foregoing, if any. The Contractor shall also comply with the Authority's policies and procedures related to operational and administrative matters, such as, but not limited to, security of and access to CTRMA information and facilities. When requested, the Contractor shall furnish the Authority with satisfactory proof of compliance with said laws, statutes, ordinances, rules, regulations, codes, orders, and decrees above specified.

As part of their operations, CTRMA, NETRMA and other regional mobility authorities to whom services may be provided collect and maintain information about individuals (including toll customers, vehicle owners, and employees) that may include data such as a person's Social Security number, driver's license number, license-plate number, geolocation or travel data, bank account or credit card information, health information, employment-related information, or login and password credentials (all such data pertaining to individuals, whether or not specifically listed, being "Personal Information"). As part of its performance of the Services, Contractor may have access to, handle, or receive Personal Information or other confidential or proprietary materials, information, or data maintained by or concerning CTRMA, NETRMA and other regional mobility authorities to whom services may be provided (collectively with Personal Information, "RMA Information"). Contractor therefore agrees that:

- a. Contractor is responsible for the security of RMA Information that it receives or accesses in performing Services, and Contractor shall at all times maintain appropriate information-security measures with respect to RMA Information in a manner consistent with applicable law.
- b. Contractor must implement and maintain current and appropriate administrative, technical, and physical safeguards with respect to RMA Information in its possession, custody, or control, or to which it has access, to protect against unauthorized access or use of such RMA Information. At a minimum, such safeguards shall be consistent with generally-recognized best practices for information security in the handling of similar types of data. Without limiting the foregoing, Contractor must appropriately and effectively encrypt RMA Information (i) transmitted over the Internet, other public networks, or wireless networks, and (ii) stored on laptops, tablets, or any other removable or portable media or devices.
- c. Contractor must identify to CTRMA all subcontractors, consultants, and other persons who may have access to RMA Information in connection with the Services. Contractor must restrict the RMA Information to which a given employee or approved subcontractor has access to only that RMA Information which such employee or approved subcontractor needs to access in the course of such employee's or approved subcontractor's duties and responsibilities in connection with the Services.



- d. Before granting access to RMA Information, Contractor must ensure that its employees and each approved subcontractor agrees to abide by these information security measures (or other applicable measures that are at least as protective of RMA Information).
- e. Absent CTRMA's advance written permission, RMA Information must not be stored, accessed, or processed at any location outside of the United States.
- f. Contractor may use RMA Information only for performing the Services, and Contractor must ensure that its employees and approved subcontractor are restricted from any use of RMA Information other than for such purpose.
- g. Except to the extent otherwise expressly permitted, Contractor may not disclose CTRMA Information except as required by law or a governmental authority having jurisdiction over Contractor. In the event of such required disclosure, Contractor must notify CTRMA in advance (if legally permissible to do so) and reasonably cooperate with any decision by CTRMA to seek to condition, minimize the extent of, or oppose such disclosure.
- h. Contractor will immediately notify CTRMA if Contractor discovers any actual or reasonably suspected breach of security or unauthorized use of RMA Information (i) in the possession, custody, or control of Contractor, its employees, or its subcontractors and/or (ii) effectuated using access permissions or credentials extended to an employee or subcontractor of Contractor (either of occurrences (i) or (ii) being referred to as a "Security Incident"). In no event shall Contractor's notification to CTRMA be later than three (3) calendar days after Contractor discovers the Security Incident; provided, however, that more immediate notification shall be given as the circumstances warrant or if more immediate notification is required by law. Contractor must provide all necessary and reasonable cooperation with respect to the investigation of such Security Incident, including the exchange of pertinent details (such as log files). In addition, Contractor must promptly undertake appropriate remediation measures and inform CTRMA regarding the same.
- i. Subject to requirements of data security or privacy laws, CTRMA, in its sole discretion, will determine whether, and when to provide notice of a Security Incident to (a) any individuals whose personal information has been actually or potentially compromised; (b) any governmental authority; and/or (c) any other entity, including, but not limited to, consumer credit reporting agencies or the media. All notices must be approved by CTRMA before they are distributed. Contractor must reimburse CTRMA for costs or expenses CTRMA incurs in connection with such notices (including the provision of credit monitoring or other identity protection services, to the extent the provision of such services is legally required or customary for similar data security incidents). Furthermore, and in addition to any other indemnification requirements under this Agreement, Contractor shall indemnify and hold CTRMA harmless from all claims, costs, expenses, and damages (including reasonable attorneys' fees) that CTRMA incurs in connection with any regulatory action or third party claim arising from a Security Incident.
- j. Contractor must cooperate and permit CTRMA (and any governmental authorities with jurisdiction in connection with an audit requested by CTRMA) reasonable access for on-site review of Contractor's data security systems and procedures to verify Contractor's compliance with its obligations under this Addendum.
- k. Each calendar year, Contractor must provide a current Type 2 Service Organizations Control (SOC) report or comparable report satisfactory to CTRMA, confirming the adequacy of Contractor's controls under the Trust Services Principles and Criteria of the American Institute of CPAs, or comparable principles and requirements satisfactory to CTRMA. The scope of each report must include all of Contractor's applications and systems that have access to or are involved in the processing of CTRMA





Information, and each report must include a list of the controls that were tested.

- l. Whenever RMA Information is no longer needed for the performance of Services, or at any time upon written notification from CTRMA, Contractor must unconditionally and without any charge or fee return or, at CTRMA's written election, certify the secure destruction of, all RMA Information in Contractor's possession, custody, or control (including RMA Information in the possession, custody, or control of any of Contractor's subcontractors or consultants).
- m. With respect to all RMA Information that constitutes payment cardholder information under the PCI DSS and with respect to any actions or activity that may impact the security of CTRMA's systems securing payment cardholder information, Contractor must, and must cause its approved subcontractors, as applicable, to:
  - i. abide by PCI DSS, as updated from time to time (currently, version 3.2), and related security and reporting requirements or standards imposed by applicable payment card brand(s) including through the provision of, preparation of, or cooperation in connection with any all reports, assessments, audits, inquiries, or attestations made, to be made, or desired by CTRMA pursuant to PCI DSS or applicable payment card brand requirements or standards;
  - ii. annually, and at such other times as CTRMA may reasonably request, provide CTRMA with a certification demonstrating compliance with PCI DSS in the relevant capacity, without charging CTRMA any fee or other amount with respect to such compliance or certification thereof; and
  - iii. without limiting the foregoing, refrain from any recording or storage of card security codes, render primary account numbers unreadable wherever stored, and dispose of payment cardholder information in compliance with PCI DSS Requirement 9.8.

**ARTICLE 16**  
**AUTHORITY INDEMNIFIED**

**THE CONTRACTOR SHALL INDEMNIFY AND SAVE HARMLESS THE AUTHORITY AND ITS OFFICERS, DIRECTORS, EMPLOYEES, AGENTS, AND CONTRACTORS FROM ANY CLAIMS, COSTS OR LIABILITIES OF ANY TYPE OR NATURE AND BY OR TO ANY PERSONS WHOMSOEVER, ARISING FROM THE CONSULTANT'S NEGLIGENT ACTS, ERRORS OR OMISSIONS WITH RESPECT TO THE CONTRACTOR'S PERFORMANCE OF THE WORK TO BE ACCOMPLISHED UNDER THIS AGREEMENT, WHETHER SUCH CLAIM OR LIABILITY IS BASED IN CONTRACT, TORT OR STRICT LIABILITY. IN SUCH EVENT, THE CONTRACTOR SHALL ALSO INDEMNIFY AND SAVE HARMLESS THE AUTHORITY, ITS OFFICERS, DIRECTORS, EMPLOYEES, AGENTS, AND CONTRACTORS (COLLECTIVELY THE "INDEMNIFIED PARTIES") FROM ANY AND ALL EXPENSES, INCLUDING REASONABLE ATTORNEYS' FEES, INCURRED BY THE AUTHORITY OR ANY OF THE INDEMNIFIED PARTIES IN LITIGATING OR OTHERWISE RESISTING SAID CLAIMS, COSTS OR LIABILITIES. IN THE EVENT THE AUTHORITY, ITS OFFICERS, DIRECTORS, EMPLOYEES, AGENTS, OR CONTRACTORS IS/ARE FOUND TO BE PARTIALLY AT FAULT, THE CONTRACTOR SHALL, NEVERTHELESS, INDEMNIFY THE AUTHORITY OR ANY OF THE INDEMNIFIED PARTIES FROM AND AGAINST THE PERCENTAGE OF FAULT ATTRIBUTABLE TO THE CONTRACTOR, ITS OFFICERS, DIRECTORS, EMPLOYEES, AGENTS, SUB CONSULTANTS, AND CONTRACTORS OR TO THEIR CONDUCT.**

**NOTWITHSTANDING THE FOREGOING, THE CONTRACTOR SHALL NOT BE RESPONSIBLE FOR THE FAILURE OF ANY UNRELATED OR UNAFFILIATED CONTRACTOR, CONTRACTORCONTRACTORVENDOR, OR OTHER PROJECT PARTICIPANT, NOT UNDER CONTRACT TO THE CONTRACTOR, TO FULFILL CONTRACTUAL RESPONSIBILITIES TO THE AUTHORITY OR TO COMPLY WITH FEDERAL, STATE OR LOCAL LAWS, REGULATIONS AND CODES.**

**ARTICLE 17**  
**CONFLICTS OF INTEREST**

The Contractor represents and warrants to the Authority, as of the effective date of this Agreement and throughout the term hereof, that it, its employees and subcontractors (a) have no financial or other beneficial interest in any Contractor, engineer, product or service evaluated or recommended by the Contractor, except as expressly disclosed in writing to the Authority, (b) shall discharge their responsibilities under this Agreement professionally, impartially and independently, and (c) are under no contractual or other restriction or obligation, the compliance with which is inconsistent with the execution of this Agreement or the performance of their respective obligations hereunder. In the event that a firm (individually or as a member of a consortium) submits a proposal to work for the Authority, Contractor shall comply with the Authority's conflict of interest policies and shall make disclosures as if it were one of the key personnel designated under such policies.

**ARTICLE 18**  
**INSURANCE**

Prior to beginning the Services designated in this Agreement, the Contractor shall obtain and furnish certificates to the Authority for the following minimum amounts of insurance:

- a. **WORKERS' COMPENSATION INSURANCE.** In accordance with the laws of the State of Texas covering all of Contractor's employees and employer's liability coverage with a limit of not less than \$1,000,000. A "Waiver of Subrogation" in favor of the Authority shall be provided.
- b. **COMMERCIAL GENERAL LIABILITY INSURANCE.** On an "occurrence basis" with limit a limit of not less than \$1,000,000 combined single limit per occurrence for bodily injury, including those resulting in death; and property damage on an "occurrence basis" with an aggregate limit of not less than \$2,000,000. A "Waiver of Subrogation" in favor of the Authority shall be provided.
- c. **BUSINESS AUTOMOBILE LIABILITY INSURANCE.** Applying to owned, non-owned, and hired automobiles in an amount not less than \$1,000,000 for bodily injury, including death, to anyone person, and for property damage on account of anyone occurrence. This policy shall not contain any limitation with respect to a radius of operation for any vehicle covered and shall not exclude from the coverage of the policy any vehicle to be used in connection with the performance of the Contractor's obligations under this Agreement. A "Waiver of Subrogation" in favor of the Authority shall be provided.
- d. **VALUABLE PAPERS INSURANCE.** With limits not less than \$500,000 to cover the full restoration of any records, information, logs, reports, diaries, or other similar data or materials of Contractor

relating to the Services provided under this Agreement in the event of their loss or destruction, until such time as the work has been delivered to the Authority or otherwise completed.

- e. **CYBERSECURITY INSURANCE.** Professional/technology errors and omissions liability insurance, including liability for financial loss and/or business interruption suffered by CTRMA, due to error, omission, negligence of employees and machine malfunction, cyber liability/network security/privacy coverage arising from errors, omission, negligence of employees and hardware malfunction, or causing electronic data to be inaccessible, computer viruses, denial of service, loss of service, network risks (such as data breaches, unauthorized access or use, identity theft, invasion of privacy, damage/loss/theft of data, degradation, downtime, etc.) in connection with all Services provided by Contractor, in an amount of at least ten million dollars (\$10,000,000), and which has no exclusion or restriction for encrypted or unencrypted portable devices;
- f. **EXCESS UMBRELLA LIABILITY.** With minimum limits of \$6,000,000 per claim and in the aggregate, annually, as applicable excess of the underlying policies required at a. - e. above. The Umbrella Policy shall contain the provision that it will continue in force as an underlying insurance in the event of exhaustion of underlying aggregate policy limits.
- g. **GENERAL FOR ALL INSURANCE.** The Contractor shall promptly, upon execution of this Agreement, furnish certificates of insurance to the Authority indicating compliance with the above requirements. Certificates shall indicate the name of the insured, the name of the insurance company, the name of the agency/agent, the policy number, the term of coverage, and the limits of coverage.

All policies are to be written through companies (a) registered to do business in the State of Texas; (b) rated: (i), with respect to the companies providing the insurance under subsections 18.a. through e., above, by A. M. Best Company as "A-X" or better (or the equivalent rating by another nationally recognized rating service) and (ii) with respect to the company providing the insurance under subsection 18.f., a rating by A. M. Best Company or similar rating service satisfactory to the Authority and/or its insurance consultant; and (c) otherwise acceptable to the Authority.

All policies are to be written through companies registered to do business in the State of Texas. Such insurance shall be maintained in full force and effect during the life of this Agreement or for a longer term as may be otherwise provided for hereunder. Insurance furnished under subsections 18.b., c., d., e. and f. above, shall name the Authority as additional insureds and shall protect the Authority, the Contractor, their officers, employees, directors, agents, and representatives from claims for damages for bodily injury and death and for damages to property arising in any manner from the negligent or willful wrongful acts or failures to act by the Contractor, its officers, employees, directors, agents, and representatives in the performance of the Services rendered under this Agreement. Applicable Certificates shall also indicate that the contractual liability assumed in Article 16, above, is included.

The insurance carrier shall include in each of the insurance policies required under subsections 18.a., b., c., d., e., and f. the following statement: "This policy will not be canceled or non-renewed during the period of coverage without at least thirty (30) days prior written notice addressed to the Central Texas Regional Mobility Authority, 3300 N. IH 35, Suite 300, Austin, TX 78705, Attention: Executive Director."



**ARTICLE 19**  
**COORDINATION OF CONTRACT DOCUMENTS**

The Proposal dated October 27, 2017 submitted by Cofiroute in response to the RFP is attached hereto and incorporated herein as Appendix F for all purposes ("Proposal"). In the event of a conflict, the order of prevailing precedence (a-highest order to d-lowest order of precedence) shall be as follows:

- (a) Any amendments to the Agreement.
- (b) The Agreement.
- (c) Appendices to the Agreement.
- (d) The Contractor's Proposal.

However, if the Proposal can reasonably be interpreted as providing higher quality materials or services than those required by the other contract documents or otherwise contains offers, statements or terms more advantageous to the CTRMA, Contractor's obligations under the Agreement shall include compliance with all such statements, offers and terms contained in the Proposal

**ARTICLE 20**  
**MAINTENANCE OF, ACCESS TO, AND AUDIT OF RECORDS**

a. **RETENTION AND AUDIT OF RECORDS.** Contractor shall maintain at its offices in Austin, Texas, a complete set of all books, records, electronic files and other documents prepared or employed by Contractor in its management, scheduling, cost accounting and other activities related to this Agreement. Contractor shall maintain all records and documents relating to this Agreement, including copies of all original documents delivered to the Authority until four years after the date of the termination of this Agreement. Contractor shall notify the Authority where such records and documents are kept. If approved by the Authority, photographs, microphotographs or other authentic reproductions may be maintained instead of original records and documents.

Contractor shall make these records and documents available for audit and inspection to the Authority, at Contractor's offices in Austin, Texas, at all reasonable times, without charge, and shall allow the Authority or its representatives to make copies of such documents. The Authority may direct its own auditors or representatives to perform such audits or reviews. Contractor shall cooperate fully with the entity performing the audit or review. In the event that an audit or review shows an underpayment to CTRMA of amounts owed for the period reviewed by more than two percent (2%) reasonable cost of the audit or review will be borne by Contractor.

Notwithstanding the foregoing, the Contractor shall comply with all laws pertaining to the retention of records and the provision of access thereto. The Contractor shall maintain its books and records in accordance with generally accepted accounting principles in the United States, subject to any exceptions required by existing bond indentures of the Authority, and shall provide the Authority with a copy of any audit of those books and records as provided herein or otherwise requested by the Authority.

b. **PUBLIC RECORDS ACT.** Contractor acknowledges and agrees that all records, documents, drawings, plans, specifications and other materials in the Authority's possession, including materials submitted by



Contractor, are subject to the provisions of the Public Information Act. Contractor shall be solely responsible for all determinations made by it under such law, and for clearly and prominently marking each and every page or sheet of materials with "Trade Secret" or "Confidential", as it determines to be appropriate. Contractor is advised to contact legal counsel concerning such law and its application to Contractor.

If any of the materials submitted by the Contractor to the Authority are clearly and prominently labeled "Trade Secret" or "Confidential" by Contractor, the Authority will endeavor to advise Contractor of any request for the disclosure of such materials prior to making any such disclosure. Under no circumstances, however, will the Authority be responsible or liable to Contractor or any other person for the disclosure of any such labeled materials, whether the disclosure is required by law, or court order, or occurs through inadvertence, mistake or negligence on the part of the Authority.

In the event of litigation concerning the disclosure of any material marked by Contractor as "Trade Secret" or "Confidential," the Authority's sole obligation will be as a stakeholder retaining the material until otherwise ordered by a court, and Contractor shall be fully responsible for otherwise prosecuting or defending any action concerning the materials at its sole cost and risk; provided, however, that the Authority reserves the right, in its sole discretion, to intervene or participate in the litigation in such manner as it deems necessary or desirable.. All costs and fees, including attorneys' fees and costs, incurred by the Authority in connection with any litigation, proceeding or request for disclosure shall be reimbursed and paid by Contractor.

#### **ARTICLE 21** **RELATIONSHIP BETWEEN THE PARTIES**

Notwithstanding the anticipated collaboration between the parties hereto, or any other circumstances, the relationship between the Authority and the Contractor shall be one of an independent contractor. The Contractor acknowledges and agrees that neither it nor any of its employees or subcontractors, shall be considered an employee of the Authority for any purpose. The Contractor shall have no authority to enter into any contract binding upon the Authority, or to create any obligation on behalf of the Authority. As an independent contractor, neither the Contractor nor its employees shall be entitled to any insurance, pension, or other benefits customarily afforded to employees of the Authority. Under no circumstances shall the Contractor, or its employees, or subcontractors, represent to suppliers, contractors or any other parties that it is employed by the Authority or serves the Authority in any capacity other than as an independent contractor. The Contractor shall clearly inform all suppliers, Contractors and others that it has no authority to bind the Authority. Nothing contained in this Agreement shall be deemed or construed to create a partnership or joint venture, to create the relationship of employee-employer or principal-agent, or to otherwise create any liability for the Authority whatsoever with respect to the liabilities, obligations or acts of the Contractor, its employees, subcontractors, or any other person.

#### **ARTICLE 22** **DELIVERY OF NOTICES, ETC.**

In each instance under this Agreement in which one party is required or permitted to give notice to the other, such notice shall be deemed given either (a) when delivered by hand; (b) one (1) business day after being deposited with a reputable overnight air courier service; or (c) three (3) business days after being

mailed by United States mail, registered or certified mail, return receipt requested, and postage prepaid. Any notices provided under this Agreement must be sent or delivered to:

*In the case of the Contractor:*

Cofiroute USA, LLC  
200 Spectrum Center Drive  
Suite 1650  
Irvine, California 92618  
Attn: President & CEO

*In the case of the CTRMA:*

Central Texas Regional Mobility Authority  
3300 N IH-35, Suite 300  
Austin, TX 78705  
Attn: Director of Operations

and:

Central Texas Regional Mobility Authority  
3300 N IH-35, Suite 300  
Austin, TX 78705  
Attn: General Counsel

Either party hereto may from time to time change its address for notification purposes by giving the other party prior written notice of the new address and the date upon which it will become effective.

**ARTICLE 23**  
**REPORTING OF SUBPOENAS, NOTICES, ETC.**

The Contractor shall immediately send the Authority a copy of any summons, subpoena, notice, or other documents served upon the Contractor, its agents, employees, subcontractors, or representatives, or received by it or them, in connection with any matter related to the Services under this Agreement.

**ARTICLE 24**  
**AUTHORITY'S ACTS**

Anything to be done under this Agreement by the Authority may be done by such persons, corporations, firms, or other entities as the Authority may designate.

**ARTICLE 25**  
**LIMITATIONS**

Notwithstanding anything herein to the contrary, all covenants and obligations of the Authority under this Agreement shall be deemed to be valid covenants and obligations only to the extent authorized by Chapter 370 of the Texas Transportation Code and permitted by the laws and the Constitution of the

State of Texas, and no officer, director, or employee of the Authority shall have any personal obligations or liability thereunder or hereunder.

The Contractor is obligated to comply with applicable standards of professional care in the performance of the Services. The Authority shall have no obligation to verify any information provided to the Contractor by the Authority or any other person or entity.

**ARTICLE 26**  
**CAPTIONS NOT A PART HEREOF**

The captions or subtitles of the several articles, subsections, and divisions of this Agreement are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope of this Agreement or the scope or content of any of its articles, subsections, divisions, or other provisions.

**ARTICLE 27**  
**CONTROLLING LAW, VENUE**

This Agreement shall be governed and construed in accordance with the laws of the State of Texas. The parties hereto acknowledge that venue is proper in Travis County, Texas, for all disputes arising hereunder and waive the right to sue and be sued elsewhere.

**ARTICLE 28**  
**COMPLETE AGREEMENT**

This Agreement, including all Appendices attached hereto, sets forth the complete agreement between the parties with respect to the Services and supersedes all other agreements (oral or written) with respect thereto. Capitalized terms shall have the definitions provided herein and in Appendix G. Any changes in the character, agreement, terms and/or responsibilities of the parties hereto must be enacted through a written amendment. No amendment to this Agreement shall be of any effect unless in writing and executed by the Authority and the Contractor. This Agreement may not be orally canceled, changed, modified or amended, and no cancellation, change, modification or amendment shall be effective or binding, unless in writing and signed by the parties to this Agreement. This provision cannot be waived orally by either party.

**ARTICLE 29**  
**TIME OF ESSENCE**

With respect to any specific delivery or performance date or other deadline provided hereunder, time is of the essence in the performance of the provisions of this Agreement. The Contractor acknowledges the importance to the Authority of the timely provision of the Services and will perform its obligations under this Agreement with all due and reasonable care.

**ARTICLE 30**  
**SEVERABILITY**

If any provision of this Agreement, or the application thereof to any person or circumstance, is rendered or declared illegal for any reason and shall be invalid or unenforceable, the remainder of this

Agreement and the application of such provision to other persons or circumstances shall not be affected thereby but shall be enforced to the greatest extent permitted by applicable law.

**ARTICLE 31**  
**AUTHORIZATION**

Each party to this Agreement represents to the other that it is fully authorized to enter into this Agreement and to perform its obligations hereunder, and that no waiver, consent, approval, or authorization from any third party is required to be obtained or made in connection with the execution, delivery, or performance of this Agreement.

**ARTICLE 32**  
**SUCCESSORS**

This Agreement shall be binding upon and inure to the benefit of the Authority, the Contractor, and their respective heirs, executors, administrators, successors, and permitted assigns. The Contractor may not assign the Agreement or any portion thereof without the prior written consent of CTRMA.

**ARTICLE 33**  
**INTERPRETATION**

No provision of this Agreement shall be construed against or interpreted to the disadvantage of any party by any court, other governmental or judicial authority, or arbiter by reason of such party having or being deemed to have drafted, prepared, structured, or dictated such provision.

**ARTICLE 34**  
**BENEFITS INURED**

This Agreement is solely for the benefit of the parties hereto and their permitted successors and assigns. Nothing contained in this Agreement is intended to, nor shall be deemed or construed to, create or confer any rights, remedies, or causes of action in or to any other persons or entities, including the public in general.

**ARTICLE 35**  
**SURVIVAL**

The parties hereby agree that each of the provisions in the Agreement are important and material and significantly affect the successful conduct of the business of the Authority, as well as its reputation and goodwill. Any breach of the terms of this Agreement is a material breach of this Agreement, from which the Contractor may be enjoined and for which the Contractor also shall pay to the Authority all damages which arise from said breach. The Contractor understands and acknowledges that the Contractor's responsibilities under Articles 12 and 16 of this Agreement shall continue in full force and effect after the Contractor's contractual relationship with the Authority ends for any reason.



**ARTICLE 36**  
**FORCE MAJEURE**

If a Force Majeure Event occurs, the Nonperforming Party is excused from performance of its obligations under this Agreement but only for the time and to the extent that such performance is prevented by the Force Majeure Event. During a Force Majeure Event that prevents Contractor from delivering Services, Contractor's entitlement to compensation under this Agreement is suspended.

When the Nonperforming Party is able to resume performance of its obligations under this Agreement, it will immediately give the Performing Party (defined below) written notice to that effect and promptly resume performance under this Agreement.

The relief offered by this Force Majeure provision is the exclusive remedy available to the Nonperforming Party with respect to a Force Majeure Event.

The Performing Party may terminate this Agreement if:

- (a) the Nonperforming Party's failure to perform under this Agreement due to a Force Majeure Event impairs material benefits of this Agreement to the other party (the "Performing Party"); and
- (b) the Nonperforming Party does not resume performance in accordance with this Agreement within 30 days following the giving of notice to the Nonperforming Party of the Performing Party's intent to terminate this Agreement.

In this Agreement, "Force Majeure Event" means any act, event, or condition not foreseeable by a party (the "Nonperforming Party") that: (A) prevents the Nonperforming Party from performing its obligations under this Agreement; (B) is beyond the control of, not caused in whole or in part by, and not otherwise the fault of the Nonperforming Party; and (C) is not able to be overcome or avoided by the Nonperforming Party's exercise of diligence or preventative measures. Provided, however, economic hardship, changes in market conditions, or insufficiency of funds do not constitute a Force Majeure Event.

***IN WITNESS WHEREOF***, the parties have executed this Agreement effective on the date and year first written above.



**Authority:**

**CENTRAL TEXAS REGIONAL  
MOBILITY AUTHORITY  
3300 N IH-35, Suite 300  
Austin, TX 78705**

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

Name: Mike Heiligenstein  
Title: Executive Director

**APPROVED AS TO FORM:**

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

Name: Geoff Petrov  
Title: General Counsel

**Contractor:**

**COFIROUTE USA, LLC  
200 Spectrum Center Drive, Suite 1650  
Irvine, CA 92618**

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

Name: Gary Hausdorfer  
Title: President and Chief  
Executive Officer

**Appendix A— Scope of Services**

## SCOPE OF SERVICES

The Scope of Services shall include the following tasks detailed in this Section.

The Authority requires a Pay By Mail Back Office System to include:

- Creating and managing customer accounts.
- Providing customer service capabilities including Pay By Mail and violations processing.
- A customer facing website for customer information and self-service.
- Processing toll transactions.

Detailed requirements for this project are included in this document and its related attachments. This project includes:

- Facilitation of multiple payment channels including website, retail, IVR, etc.
- The installation/implementation of the BOS with all associated subsystems and functionality.
- The implementation of various system interfaces (tolling back office, DMVs, etc.)
- The possible migration of data from the Authority's existing Pay By Mail processor.
- Any/all modifications to the selected Contractors' off the shelf system(s) to support the Authority's specific requirements.
- Testing and transition activities for the release of the external website.
- Development and delivery of specific project documentation.
- At the Authority's option, the Contractor may be tasked with image processing related to toll transactions.

In addition, all project management and quality assurance activities including all testing phases associated with the project's delivery are required.

### 1. PROGRAM STARTUP

The Contractor shall perform all tasks necessary to begin performing the scope of services, including:

- Securing all necessary infrastructure necessary to perform the Scope of Services, including office space, IT, telephony, etc.
- Securing necessary computer hardware and software.
- Performing any development work necessary to meet the Authority's requirements, including all digital interfaces.
- Appropriate staffing.
- Testing.
- Data migration as required.
- All other tasks necessary in order to begin operation and meet all KPIs and milestones in the project schedule.

### 2. SYSTEMS TO SUPPORT OPERATIONS

The Contractor shall own, lease or otherwise have continual, guaranteed access to an automated system for collecting, organizing, processing and documenting violations and related collection activities.



The Contractor shall provide all necessary hardware and software needed to accomplish all tasks required by the Scope of Services.

All data elements and images received and/or collected by the Contractor must be maintained in a secure environment. The Contractor must ensure that data elements are secure and data privacy cannot be compromised. The Contractor shall maintain compliance with the Payment Card Industry Data Security Standards (PCI DSS) as applicable. The Contractor shall advise the Authority when updating its current Disaster Recovery Plans for any/all systems where the Authority's violations and collections transactions will be processed. A copy of this document must be submitted to the Authority at the contract's onset and whenever updates are made.

The Contractor shall provide a lockbox or similar secure operation for processing mail-in payments. The Authority's approval of the Contractor's chosen operation is required.

The transaction processing and revenue collection systems shall segregate revenue received by revenue type and facility. This currently includes tolls and related administrative fees. The Contractor must have the capability to expand their collection systems to accommodate volumes generated by future toll projects regionally and statewide.

### 3. DATA INTERFACES

An interface shall be required from the Contractor for receiving and transmitting transaction information; processing payments; and reporting adjustments and uncollectible transactions to and from the Authority's Electronic Toll Collection System. The cost of providing the Contractor's side of all interfaces required for the implementation of this Project's scope of work will be at the expense of the Contractor.

Figure A-1 presents a high-level diagram of the data interfaces.

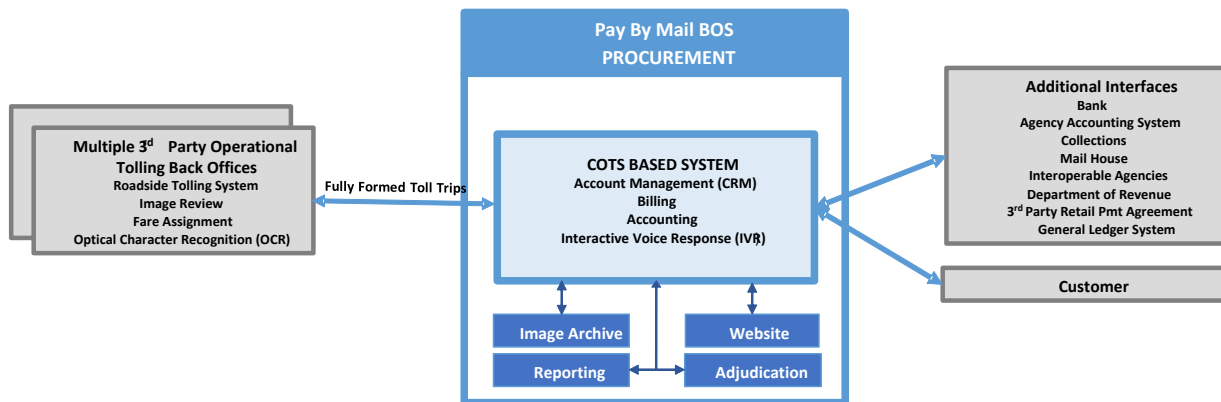


Figure A-1: Data Interfaces

For transferring files to and from the Authority, the Contractor will need to securely connect to the Authority and/or agent server, using Secure File Transfer Protocol (SFTP).

The Contractor shall receive electronic files containing toll violation information and images of violation vehicles.

Data elements for the interface may include:

- Vehicle Image (license plate visible)
- Toll amount due
- Offense Description
- Offense Date
- Toll Description (offense)
- Vehicle license plate number
- Vehicle license plate state
- Registered vehicle owner name
- Registered vehicle owner address

The Contractor shall also have the capacity to send and receive secure electronic messages (files, transactions, emails, texts, etc.) between itself and the Authority, Interoperable agencies, collection agencies, Justice Courts, law enforcement and other entities as appropriate.

The Contractor shall obtain electronic access to vehicle registration data from all 50 United States. This access can include direct interfaces to state DMV's or through third party sources. All costs for these interfaces shall be paid by the Contractor.

Attachment A provides the current Interface Control Document between the current PBM contractor and the CTRMA Host System.

#### 4. PLATE-BASED ACCOUNT PROGRAM

The Contractor shall provide a license plate based account system. Accounts set up shall be acquired with license plate data obtained from the registered vehicle owner information directly from the customer or the Department of Motor Vehicles (DMV) Division and/or other sources for both Texas and non-Texas license plates. Plate-based accounts shall align with the project Business Rules regarding account maintenance, owner and vehicle information, and pre- and post-paid funds allowance. The Contractor shall provide a means to email and/or SMS message customers who have provided the required information, with informational messages (for example, low balance messages, returned check notice, etc.). The license plate based account system shall allow customers the ability to fluctuate between being a prepaid customer and a postpaid customer based solely upon account balance. The customer pre and postpaid account status shall affect the customer billing and toll rates as defined further in Attachment B - Toll Collection Business Rules.

#### 5. TRANSACTION PROCESSING

The roadside system provides fully formed transactions/trips to the Contractor for processing within the Pay By Mail system. The Contractor shall also have the ability to receive, apply and process various forms of data in order to apply the project Business Rules. Transactions include but are not limited to the following:

- Toll Transactions
- Payments
- Administrative Fees
- Credits

## 6. IMAGE PROCESSING

Image processing is currently conducted by the roadside toll system provider. A fully formed transaction inclusive of toll amount due, license plate details (plate number and jurisdiction), a region of interest (ROI) image and front and/or rear images shall be provided to the Contractor for processing. However, the Authority may, during the term of this contract, wish to task the Contractor with image processing responsibility in place of the current methods. To that end, the Contractor shall provide an Image Processing solution to the Authority for review and optional inclusion in the overall solution. The Authority intends to purchase this as a service based on a per-transaction (not per-image) fee structure. Table B-4 in Appendix B of the contract document contains the key performance indicators related to image processing.

## 7. PAY BY MAIL AND VIOLATION PROCESSING

The Contractor shall maintain a relational database of Pay By Mail and violation transactions with data obtained from the Authority, DMVs, violators themselves, and other relevant sources to facilitate reporting on and reconciliation of transactions and funds disposition. All data, of all types, shall be stored and eventually archived. No data shall be purged or erased.

The Contractor shall send toll bills and notices to identified patrons for the purpose of collecting tolls due plus, if applicable, administrative fees.

The Contractor shall provide Pay By Mail and violation processing services, collection activities related to violations and the management of accounts receivables, along with skip tracing services.

One of the Authority's goals is to increase payment rates in the early stages of the customer billing and violation processing and reduce the number of transactions that move on to collections or court proceedings. The Contractor is urged to utilize methods that will achieve this goal. T

The Authority desires that the first toll bill be sent to each Pay By Mail customer in the form of a single communication. The layout and design of the toll bill, notices, and other correspondence shall be reviewed and approved by the Authority.

If multiple transactions exist for the registered vehicle owner for the applicable time period, all transactions shall be included. If the customer maintains a prepaid balance on the account and an email address has been provided, the system shall send the toll bill electronically to the customer. If no email address is provided for the customer and/or the customer is a postpaid customer, the system shall generate and mail the toll bill to the customer address. If the customer is postpaid with an email address on file but fails to pay the electronic toll bill within a configurable time period, then the system shall mail the toll bill to the customer address.

Once in the violation lifecycle, the Contractor shall assign varying penalties depending on the duration of time and at what point the violation is finally adjudicated. When Pay By Mail customers do not pay the toll bill within the prescribed time period, a Notice of Non-Payment shall be generated with a single non-payment fee per notice added. Upon non-payment of the Notice of Non-payment, then the document's purpose turns to that of a delinquency Violation Notice with a fee added per transaction. The Contractor shall proceed with the collection process and/or legal action if the violation notice is not paid by the due

date. The Authority prefers to see a rolling account balance on the toll bill/notices wherein new transactions are listed with older unpaid transaction totals providing a full view of the customer's account status. If a toll bill or notice is returned due to the customer address and a new address is obtained, then the transactions included within the returned document shall restart the aging process and be mailed to the updated address.

The Pay By Mail toll bill/notices must carry appropriate language, approved by the Authority, that communicates the exact meaning of all charges. At least one vehicle/violation image shall be included per license plate on the communication that has reached a violation status. In all situations, this toll bill/notice must meet, both in verbiage and delivery, the thirty-day notice of nonpayment requirements of Section 370.177(c) of the Texas Transportation Code, as amended.

The initial toll bill and subsequent notices shall include language indicating that the Authority reserves the right to take further action against egregious violators for non-payment, in accordance with Texas SB 1792, which offers strong enforcement action for people chronically refusing to pay. This is known as the Habitual Violator statute which provides various remedies including the ability to block vehicle registration renewal.

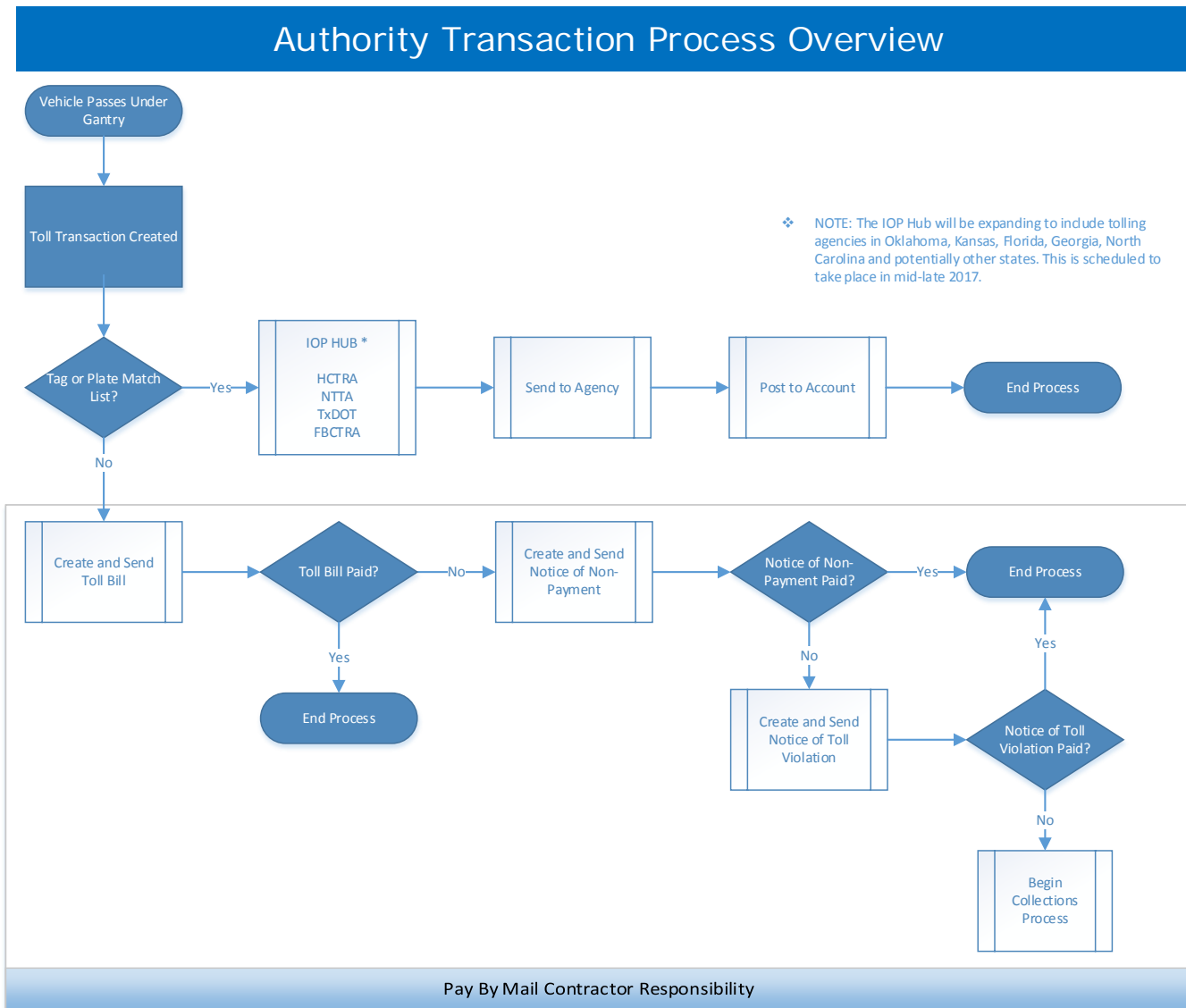
The Contractor shall provide skip tracing services or an equal and approved method with documentation providing a description of these services and methods used. The Authority may desire a configurable dollar amount owed when considering implementation of skip tracing for vehicles registered in states other than Texas.

All information obtained through skip tracing and other approved methods shall be provided to the Authority upon request. Address and contact information may be requested from the Contractor by the Authority when violation notices are sent and returned as undeliverable for any reason.

Address and contact information obtained for collection purposes shall only be used by the Contractor to pursue unpaid items or other activity approved by the Authority.

Figure A-2 Depicts the Required Transaction Process flow:

Figure A-2: Required Transaction Process Overview



## 8. CUSTOMER SERVICE

The Contractor shall establish and operate a call center supporting both the Pay By Mail and violation enforcement program. The Contractor shall maintain a toll-free telephone number for customer service and include the number on all correspondence to customers.

The Contractor shall provide staffing such that customers can communicate with the Contractor's staff verbally in either English or Spanish. The Contractor shall utilize a fully integrated phone system to manage all calls with features such as call processing, call queuing, voicemail, fax, and unified messaging.

A fully capable Interactive Voice Response (IVR) system shall be utilized to offer self-service options and after-hours operations. The IVR shall be available in both English and Spanish. The IVR shall have customer convenience features including the ability to leave a callback number so that a CSR can call the customer back without losing their place in the queue. The Contractor shall digitally record all inbound and outbound calls, and shall have the ability to configure call recordings based on business rules. Recordings shall be stored for a minimum of two years.

In order to maintain responsiveness, keep call wait times to an acceptable level, and ensure a continued high level of customer service, the Contractor shall have the ability to expand customer services to accommodate additional collection volumes generated by enhanced collection efforts, billing delays, and future toll projects. CSRs shall be trained in all aspects of the program such that a high percentage of calls result in resolution to the customer's inquiry.

The Contractor shall, through a high level of customer service and thorough understanding of the Authority's business processes and operational practices, work to achieve a continually lower volume of violations (violation rate) on the Authority operated roadways. The Contractor shall provide a plan for lowering the Authority's violation rates both by way of deterrent (collections), encouraging violators to become electronic toll tag account holders (customer service), and establishing prepaid plate-based accounts for customers who are resistant to using a toll tag but willing to establish an automated way of paying their tolls.

Each Pay By Mail toll bill/notice and other documents issued by the system shall have a barcode associated with the document. The barcode shall be used to quickly archive and associate a document with a customer account. These documents and others received by the system in relation to a specific account shall be saved in an electronic document management system. Once in the system a CSR shall be able to query a customer and see any document affiliated with that customer.

The Authority allows customers to request a dismissal of a toll transaction should it meet the requirements as stated in the approved Business Rules. For tolls to be waived, the customer must provide reason and any supplemental documentation as requested by the CSR to complete the dismissal. Tolls requested for dismissal shall not age or have additional fees assessed for non-payment while awaiting documentation/information from the customer. If the allowed time passes without proper documentation/information provided to support the dismissal, then the toll transaction shall return to a billable state. The Contractor shall describe how this will be tracked and accomplished through customer service. Reports detailing the volume of dismissed transactions and the reasons for the dismissal are required.

## 9. CUSTOMER RELATIONSHIP MANAGEMENT (CRM)

Customer Relationship Management (CRM) deals with managing the interactions with customers for data gathering to evaluate services provided and implement improvements where possible. CRM gathers data from customer feedback through various communication channels. These channels may include phone, email, web chat, social media, and mobile solutions. A goal of the Authority is to determine, based on customer input, how well the PBM program is meeting customers' needs and expectations while seeking opportunities for improvement.

The Authority wants the ability to gather immediate feedback from customers after they interact with the customer service center through short surveys, regardless of the method of contact. Such feedback shall be gathered through a formal customer relationship management (CRM) program. The CRM program can also use social media such as Twitter and Facebook, to dialogue with customers and manage the relationship. Should CTRMA choose to implement social media CRM, the Authority will be the primary responder to customers in this channel.

## 10. PAYMENT CHANNELS AND PROCESSING

The Contractor can collect payment for a Toll Bill, Notice of Non-payment, Notice of Violation or to specific transactions at any time during the Pay By Mail lifecycle. Payments shall be applied in First in First out (FIFO) order and no partial payments to a toll or fee shall be applied. Any partial payment received shall be added to the account and applied when a full toll/fee amount is available for application. Payment tracking in the system shall be traceable and auditable. At a minimum, the Contractor must support payment channels of mail, telephone, payment plan, and website. The Authority also strongly prefers that customers have the ability to make payments via retail channels in the geographic area of the toll roads (Austin and Tyler, TX). Acceptable forms of payment include:

- Credit Card
- Debit Card
- ACH (Automated Clearing House)
- EFT (Electronic Funds Transfer)
- Cash
- Money Order
- Cashier's Check
- Personal Check

When a personal check payment is returned for insufficient funds, a returned check fee shall be applied to the customer account and a communication is sent to the customer.

## 11. CUSTOMER SERVICE CENTER (CSC)

The Contractor shall provide all office space, staff, software, hardware and any other equipment required to support the back office administrative and operational tasks. The CSC shall provide call center employees to support customer calls in regard to payment, disputes, inquiries and questions for a time

period of no less than 10.5 hours a day (7:30 am to 6:00 pm Central Time), five (5) days a week. The CSC shall staff bilingual employees (English and Spanish).

The Contractor shall fully equip the CSC to provide the following support:

- IVR
- Customer communication and correspondence
- Pay By Mail and Violation accounts (including prepaid accounts)
- Payment processing locally or via a lock box
- Document scanning and uploading (to associate documents to accounts)
- Transaction processing
- System Administration

The location of the CSC is subject to the Authority approval and must be located within the continental United States.

The Contractor shall staff, at a minimum, two employees (two FTE's) for walk-in customers at the TxTag Customer Service Center (located at 12719 Burnet Rd, Austin, TX 78727) to accept payments, answer questions, handle disputes, and provide supporting account documentation. TxTag's hours of operation are 8 am to 7 pm on Monday and Friday, and 8 am to 5 pm Tuesday through Thursday. Weekend staffing may be required should the TxTag CSC hours change. The two staff members may have differing shifts but both shall be present between 10 am and 3 pm every day. The Contractor shall have sufficient staffing to cover vacations and sicknesses.

## 12. COLLECTIONS

The Contractor shall use additional means to collect unpaid toll amounts and violation fees and other ancillary payments for violators who do not respond to notices. Violators entering the collections phase follow a pre-court selection process (see [Attachment F - Toll Collection Business Rules](#) for pre-court selection details).

The Contractor shall pursue recovery of all transactions unpaid from violation processing, for those violators selected for pre-court, through a series of collection letters and auto-dialed telephone calls, email or text messages. These transactions, shall be pursued until the delinquent amount is satisfied or for a configurable period, initially set for thirty (30) days. Prior to starting the dialing campaign, a Final Notice of Non-Payment shall be mailed to the customer. If after fifteen (15) days in collection and the auto-dialing campaign, and no payment is received or payment plan has been set up, a Last Chance Letter shall be generated and mailed. If a violator makes full payment, then collection and pre-court process ceases. If a violator sets up a payment plan within the collection period, then the active collection period is put on hold. However, should the violator default on the plan, then the collection period shall resume with the remaining days of the collection period unused prior to the plan. After the thirty (30) day period ends, the Contractor shall generate the Initial Court Evidence Packet and proceed to legal action (see [Attachment F – Toll Collection Business Rules](#) for package details). The thirty (30) day period in collections is not a prerequisite for legal action and extreme violators may bypass collections processing at the discretion of the Authority.

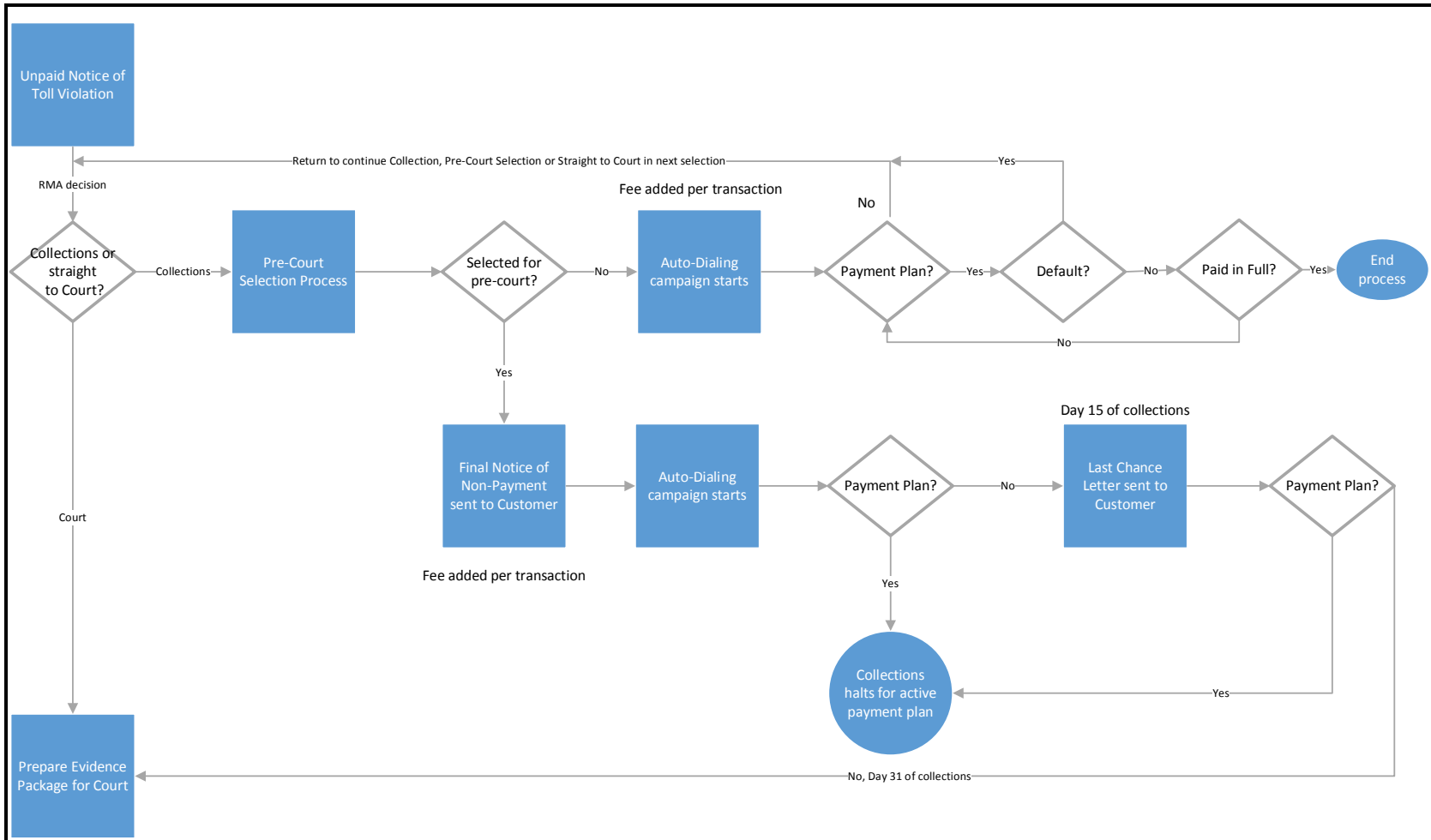


Violators not selected for pre-court and not sent directly to court processing, shall enter collection processing. The Contractor shall pursue payment of the unpaid transactions through the dialing campaign. If the violator has not made payment in full or established an active payment plan, then the violator is eligible for pre-court selection processing again.

During the dialing campaign, violators may be contacted by mail, telephone, email or text. A collector shall not contact a violator before 8:00 am or after 9:00 pm local time. The Contractor shall digitally record all collector inbound and outbound calls, and shall have the ability to configure call recordings based on business rules. Correspondence shall indicate an escalation of importance with resolution from one letter to the next. All communications and/or contact or attempted contact with a violator must be in full accordance with the provisions of the state and federal fair collections practice laws, as well as all other applicable laws, statutes, rules and regulations.

Figure A-3 Depicts the Collections process:

Figure A-3: Collections Process



### 13. REMITTANCE OF FUNDS

The Contractor shall remit collected funds to the Authority's designated financial institution using the following guidelines. Based on revenue type (tolls, fees, etc.), the remittance amounts may be forwarded to more than one entity. Interest accrued from money collected on behalf of the Authority shall be disbursed to the Authority as a separate revenue type. Each remittance shall be accompanied by documentation that shall clearly break down the funds by roadway and revenue type.

The Contractor shall bundle and transmit violation payments to the Authority at least once per week.

The Contractor shall remit payments on collections as described below:

- Payments received from the violator shall be remitted to the Authority's designated financial institution via EFT within seven (7) days of receipt.
- Payments received for outstanding transactions, where the collection time period has exceeded sixty days, shall be remitted within seven (7) days.
- The Authority does not recognize a partial payment as a satisfaction of an outstanding transaction submitted to the collection agency. Any partial payment received by the collection agency shall be remitted to the Authority within seven (7) days. The collection agency shall document the partial payment and continue to collect on the transaction until it is paid in full. If the thirty (30) day collection period expires prior to complete payment, the collection agency shall cease their efforts with the outstanding transaction and return it to the Authority as an unsatisfied transaction.

The Authority will notify the Contractor when payments made to the Authority (or another agency) by a violator during the collection process are received through the Authority (or other agency) office, so that the Contractor may reconcile the account.

### 14. LEGAL ACTION SUPPORT

Once a violation has progressed through Collections without payment or other resolution, the Contractor, through in-house staff, shall prepare a full court package for each transaction now eligible for legal action. All documents and communications shall be maintained on the violator's account to be used during legal proceedings and support the activities of the legal team. This work shall include:

- Report the transactions and accounts eligible for filing in court by Precinct based on criteria such as age of debt, number of violations by precinct and amount of tolls and fees owed.
- Generate an evidence package and filing packet for transactions to be filed in court by precinct either on demand or on a pre-determined schedule, or both.

In addition to these tasks, the Contractor shall provide sufficient court liaisons (and any associated necessary legal and staff support) to perform the following tasks:

- Administer the Authority's toll violation prosecution program in the current and future Justice of the Peace courts where CTRMA operates toll roads. Current precincts include Williamson County JP #2 and Travis County JP #1 with Travis County JP #2 and #4 expected soon.

- Manually or electronically file the evidence package and filing packet with Justice of the Peace courts.
- Provide testimony related to toll violations as requested by the local prosecutor.
- Generate additional information for court prosecution, which shall be dependent on the court's requirements.
- Send and receive updates on court dates, dispositions and filings and the transfer of funds.
- Be available in-person for meetings with the Authority and/or Justices of the Peace in the service area at CTRMA's direction.

Four (4) court liaisons shall be required at NTP. The number of liaisons may vary over time as transaction volumes change or court processes evolve.

The Authority will provide staff supervision of legal activities.

The Habitual Violator program, under Texas SB 1792, shall be set up for violators within the system accumulating 100 or more unpaid transactions for a single license plate within a one-year period. Potential habitual violators shall be tracked within the system and converted to a Habitual Violator for purposes of applying the statutory remedies.

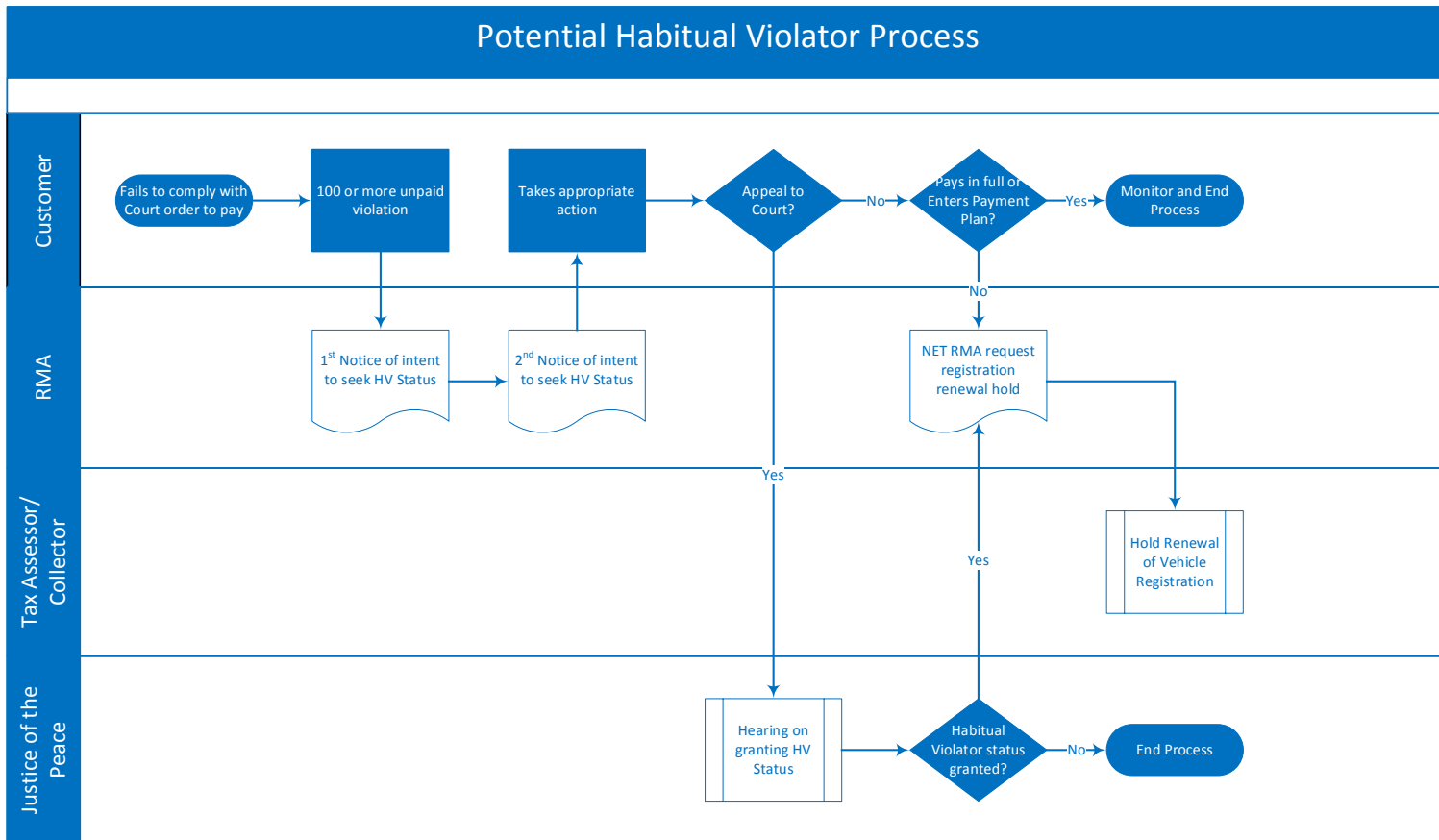
The Contractor shall generate two separate mailed notices to potential habitual violators informing the violator of the outstanding balance for the hundred (100) or more unpaid transactions, along with information stating that continued non-payment will result in the Authority exercising the Habitual Violator remedies. The second notice shall be generated and sent thirty (30) days after the first notice of non-payment, if necessary. Each notice must comply with the following:

1. Be sent by first class mail
2. State:
  - a. the total number of transactions of nonpayment, fees and the total amount due;
  - b. the date of the determination under Subsection (a) of SB 1792;
  - c. the right of the violator to request a hearing on the determination; and
  - d. the procedure for requesting a hearing, including the timeframe for the request.

If the Authority receives a written request for a hearing within thirty-five (35) days after the determination notice, then the Authority shall provide a hearing as stated in Section 372.107 before a justice of the peace. If the potential habitual violator does not request a hearing, then the violator becomes a Habitual Violator without appeal. The Contractor shall then generate a notice of prohibition order to the registered owner. The Authority may then prohibit the vehicle owner from operation of the motor vehicle on the Authority's toll roads.

The Habitual Violator process is depicted in [Figure A-4](#).

Figure A-4: Habitual Violator Process Diagram



Habitual Violator - S.B. 1792 Sec. 372.106:  
 Customers with 100 or more unpaid violations in 365 days  
 Allowable actions by toll authority:  
 1. Publish names  
 2. Impound vehicle  
 3. Prohibit use of toll road  
 4. File to withhold registration renewal

## 15. REPORTING

The Contractor shall provide the Authority a Financial Reconciliation and Reporting System utilizing a comprehensive reporting engine and reporting database environment. Appropriate transaction and revenue, reconciliation, operational and system performance as well as financial and audit reports shall all be provided to the Authority on an approved schedule (depending on the reports these may be daily, weekly, or monthly timeframes). Report formats shall be developed and approved during the Design Phase of the project. It is imperative that the reporting database provide inception to closure details on a per transaction basis for all transactions within the BOS for accurate revenue reporting and auditability. In addition to the Contractor's standard suite of reports, the Contractor shall provide a minimum of ten custom reports for this project.

The Contractor shall provide the following services with regard to escheatment:

- Identify and process accounts eligible for escheatment based on Texas law.
- Notify customers with inactive accounts that meet a configurable escheatment threshold amount, in accordance with Authority business policies.
- Aggregate escheated account balances for the same persons.
- Electronically send residual account balances to the Texas State Comptroller annually, in accordance with Authority business policies, via CTRMA.
- Deactivate or end date all stored payment methods on inactive accounts with \$0 balance immediately after residual funds are transmitted to CTRMA.
- Close inactive accounts with \$0 balance after residual funds are transmitted to CTRMA.

## 16. COMPLIANCE, QUALITY, AND PERFORMANCE

All information, data and records made available to, utilized, or generated by the Contractor shall, at all times, be utilized and referenced in full compliance with all applicable laws, rules and regulations relating to the Contractor's scope of work.

The Contractor shall be required to participate in an annual audit conducted by outside, independent auditors that meet all Generally Accepted Accounting Principles (GAAP).

The Contractor shall conduct and document regular phone conversation monitoring for internal quality assurance.

The Contractor shall comply with a set of Key Performance Indicators (KPIs). These KPIs are listed in Appendix B of the contract document, along with the target performance levels. The Contractor shall measure these KPIs periodically (no less often than monthly) and report them to the Authority along with all necessary reports and data to support the measured levels of performance.

It is important to note that the Authority is not establishing direct or liquidated damages for non-compliance with the KPIs. However, compliance with the KPIs is a contract requirement and should the performance fall below acceptable levels the Authority will use the remedies in the contract to encourage the Contractor to return to compliance.

## 17. PROJECT MILESTONES AND DELIVERABLES

Table A-1, below, lists the project milestones and deliverables, along with the suggested number of days after Notice to Proceed. These are the required timeframes for the submittal of project documentation/deliverables, as well as the timeframes for significant project milestones.

The Contractor shall submit a detailed schedule which:

- Includes when each of the milestones will be accomplished.
- Contains predecessor and successor relationships for all tasks.
- Identifies the Critical Path.

Within the timeframe described in the Project Milestones and Deliverables Schedule, the Contractor shall conduct a kick-off meeting to present a detailed Project Schedule and discuss with the Authority their plans to begin the work. Key project personnel shall be in attendance for this meeting. The Contractor shall be prepared to initiate their plan for meeting all required milestones in the timeframes listed in the table.

**Table A -1: Project Milestones and Deliverables Schedule**

Project Schedule	15 days after NTP
Kick-off Meeting	15 days after NTP
Project Management Plan	30 days after NTP
Detailed Design Document	75 days after NTP
Requirements Traceability Matrix (RTM)	75 days after NTP
Quality Management Plan	45 days after NTP
Samples of Customer Communications	90 days after NTP
Standard Reporting Plan	90 days after NTP
Disaster Recovery Plan	75 days prior to Go-Live
Transition Plan	75 days prior to Go-Live
Data Migration Plan	75 days prior to Go-Live
CSC Fully Functional	30 days prior to Go-Live
Data Migration, Transition and Go-Live	

All documentation shall be submitted to the Authority for review, comment and approval. Dates provided are for initial submittal of the document. Updated versions of the draft documentation may be required by the Authority before approval is granted. Final versions of documentation shall be delivered in soft copy to the Authority. Wherever practical, documents shall be produced using Microsoft Office applications. The Authority will review and comment on deliverables no later than fifteen (15) days from the date of submittal. Final review durations will be discussed during contract negotiation.



## 18. REQUIRED MANAGEMENT PLANS

### A. PROJECT MANAGEMENT PLAN

A project management plan shall be submitted to the Authority . After award the Contractor shall update the Plan for review and approval by the Authority. This project management plan will be a living document, and as such, shall be updated periodically to reflect any changes as approved in writing by the Authority. Requirements for the project management plan are detailed below.

#### ORGANIZATION CHART AND PROJECT STAFFING

The project management plan shall include an organization chart(s) listing key personnel together with their roles and responsibilities and the percentage of time that will be dedicated to the Project. The organization chart(s) shall indicate the Project Manager as well as other personnel who will be responsible for the Quality Assurance (QA) / Quality Control (QC), requirements, software development, networking, maintenance, training, and documentation aspects of the Project.

The Contractor shall be responsible for assigning and maintaining enough competent and qualified professionals and other technical personnel needed to deliver a Pay By Mail system that meets the requirements defined in this scope of work.

The Contractor shall clearly describe categories of work that will be performed by the Contractor's own personnel and those categories that will be performed by subcontractors. The Contractor shall also include a description of the procedures that will be used for managing all subcontractors.

#### PLANNING, COMMUNICATIONS AND REPORTING

The project management plan shall include a description of the protocol and procedures that will be used for communications with the Authority related to planning, issues resolution and reporting. This description shall address correspondence, document control, submittals and submittal letters, change orders, reporting of project status, and the Authority's access to the Contractor's key personnel.

#### RISK MANAGEMENT

The project management plan shall describe the system of risk management that the Contractor will implement to identify, track and mitigate areas of project risk. Factors that shall be tracked over the course of the project include the events subject to risk, probability, impact, mitigation, contingency and reduction. A special focus shall be the protection and privacy of customer data.

### B. DETAILED DESIGN DOCUMENT

As part of the design phase of the project, the Contractor shall submit a Detailed Design Document that describes the design specifications of all hardware, software, and communications/networks to be provided by the Contractor to meet the requirements of the Pay By Mail system as described in the Scope of Services. Hardware design shall describe all hardware specifications including appropriate diagrams and facility layouts. Software design shall describe the module and/or process level. The DDD will first be submitted in draft form; the draft submission shall be followed by an initial review and comment period,

after which design reviews shall take place. Upon completion of design reviews, the DDD may be revised and submitted to the Authority for final review and approval.

The DDD shall include at least the following:

- Computer/server sizing and design details
- Description of all Contractor-developed and third-party software
- Preliminary report samples and formats
- Description of system diagnostics, status monitoring and error handling
- Description of redundancy and failover processes
- Interface Control Documents (ICDs) (also referred to as Application Program Interfaces “APIs”)
- Data integrity assurance plan
- Data communications/network diagram

The DDD shall be kept current. The document shall be updated after every significant release or configuration change of any portion of the PBM system.

## C. BUSINESS RULES

The Authority’s existing Business Rules document is included in Attachment B of this document. The Contractor shall work with the Authority during the requirements phase and design phase of the project to update the Business Rules as necessary to reflect additions or updates to the Business Rules document to support the Authority operations with the new Pay By Mail system. The Contractor shall base their efforts (technical, pricing, plans, etc.) on the Business Rules.

## D. REQUIREMENTS TRACEABILITY MATRIX

The Contractor shall develop and maintain a Requirements Traceability Matrix (RTM). The initial version of the RTM shall be provided with the Detailed Design Document with traceability between this Scope of Services and Business Rules to the DDD. The expectation is that with each formal test executed, the RTM shall be updated to indicate where test procedures also aligned with the requirements/rules. At the end of the testing period and before Go-Live, a final completed RTM shall be provided to the Authority for approval.

## E. QUALITY MANAGEMENT PLAN

After NTP, the Contractor shall provide a Quality Management Plan for review, comment and approval by the Authority. The Quality Management Plan shall describe the Contractor’s QA/QC processes and shall encompass all aspects of the project.

The quality management plan developed for the project shall specifically address the scope of work defined for the project and shall describe:

- Contractor’s QA/QC staffing
- Configuration management system
- Change control process
- Records of subcontractor QA/QC programs and audits

- Testing processes and programs

## F. STANDARD REPORTING PLAN

The Contractor shall provide a reports manual that shall include all agreed upon reports. The report manual shall include at least:

- Name of the report
- Report description
- Version number
- Identification of field level reconciliation [i.e., which fields can be reconciled to other report(s)]

During the design phase of the project the Contractor's standard reports shall be reviewed, and any additional reports designed, and approved.

## G. DISASTER RECOVERY PLAN

After NTP, the Contractor shall provide a Disaster Recovery Plan for the Authority review, comment and approval. The Disaster Recovery Plan shall include the following:

- Description of Redundant Systems and Failover Processes
- Emergency Contact Lists
- Details of the procedures/processes that will be used in the event of complete destruction of the primary host site

The disaster recovery plan shall be tested prior to any transaction processing under this Scope of Work.

## H. TRANSITION PLAN

The Authority's strategy for transitioning from the current contractor to the new contractor is to minimize the need for migration of data. On a specific calendar day, all new transactions will be routed to the new contractor. The current contractor will continue to pursue payment for all transactions that they have received (prior to the transition date).

Notwithstanding the cutoff strategy described above, the Authority anticipates that some data migration will be needed so that the new contractor can implement, at a minimum, the collections and/or Habitual Violator programs. The exact requirements for this migration are not currently known. These requirements will be determined during the design phase of the project.

The Authority will assist the Contractor with transfer of the website domain name from the current Contractor. The Authority is not aware of any other assets that need to be transferred. The Contractor should identify any other items (licenses, equipment, data, etc.) necessary to achieve the transition.

After NTP, the Contractor shall prepare and submit a detailed Transition Plan, which shall include:

- List of all activities necessary to accomplish a clean, efficient transition from the incumbent Contractor
- Timeline for all activities leading up to, during, and after the transition

- Risk mitigation measures necessary to ensure a successful transition
- Any other asset transfers the new Contractor feels necessary

## I. DATA MIGRATION PLAN

As described above, the Authority anticipates a modest amount of data migration will be needed. However, once it is determined what migration is necessary, the Contractor shall propose, design, and deliver a comprehensive Data Migration Plan. This plan shall include an analysis of the current database structure(s) with details for data migration and conversion into the new Pay By Mail back office database structures. The Contractor shall confirm data conversion requirements before submitting the plan to the Authority for review. The plan shall include at least:

- All files, tables, and other database constructs to be built in the new back office
- Data sources for the files and other constructs to be built in the new back office
- Data validation checks to be performed on the new back office
- Expected data volumes
- Roles, responsibilities, and a schedule for the migration effort
- Identification of where automated conversion tools will be used

The Authority will provide approval to this data migration plan before it is implemented. The migration will be treated as a negotiated change to the contract.

## J. TESTING PLANS

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

The Contractor shall maintain test environments (separate from the production system) as needed to ensure that CTRMA's configurations are matched exactly during every phase of development, installation, and testing.

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

- Factory Acceptance Test (FAT), demonstrated at Contractor's test facility in a factory environment with hardware and software representative of the production system to be used to process CTRMA transactions, including simulated transaction volumes to represent the expected real-world load on the system.
- Systems Integration Test (SIT), demonstrated with the production facility with hardware and software to be used with completed BOS using simulated data to provide confidence the system can integrate with all required interfaces accurately and reliably.

- Site Acceptance Test (SAT), demonstrated using the production system with hardware and software to be used with the completed BOS and representative of all functionality required for full operation.

Upon successful completion of SAT, the Contractor shall make final preparations for Go-Live, including resolution of any critical defects, as agreed to by the Contractor and CTRMA. Once CTRMA and the Contractor have agreed the system is fully prepared for Commissioning and all critical defects have been resolved to the satisfaction of CTRMA, a Commissioning date and time will be determined.

- Operations Test, shall be conducted for a period of no less than sixty (60) days after Commissioning. During this time, the system shall be observed for accuracy, performance, and reliability. CTRMA reserves the right to stop testing based on system issues. Testing shall either resume where left off or start over based on the sole discretion of CTRMA.

The Contractor shall continue to resolve non-critical defects during this period, with CTRMA approval and coordination, and give careful consideration to possible effects on system performance, accuracy, and reliability.

Final Project Acceptance for the CTRMA Pay By Mail BOS shall be given upon successful completion of required tests, closure of all software and hardware defects, completion and submission of all required documents, and meeting of other conditions as specified in the Contract.

## 19. CLOSEOUT AND TRANSITION

Upon Authority direction, the Contractor shall support a 120-day period to transition operations from the Contractor's Pay By Mail system to a succeeding PBM system. During this 120-day period the Contractor must provide maintenance and operations services and transition support to ensure that there is business continuity and no negative effects to customers and customer service during the transition. Payment for the 120-day transition period shall be in the lump sum amount of \$20,000 in addition to the agreed upon compensation for transaction processing and revenue collection activities. This payment is full compensation for all labor, materials, equipment, supplies, and incidentals necessary to provide the transition services.

Upon request by the Executive Director of the Authority or their designee, the Contractor shall develop a transition plan to be implemented upon termination of this Agreement with the Contractor for any reason or upon the release of any subcontractor to ensure a smooth, efficient, and uninterrupted transition to any successor contractor or subcontractor. The plan shall anticipate the steps necessary to transfer documents, computerized data, plans, work tasks, etc. in possession of or to be provided by the Contractor or its subcontractor(s), as the case may be, and include a schedule of events necessary to complete the transition. The plan should include, but not be limited to, a list of original documents/data being held on behalf of the Authority by the Contractor or its subcontractors; the manner and form in which information is being held; accessibility to the information; the Contractor's records retention policy and/or plan; and strategy to minimize disruption of Services in the event of the release of a subcontractor.

A copy of the plan shall be given to the Executive Director or their designee for review and approval within 180 days of Go-Live and shall be updated as necessary to reflect any changes in Contractor activity. IF

necessary, the final transition plan shall be provided within thirty (30) days of receipt of the Executive Director's request.

The Authority and the Contractor may, at the discretion of the Authority, negotiate a different price for this item at the time of transition based on the actual scope and duration of transition activities. The Authority may also choose to transition away from Contractor's system without the support of the Contractor. In this case, no transition payment shall be made.

## ATTACHMENT A—INTERFACE CONTROL DOCUMENT

This attachment contains the Interface Control Document between the Authority's Host computer (part of their roadside system) and the incumbent Pay By Mail contractor.

## ATTACHMENT B—MOBILITY AUTHORITY BUSINESS RULES

This attachment contains the business rules to which the Mobility Authority operates.



## **Appendix B – Key Performance Indicators/Service Level Agreements**

## KEY PERFORMANCE INDICATORS

Table B-1: Key Performance Indicators - Accessibility

Accessibility Category	Performance Measure	Description
Abandoned calls	Maximum 5%	The caller hangs up or ends the call before speaking with a CSR.
Average hold time	Maximum 90 seconds	The average time between customer requesting a CSR to connection to CSR.
Average Speed of Answer	Maximum 30 seconds; <30 seconds	The average time for line to be answered (either by the IVR or a CSR) from completion of dialing.
Trunk Utilization	1% Maximum	Maximum percent of time phone trunks are at capacity.
Percent of calls placed on hold	Maximum 2%	Customer placed on hold for any reason during call with CSR.
Hold or queue time	Maximum 60 seconds	CSR places customer on hold for any reason during call.
Percent of calls escalated	Maximum 1%	Initial CSR must pass customer to someone else for resolution (as a percent of total call volume).
Respond to email inquiries	100% within 2 days from time of system auto response	Complete, accurate responses to customer email inquiries.
Respond to written inquires	98% in 2 days; 100% in 4 days of stamped receipt	Complete, accurate responses to customer written inquiries.
Respond to telephone inquiries or complaints	98% w/in 1 day 100% w/in 2 days	Complete, accurate response to customer messages left via telephone.
Customer requests correspondence, customer brochures, and others (receipts, statements)	Minimum of 85% processed within 48 hours of receipt  Remainder (100%) processed within 72 hours of receipt Minimum accuracy rate of 99.5%	Time to complete fulfillment of customer requests

Table B-2: Key Performance Indicators - Quality

Quality Category	Performance Measure	Description
Correspondence Accuracy / Quality	Data entry minimum 99.5% Quality monitoring 83% - 93.9% Quality assurance score of 98% Quality score of 94%	Measures the accuracy of data input to minimize errors, rework, and complaints

## Pay By Mail, Violations Processing, Collections, and Customer Services

Quality Category	Performance Measure	Description
Incidence of customer service complaints	Not more than 2 per 1,000 of all customer correspondence	This number or percentage of customer complaints compared to a set number of total customer contacts.
Percent of calls monitored	Minimum 2% for experienced CSRs  Minimum of 5% for inexperienced CSRs (6 months or less on job)	The percent of calls that are monitored by supervisor or training personnel to ensure customer service representatives (CSRs) are providing professional, knowledgeable, and polite service.
Customer satisfaction	95.5%	Acceptable score on after-call survey (to be defined in design).

Table B-3: Key Performance Indicators – System Availability

System Availability Category	Performance Measure	Description
CSC / BOS System Availability	98% uptime	System is operational and properly processing transactions, reporting and supporting customer self-service activities.
Website Accessibility	99.5% uptime	All functions of website fully available 99% of the time, excluding Agency-approved maintenance windows.

Table B-4: Key Performance Indicators – Image Processing (Optional service to be executed at the direction of the Authority)

Image Processing Category	Performance Measure	Description
Image Processing Accuracy	99.5%	Percentage of transactions that have correct license plate number and jurisdiction indicated. Note: this measure excludes transactions which have no associated images in which the license plate number and jurisdiction can be accurately determined by the human eye.
Image Processing Response	72 hours	The amount of time Contractor is allocated to process transaction images and return the required license plate state and jurisdiction data to the Authority. This time period begins when the transaction is made available to the Contractor and ends when the Contractor has made the results available to the Authority.

**Pay By Mail, Violations Processing, Collections, and Customer Services**

**Table B-5: Key Performance Indicators – Collection Performance**

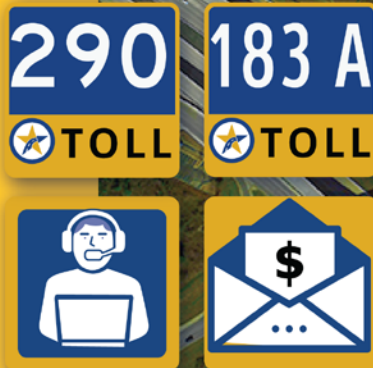
<b>Collections Category</b>	<b>Performance Measure</b>	<b>Description</b>
<b>Collection Rate</b>	95%	Percentage of toll transactions received by the Contractor that result in full payment of the toll, including automatic payment to prepaid plate-based accounts, payment of toll bills, violation notices, and collections activities.

## **Appendix C— Contractor Compensation Schedule**



CENTRAL TEXAS  
Regional Mobility Authority

COPY 1 OF 5



# **PAY BY MAIL, VIOLATIONS PROCESSING, COLLECTIONS, AND CUSTOMER SERVICES**

Submitted By:  
**COFIROUTE USA**  
**OCTOBER 27, 2017**



COST PROPOSAL  
VOLUME 3

COVER LETTER

## COVER LETTER

October 27, 2017

Central Texas Regional Mobility Authority  
Attn: Tracie Brown  
3300 N. IH-35, Suite 300  
Austin, TX 78705

Re: Pay By Mail, Violation Processing, Collections, and Customer Services

Dear Ms. Brown,

Cofiroute USA (Cofiroute) is pleased to submit our response to the CTRMA & NET RMA Pay By Mail, Violations Processing, Collections, and Customer Services Request for Proposal. In selecting the Cofiroute Team, CTRMA & NET RMA will gain a partner with an outstanding 22 year history as a tolling and express lanes operator, specializing in the management, design, implementation, integration, operation and maintenance of express lane systems.

The Cofiroute Team was assembled by design to address the requirements of your Pay By Mail, Violations Processing, Collections, and Customer Service Request for Proposal. This team incorporates Cofiroute's sister company, TollPlus, to jointly provide the Authorities with a Back Office System configured specifically to fulfill your requirements; the incorporation of the BancPass solution, allowing us to provide the Authorities with an innovative mobile payment methodology which offers more convenient payment options for your traveling patrons; and the services of Global Agility to answer your optional Image Review processing needs. With these services included in our solution, Cofiroute brings CTRMA & NET RMA a team that possesses A) the tools necessary to manage and support complex multi-agency systems such as yours, B) extensive experience using these tools to accomplish developmental and operational goals on similar projects, and C) a thorough understanding and experienced team to successfully achieve your requirements.

By choosing our proposed team and solution, CTRMA & NET RMA will gain:

- A versatile team experienced in **implementing** like systems and services for 22 years, including toll facilities management, operation and maintenance; toll and ITS systems design and integration of toll revenue collection systems; customer service and violation enforcement; and marketing and customer relationship management
- A global and financially sound organization with a **demonstrated track record of strong performance**, delivering projects that meet KPIs on schedule and on budget
- An **operations partner** focused on open communications and providing swift, responsive problem resolution



- An operational initiative to **increase payment rates earlier in the process**, reducing costs and improving overall customer experience
- Broad **interoperability** and **transaction reconciliation** experience
- Proven experience in managing complex **multi-agency** revenue collection systems
- A history of operational stability with extensive **staffing expertise**
- A team dedicated to a **collaborative approach** to partnership with CTRMA & NET RMA, and to creating long-term operational efficiency for the Authorities

#### Why the Cofiroute Team

The Cofiroute Team understands the importance of providing CTRMA & NET RMA with a lasting partnership that will achieve your goals for Pay-By-Mail services, violations processing, collections, and customer services. Our goal in this partnership will be to deliver to CTRMA & NET RMA an accurate, efficient system that will streamline your communications, collect revenue on your behalf, and serve as an extension of the Authorities.

Our Point of Contact for the RFP is:

Tawnya Clark  
Chief Commercial Officer  
Cofiroute USA  
200 Spectrum Center Drive, Suite 1650  
Irvine, California 92618  
Phone: 949.943.8503 - Cell: 760.214.3715  
Email: tclark@cofirouteusa.com

Cofiroute appreciates this opportunity to present our proposal to CTRMA & NET RMA and looks forward to the opportunity to deliver our solution. Should you have any questions or clarifications regarding our submittal, please do not hesitate to reach out to us.

Regards,



Tawnya Clark  
Chief Commercial Officer

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COST PROPOSAL  
VOLUME 3

ATTACHMENT C,  
SCHEDULE 2

### 3.3 COST PROPOSAL REQUIREMENTS (VOLUME NO. 3)

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#### ATTACHMENT C, SCHEDULE 2

**Attachment C - Schedule 2 - Pay By Mail Pricing (BASE CONTRACT)  
REVISED 06-08-17**

Pay Item	Description of Item	Unit	Volume <sup>2</sup> (per month)	Unit Price		% of Toll Collected	
				Proposed Price (USD)	Maximum Allowed (USD)	Proposed Percentage (%)	Maximum Allowed (%)
1	Transactions Paid from Pre-paid Balance (plate-based Account)	Transaction	0-150,000	\$ 0.81		0%	
			150,001-300,000	\$ 0.42		0%	
			>300,000	\$ 0.29		0%	
2	Paid First Video Bill (paid prior to issuance of 1st Notice of Non-Payment)	One Paid Bill (30 days of transactions except for initial video bill - see Business Rules 85 and 86 )	0-50,000	\$ 1.00	\$ 1.00	20%	20%
			50,001-75,000	\$ 1.00	\$ 1.00	20%	20%
			> 75,000	\$ 1.00	\$ 1.00	12%	20%
3	Paid 1st Notice of Non-Payment (paid prior to issuance of Violation Notice)	One Paid Bill (30 days of transactions except for initial video bill - see Business Rules 85 and 86)	0-20,000	\$ 5.19		15%	15%
			20,001-40,000	\$ 4.35		14%	15%
			> 40,000	\$ 3.07		13%	15%
4	Paid Violation Notice	One Paid Bill (30 days of transactions except for initial video bill - see Business Rules 85 and 86)	0-10,000	\$ 6.91		10%	10%
			10,001-20,000	\$ 6.56		9%	10%
			>20,000	\$ 5.00		8%	10%
5	Paid in Collections	Each Transaction Paid	0-5,000	\$ 3.61		0%	5%
			5,001-10,000	\$ 3.61		0%	5%
			>10,000	\$ 3.50		0%	5%
6	Image Review <sup>1</sup>	Transaction	0-3,000,000	\$ 0.03			
			3,000,001-4,000,000	\$ 0.02			
			>4,000,000	\$ 0.02			
7	Court Packets	Packet	0-50	\$ 20.00			
			51-150	\$ 20.00			
			>150	\$ 17.00			
8	Legal Support (Liaisons)	Per Liaison (per month)	As needed	\$ 16,360.00			

**NOTES:**

A - Proposers should not make any changes to the format or structure of the spreadsheet.

B - Proposers are to fill in all green-shaded cells. Zero is an acceptable entry.

C - Each set of transactions on a bill or notice shall age together.

D - The Contractor shall only be paid for one of the pay items for each set of transactions. That is, once a set of transactions moves from the toll bill to the 1st Notice of Non-Payment, the unit prices in rows 21-23 are used to determine payment. The unit prices in rows 13-15 no longer apply to this set of transactions. Transactions shall only be charged once, according to the phase in which the transaction was paid.

E - <sup>2</sup>The unit price shall be determined by the unit price listed next to the total number of units that occurred in the calendar month.

F - The prices above should include all costs for performance of all aspects of the Scope of Services, except Section 2.6 (Image Processing) and any costs associated with performing any required data migration.

G - <sup>1</sup>Image Processing (Review) is an optional service. The cost of reviewing all images associated with one transaction, including non-revenue transactions.

H - Data Migration will be treated as a negotiated change to the contract.

I - Court packet pricing will only apply when an Authority does not need the services of Court Liaisons but only needs the packages prepared.

J - Legal Support pricing should include all costs of the Liaisons, any support staff necessary, and the preparation of the court packages and all other functions necessary for the legal support.

## **Appendix D — Contractor Labor Rate Schedule**

Staff Position/Classification	Loaded Hourly Rate (2018)
Database Administrator	\$ 89.29
Manager, QA/QC	\$ 111.47
QA/QC	\$ 54.60
Network Administrator	\$ 77.22
Project Manager	\$ 163.65
Software Architect	\$ 134.47
Software Development Engineer	\$ 118.29
Software Development Manager	\$ 139.15
Software Programmer I	\$ 68.96
Software Programmer II	\$ 62.06
System Administrator	\$ 78.47
System Analyst	\$ 82.34
Technology Manager	\$ 124.13
Training Manager	\$ 83.27
CSC Manager / Supervisor	\$ 67.24
Finance Manager	\$ 116.33
Finance Clerk	\$ 38.77

## **Appendix E— Key Personnel**



## Key Personnel

- David Hartt, Project Principal
- Gabriel Valdez, Project Manage
- Julie Adamson, Quality Assurance Manage
- Dave Galzote, Back Office System Implementation Project Manager
- Hareesh Kakarla, Software Technical Maintenance Manager
- Sarath Gosipathala, Software Development

**Appendix F— RFP Response**

*[Currently unavailable]*

## **Appendix G— List of Acronyms/Terms**

Term	Definition
Authority	Central Texas Regional Toll Mobility Authority (CTRMA)
ATC	Alternative Technical Concept
AVI	Automatic Vehicle Identification is the radio frequency system that identifies vehicles using transponders as they pass fixed antennas or readers to automatically charge the toll to the Customer.
BOPP	Business Opportunity Program and Policy
BOS	Back Office System is the toll processing system that contains the Host, Image Review, Customer Service and Violations Processing subsystems.
Business Rules	Rules that define the business and are intended to assert business structure to control the behavior of the business.
Contractor	The prime contractor resulting from this Request for Proposal
CRM	Customer Relationship Management
CSC	Customer Service Center
CSR	Customer Service Representative is a person that interacts with Mobility Authority Customers on its behalf.
DBE	Disadvantaged Business Enterprises
Deliverables	Documents provided by the Contractor as part of the agreed to contract terms.
DMV	Department of Motor Vehicles is the Texas state agency that provides vehicle registration information to the Mobility Authority.
ETC	Electronic Toll Collection is a means of toll revenue collection which uses AVI technology to automatically charge the toll to the Customer.
FIFO	First in, First Out describes the order in which payments are applied to outstanding transactions.
GAAP	Generally Accepted Accounting Principles
ICD	Interface Control Document describes the technology, format, frequency, and processing requirements for data exchanged between systems.
IFRS	International Financial Reporting Standards
IOP	Interoperability
ISMS	Information Security Management System
ISO	International Organization for Standardization
KPI	Key Performance Indicator
Notice	Violation notification document provided to the roadway violators
OCR	Optical Character Recognition
PBM	Pay By Mail

PCI-DSS	Payment Card Industry Data Security Standard
Proposal	A Proposer's response to this RFP
Proposer	Any of the pre-qualified firms submitting a proposal
RFP	Request for Proposal
SOC	Service Organization Control
SLA	Service Level Agreement
Transaction	An event that occurs when a vehicle travels through a tolling location where the event may or may not be associated with a transponder read. Refers to both a transponder or Video transaction.
Transponder	A device placed on or within a motor vehicle that capable of transmitting or receiving information used to assess or collect tolls that results in recognizable vehicle identification for tolling purposes.
SSAE	Statement on Standards for Attestation Engagements
Violation	A video transaction that does not match to a Transponder account and remains unpaid after initial invoicing.
VTR	Vehicle Titles & Registration, a division of the Texas Department of Transportation