

**INTERLOCAL AGREEMENT BETWEEN HARRIS COUNTY AND THE
METROPOLITAN TRANSIT AUTHORITY FOR METRO INTEROPERABILITY**

THE STATE OF TEXAS §

§

COUNTY OF HARRIS §

This Second Amendment to the Interlocal Agreement (“Agreement”) is made and entered into by and between the **Metropolitan Transit Authority of Harris County, Texas**, a metropolitan rapid transit authority organized under the laws of the State of Texas (“METRO”) and **Harris County**, a body corporate and politic under the laws of the State of Texas (“the County”) acting herein for the **Harris County Toll Road Authority** (HCTRA), a division of the County.

RECITALS:

On or about December 19, 2017, the County entered into an Agreement with METRO pursuant to which Harris County provides tolling service on all segments of the METRO EXPRESS (HOV/HOT) Lane Systems that are open to the traveling public in Harris County, Texas; and

On or about September 14, 2021, the County and METRO amended the Agreement (First Amendment) to provide toll violation collection services on behalf of METRO; and

The County and METRO now desire to amend the Agreement (Second Amendment) to provide operation and maintenance services for the Automated Reversible Gate Operation (ARGO) System on behalf of METRO.

NOW, THEREFORE, the County and METRO in consideration of the mutual covenants, agreements, and benefits to both parties, it is agreed as follows:

1. Section 3(c) of the Agreement, titled *Harris County Responsibilities* is hereby amended to read as follows:
Harris County will supply tolling, operation, and maintenance services on a non-discriminatory basis (i) in accordance with the requirements of this Agreement and Harris County’s standard management practices, procedures, protocols and business rules with which it performs such services and functions for its own facilities, and (ii) at the same level of service Harris County provides customers on its own toll facilities
2. Section 3 of the Agreement, titled *Harris County Responsibilities* is hereby amended to include the following:
 - a. Beginning on the Service Commencement Date, Harris County will provide all operation and maintenance of the ARGO system according to METRO’s business rules including, but not limited to, additional services such as gate control, roadway and emergency maintenance, and camera/video verification subsystem, software upgrade, and TranStar equipment.

- b. Harris County will perform High Occupancy Toll lanes gate and traffic contraflow operations.
 - c. Harris County will provide METRO all necessary design, testing and maintenance documentation for the successful implementation of the Project as defined herein.
 - d. Harris County shall make emergency equipment and ARGO infrastructure repairs or replacements, in conformance with the attached Scope of Work, to protect the health, safety and/or welfare of the public or maintain operation and maintenance functionality. Harris County will notify METRO of the need to make repairs and coordinate such repairs. METRO will reimburse Harris County for actual costs associated with any such repairs within 60 days of receiving an invoice for same.
 - e. Harris County will make all non-emergency roadway repairs upon request from METRO and will reimburse Harris County at their cost for the repairs.
 - f. Harris County will provide onsite maintenance services for signage and striping, routine repairs such as painting and sweeping.
 - g. Harris County will work collaboratively with METRO and work towards providing opportunities for Small, Women, Minority, and Disadvantaged Business Enterprises
1. Section 4 of the Agreement titled, *METRO Responsibilities* is hereby amended to read as follows:
- a. METRO will continue to set the toll rates and toll classifications on the Project, including for Weekend hours. METRO will provide the initial toll schedule to Harris County prior to opening a portion of the Project or any segment of the Project and will promptly notify Harris County in writing of any changes in the toll schedule. Harris County will implement such toll rate changes within 60 days of receipt of official notice from METRO.
 - b. METRO agrees to use Electronic Toll Collection System (ETCS) on the Project and Harris County will utilize toll payment methods on the Project that are consistent with the payment methods used on its own all-electronic toll facilities. If Harris County elects to change the toll payment methods utilized on its own all-electronic facilities, the same changes will also apply to the Project. METRO reserves the right to make ETCS changes, such as pre-declaration, if needed in the future.
 - c. METRO will provide or arrange to provide, at its discretion, law enforcement services for Toll Violation and traffic enforcement for the Project in conformance with the High Occupancy (Express) Lanes Operations Manual, latest edition.

- d. METRO's Board may update their business rules to provide for efficient Express (HOV/HOT) Lane commuter services and operations.
 - e. METRO will have sole responsibility and authority to establish or revise Business Rules and Policy Decisions.
 - f. METRO will provide Harris County access to their Toll Management Console (TMC) and Cash and Asset Management System (CAMS).
 - g. METRO will continue to manage the daily operation of the HOV/HOT lanes including management of the ARGO staff at Houston TranStar.
2. Section 5 of the Agreement titled, *Cooperative Efforts* is hereby amended to include the following:
- a. The Parties will cooperate with each other to help the transition of the Project to meet Harris County's current Commission, Operation and Maintenance Standards for operation and maintenance that are not in conflict with METRO requirements.
 - b. The Parties will provide each other with information for purposes of training each Party's customer service personnel to respond to customer inquiries concerning operation of the Project.
 - c. The Parties will seek cost effective ways to continuously improve operation and maintenance of METRO's ARGO system.
 - d. This Amendment will terminate five (5) years from the ARGO Operations and Maintenance Service Commencement Date. Harris County and METRO can negotiate a new Amendment or METRO will resume the Operations and Maintenance activities included in this Amendment.
3. Section 6 of the Agreement, titled *Compensation for Services* is hereby amended to include the following:
- a. Harris County shall be paid for the operation and maintenance of the ARGO Services as followed:
 - i. METRO will reimburse Harris County for the ARGO operation and maintenance as called out in Exhibit "D" ARGO SERVICES SCOPE OF WORK at Harris County's cost of \$550,000/Month with no annual escalation included in the monthly maintenance lump sum amount.
 - ii. Costs for software upgrade, cameras, video management system and cabinets and the ARGO system and camera/video verification subsystem, and software shall not exceed \$2,946,048.69.

- iii. Additional services such as roadway and emergency maintenance, will be at Harris County's cost.
- b. Harris County will coordinate with METRO and obtain METRO's approval for upgrades to ARGO equipment. METRO will reimburse Harris County for equipment upgrades for ARGO roadside equipment, at Harris County's cost.
- c. METRO will reimburse Harris County for all lane audit costs, at Harris County's cost.
- d. Harris County will deduct its compensation each month from the tolls to be remitted to METRO pursuant to this Section. Harris County will invoice METRO once a month for all other services rendered. In the event that Harris County's invoiced costs exceed the monthly revenue, METRO will reimburse the difference to Harris County.
- e. Harris County will not charge METRO for Mobilization, Bonds and Training related to operation and maintenance of METRO's ARGO system.
- f. METRO shall compensate Harris County for parts and labor of any replacement and/or repairs of the ARGO communications system and network, at Harris County's cost, that is destroyed by a third party or natural event within 60 days of invoice.

The total compensation and reimbursement for the services provided under this Second Amendment shall not exceed \$40,664,826.62.

5. Exhibit A of the Agreement titled, *Definitions* is hereby amended to update the definition of "Project" as follows:

"Project" includes the following freeway corridors and sections:

Corridor	Description	Total (Miles)
IH-45 North	Downtown to FM 1960	19.9
IH-45 South	Downtown to Dixie Farm Rd. Extension to NASA Rd 1	20.9
US-59 North	Downtown to Loop 494	20.2
US-59 South	Downtown to West Airport Blvd	14.3
US-290	Northwest Transit Center to Mason Rd	23.7
US-290	Inner-Katy Connector Ramps To/From NWTC To/From I-10	1.7

IH-10 West	Bi-Directional I-10 West, Katy Freeway, CBD Connector Ramp from Studemont to Downtown*	4.6
	TOTALS	105.30

*HOV only, open 24/7 365 days per year.

6. Exhibit A of the Agreement titled, *Definitions* is hereby amended to include the following definition:

“Weekend” is defined as Friday 8:00 PM to Monday 5:00 AM.

7. Exhibit B of the Agreement titled, *METRO Business Rules* is replaced in its entirety with Revision 9, dated April 27, 2023.

IT IS AGREED that except as set forth herein, all other terms and provisions of said Agreement shall remain in full force and effect as originally written. In the event of any inconsistencies between the Agreement and this Amendment, this Second Amendment shall control.

IT IS FURTHER AGREED that the County executes this Second Amendment by and through the County Judge acting pursuant to Order of Commissioners Court of Harris County, Texas, so authorizing. This Second Amendment shall not become effective until executed by all parties hereto.

George Fotinos
Chief Financial Officer

ORDER OF COMMISSIONERS COURT

(Authorizing Second Amendment to Agreement with METRO for Tolling Services)

The Commissioners Court of Harris County, Texas, met in regular session at its regular term at the Harris County Administration Building in the City of Houston, Texas, on _____, with all members present except _____.

A quorum was present. Among other business, the following was transacted:

ORDER AUTHORIZING THE COUNTY JUDGE TO EXECUTE

A SECOND AMENDMENT TO INTERLOCAL AGREEMENT FOR TOLLING SERVICES BETWEEN METROPOLITAN TRANSIT AUTHORITY OF HARRIS COUNTY

(METRO) AND HARRIS COUNTY

Commissioner _____ introduced an order and made a motion that the same be adopted. Commissioner _____ seconded the motion for adoption of the order. The motion, carrying with it the adoption of the order prevailed by the following vote:

	Yes	No	Abstain
Judge Lina Hidalgo	☐	☐	☐
Comm. Rodney Ellis	☐	☐	☐
Comm. Adrian Garcia	☐	☐	☐
Comm. Tom S. Ramsey, P.E.	☐	☐	☐
Comm. Lesley Briones	☐	☐	☐

The County Judge thereupon announced that the motion had duly and lawfully carried and that the order had been duly and lawfully adopted. The adopted order follows:

On or about December 19, 2017, the County entered into an Agreement with METRO pursuant to which Harris County provides tolling service on all segments of the METRO EXPRESS (HOV/HOT) Lane Systems that are open to the traveling public in Harris County, Texas; and

On or about September 14, 2021, the County and METRO amended the Agreement to provide toll violation collection services on behalf of Metro; and

The County and METRO now desires to amend the Agreement (Second Amendment) to provide operation and maintenance services for the Automated Reversible Gate Operation (ARGO) System on behalf of METRO.

BE IT ORDERED BY THE COMMISSIONERS COURT OF HARRIS COUNTY, TEXAS THAT:

- 1: The recitals set forth in this Order are true and correct;
- 2: The Harris County Judge or his designee is authorized to execute a Second Amendment to the Agreement. The Agreement is incorporated herein by reference and made a part of this Order for all purposes as if set forth in full herein word for word; and
- 3: All Harris County officials and employees are authorized to do any and all things necessary or convenient to accomplish the purpose of this Order.