

STATE OF TEXAS §
COUNTY OF HIDALGO §

FULL SERVICE DEPUTY CONTRACT

FILED
AT 4:00 O'CLOCK P M
MAR 09 2017
ARTURO GUAJARDO, JR. COUNTY CLERK HIDALGO COUNTY, TEXAS
BY <u>NEC</u> DEPUTY

This Agreement is made by and between the County of Hidalgo, and on behalf of the Tax Assessor-Collector, hereinafter referred to as "County", and BridgePoint Insurance Agency & Permit Center, LLC, hereafter referred to as "Full Service Deputy."

WHEREAS, the Full Service Deputy desires to act as an agent of the County pursuant to "Texas Transportation Code" Section 520.0071, for vehicle registrations, registration renewals and title transfers; and

WHEREAS, public convenience will be furthered by the ability of Full Service Deputy to act on behalf of the County to issue registrations, registration renewals and title transfers.

NOW, THEREFORE, in consideration of Ten Dollars (\$10.00), the obligations and covenants contained herein and other good and valuable consideration, the receipt of which is hereby acknowledged, the County and the Full Service Deputy hereby agree as follows:

1. The County shall supply the Full Service Deputy with an inventory of license plates, registration renewal stickers and supplies as needed for the issuance, however, in no case shall the County issue to the Full Service Deputy any number of plates, registration renewals stickers and supplies that exceed the amount authorized in numbered paragraph 2 hereof. The Full Service Deputy's inventory of receipt paper shall be maintained at the location(s) as listed on Exhibit "A". The Full Service Deputy shall lease from County all receipt printing equipment and supplies, needed for issuance to the public by the Full Service Deputy of vehicle registration renewals and title transfers ("Point of Sale Workstation"). Such lease rental payments shall be for each Point of Sale Workstation so leased at the rate of \$1,500 for each such Point of Sale for each twelve (12) month period occurring during the term of this Contract. The first such rental payment shall be payable on execution of this Contract. Subsequent yearly rental rates will be determined by actual cost to County as set forth by the Texas Department of Motor Vehicles. The Full Service Deputy further agrees to pay a onetime site fee of \$2,500 for each additional site other than the original site in this Contract. Such additional site(s), if any, shall be described on Exhibit A to the Contract.
2. In order to guarantee the faithful performance of the duties of the Full Service Deputy hereunder and to insure that all funds coming into the possession or control of the Full Service Deputy by virtue of this Contract are paid over to the County, the Full Service Deputy agrees to post a surety bond in the amount of One Hundred Thousand and no one hundredths Dollars (\$100,000.00) per location designated on Exhibit A attached hereto, in accordance with 43 Texas Administrative Code Rule section 217.167 naming the Hidalgo County Tax Assessor Collector as obligee to guarantee payment of taxes and fees remitted to County by check by the Full Service Deputy. Said bond shall be continuous in form, and subject to termination only with thirty (30) days

written notice to the Hidalgo County Tax Assessor-Collector, and shall be issued by a surety company or financial institution acceptable to the County. Upon posting of said bond, Full Service Deputy shall be entitled to issue registrations, registration renewals, and title transfers. In no event shall inventory in the possession of the Full Service Deputy exceed the amount of such surety bond. All leased Point of Sale Workstations in Full Service Deputy's custody shall be insured against fire, theft or any natural disaster in the minimum amount of Five Thousand and no 100ths (\$5,000.00) for each such Point of Sale Workstation naming the Hidalgo County Tax Assessor-Collector as an additional named insured. Certificates of insurance evidencing such coverage shall be provided to County upon execution of this Contract and on each renewal date of such insurance coverage.

3. Full Service Deputy shall have any and all persons designated to handle or in any way assist, in the issuance of registrations, registration renewals and license plates submit a fully executed and notarized personal inquiry waiver and authorization for release of confidential information in order to conduct a background check on said persons. Once the person passes the background check, the person shall take an oath of deputation to be given by the County to serve as authorized deputy for the issuance of license plates and registrations. The Full Service Deputy shall not allow any of its officers, agents, or employees to participate in any manner in the handling or issuance of registrations, registration renewals or plates until said officer, agent or employee has been deputized by the County for acting under the terms of this Contract, and until all Full Service Deputy personnel are trained in accordance with the Hidalgo County Tax Assessor-Collector requirements, and follow all training programs required by the Hidalgo County Tax Office, before the issuance of said registrations, registration renewals and title transfers prior to deputation.
4. The Full Service Deputy shall, in writing, designate one or more of its officers, agents, or employees, who have been deputized hereunder to serve as a receiving agent for the Full Service Deputy. The County agrees it will not furnish registration stickers, registration renewals stickers or license plates and supplies for the account of the Full Service Deputy other than directly to the Full Service Deputy's receiving agent. Full Service Deputy assumes full liability for the safekeeping of all registration renewal stickers, license plates and supplies furnished by the County to the Full Service Deputy's receiving agent.
5. Prior to receiving any registration renewal stickers, plates or supplies hereunder, Full Service Deputy shall, at its sole cost and expense, obtain and make operational all computer hardware and software, including The Texas Department of Motor Vehicles Registration Title System (RTS) workstations to perform Full Service Deputy's duties hereunder, as directed by the County.
6. County authorizes a Full Service Deputy to charge or retain the fee amounts prescribed according to the following transactions: (a) Title transactions. For each motor vehicle title transaction processed the Full Service Deputy may charge the customer a fee of up to \$20, as determined by the Full Service Deputy and approved by the County. Full Service Deputy retains the entire fee charged to the customer.

(b) Registration and registration renewals. For each registration transaction processed the Full Service Deputy may retain \$1.00 from the processing and handling fee established by 43 Texas Administrative Code Rule section 217.183 (relating to Fee Amount) and charge a convenience fee of \$9.00, except as limited by 43 Texas Administrative Code Rule section 217.184 (relating to Exclusions).

(c) Temporary permit transactions under Transportation Code, §502.094 or §502.095. For each temporary permit transaction processed by the Full Service Deputy, the Full Service Deputy may retain the entire processing and handling fee established by 43 Texas Administrative Code Rule section §217.183;

(d) the convenience fee authorized by this section is collected by the Full Service Deputy directly from the customer and is in addition to the processing and handling fee established by 43 Texas Administrative Code Rule section §217.183. The Full Service Deputy may not charge any additional fee for a registration or registration renewal transaction.

(e) Related transactions by a Full Service Deputy. The limitations of subsections (a), (b), (c) and (d) of this numbered paragraph 6 do not apply to other services that the Full Service Deputy may perform that are related to titles or registrations, but are not transactions that must be performed through the Texas Department of Transportation automated vehicle registration and title system. Services that are not transactions performed through the Texas Department of Transportation automated vehicle registration and title system include, but are not limited to, the additional fees the Full Service Deputy may charge for copying, faxing, or transporting documents required to obtain or correct a motor vehicle title or registration. However, the additional fees that the Full Service Deputy may charge for these other services may be limited by the terms of County's authorization to act as a full service deputy.

(f) Posting of fees. At each location where the Full Service Deputy provides titling or registration services, the Full Service Deputy must prominently post a list stating all fees charged for each service related to titling or registration. The fee list must specifically state each service, including the additional fee charged for that service, that is subject to subsections (a), (b), (c), or (d) of this numbered paragraph 6. The fee list must also state that each service subject to an additional fee under subsection (a), (b), (c) or (d) of this numbered paragraph 6 may be obtained from the County without the additional fee. If the Full Service Deputy maintains a website advertising or offering titling or registration services, the Full Service Deputy must post the list described by this numbered paragraph 6 on the website. Fees collected for the issuance of registration renewal stickers and plates by the Full Service Deputy shall not be commingled with any other funds in the possession of the Full Service Deputy. The Full Service Deputy shall, not less often than weekly, prepare and deliver to County, on the day during each week specified by County, such reports as may from time to time be prescribed by County, and in the format and content so prescribed by County. Said reports shall include the quantity of registration stickers, registration renewal stickers and plates issued by the Full Service Deputy, and shall be accompanied by full payment for all registration stickers, registration renewal

stickers and license plates issued including applicable Road and Regional Mobility Authority Bridge fees (the "Motor Vehicle Funds"). Full Service Deputy shall within twenty four hours after receipt of Motor Vehicle Funds deposit such Motor Vehicle Funds collected by Full Service Deputy into County's depository. Failure to promptly deliver reports and payments as provided in this numbered paragraph 6 shall be grounds for the immediate termination of this Agreement, in which event Full Service Deputy shall immediately return to County all RTS workstations, license plates and supplies. Full Service Deputy shall keep a separate accounting of the fees collected and remitted to the County and record of daily receipts.

7. Full Service Deputy shall, in connection with its weekly report, remit such amounts in accordance with numbered paragraph 6 hereof. Full Service Deputy assumes full responsibility for collection of all fees for title registrations, registration renewals and title transfers handled by Full Service Deputy hereunder.
8. Full Service Deputy is subject to audit by the Hidalgo County Tax Assessor-Collector, Hidalgo County Auditor, the State of Texas Department of Motor Vehicles, the Comptroller of the State of Texas, or any certified public accountant (or any other person or entity) designated by any one or more of the same to determine compliance with this Contract as well as the laws and regulations of any governmental entity having jurisdiction of the subject matter of this Contract, at any time during normal business hours of the Full Service Deputy at the place of business of the Full Service Deputy designated in this Agreement. The Full Service Deputy's receiving agent shall be present and shall make available at the place of the audit all supplies or forms required.
9. Full Service Deputy shall deliver on a weekly basis to the County the license report as required by numbered paragraph 6 hereof in the form as may from time to time be required by the County. Any report which is not in order and which does not balance or conform to the usual requirements will be returned to Full Service Deputy in its entirety for correction or clarification.
10. Full Service Deputy shall, upon receiving a delivery of registration stickers, registration renewal stickers, license plates and supplies from the County, verify that all registration stickers, registration renewal stickers, plates and supplies invoiced matches the registration renewal stickers, plates and supplies received before using any of the registration renewal stickers, plates and supplies. Any discrepancies must be reported in writing no later than 12:00 noon on the next business day to the Hidalgo County Tax Assessor-Collector's Office.
11. Full Service Deputy shall use the registration stickers, registration renewal stickers, and plates in numerical sequence, and any fees or charges for missing registration stickers, registration renewal stickers, license plates and supplies which are not reported must be paid to the County at the price calculated by the County Tax Assessor-Collector's Office.

12. Registrations, registration renewals and title transfers are only to be issued to persons that present all papers and forms required to legally register, renew registration, or transfer title to vehicles.
13. Any changes in the ownership of Full Service Deputy or the employer of Full Service Deputy must be immediately reported in writing to the County. Any such changes will automatically nullify this Contract and a new Contract must be executed by the new owner if the new owner desire(s) to continue to act as a Full Service Deputy. It will also be necessary to audit any supplies on hand and a closing report shall be made by the current owner.
14. Full Service Deputy will provide access to the authorized representatives of the County to the area where registrations, renewals and license plates are sold and stored, and will provide the necessary assistance requested in auditing or checking license stickers, plates or supplies.
15. Full Service Deputy will verify proof of liability insurance before selling a registration, registration renewal, or license plates.
16. In order to serve as a deputy, Full Service Deputy agrees to abide by all rules, regulations, and requirements of the Hidalgo County Tax Assessor-Collector's Full Service Deputy Instruction/Policy Manual. The Tax Assessor-Collector's Full Service Deputy Instruction/Policy Manual may from time to time be amended.
17. This Contract may be voluntarily terminated without cause by either party upon thirty (30) days written notice to the other party. If the Contract is terminated, the Full Service Deputy shall return to the County all inventory of registration stickers, registration renewal stickers, plates, together with supplies and payment for registrations, renewals and plates issued, and a final report within twenty four (24) hours after the termination date.
18. Breach of any obligation to be performed by the Full Service Deputy shall constitute a breach of this entire Contract and shall give County the right to immediately terminate this agreement. The parties hereto agree that any breach by the Full Service Deputy shall be considered a substantial breach, and Full Service Deputy shall be notified by County of such breach by certified mail, return receipt requested. Upon the receipt of notice, (which shall be deemed to be three (3) days after deposit in the U.S. Mail, if mailed). Full Service Deputy shall have twenty four (24) hours to return to County all outstanding inventory of plates, registration stickers, registration renewal stickers, supplies, payment for plates, registration renewal stickers, issued, and final reports.
19. In the event that any audit or report of the Full Service Deputy discloses that any plates, registration stickers, registration renewal stickers or funds are missing or otherwise unaccounted for, County shall be entitled to collect on the bond and apply the proceeds therefrom against the actual damages incurred by the County or any of its agents, employees, or public officials. In the event that this Contract is terminated by the County for breach by the Full Service Deputy and the Full Service Deputy

fails to return all funds, plates, registration stickers, registration renewal stickers and supplies within the time allowed in numbered paragraphs 17 and 18 hereof, the County shall be entitled to retain proceeds of the bond as liquidated damages, and shall be entitled to seek recovery of actual damages.

20. The term of this Contract shall commence upon receipt by the County of the bond described in numbered paragraph 2 hereof, and shall continue in full force and effect thereafter until terminated in accordance with the terms hereof.
21. Any notices given under the Contract shall be sufficient if in writing and mailed either by Registered or Certified Mail, return receipt requested, postage prepaid, to the parties as follows:

County: Pablo (Paul) Villarreal Jr. PCC
Hidalgo County
Tax Assessor-Collector
P.O. Box 2099
Edinburg, Texas 78540-2099

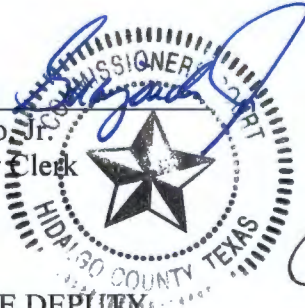
Full Service Deputy: David R. Cantu, President
BridgePoint Insurance Agency & Permit Center, LLC
101 N. McColl Rd., Suite 10
McAllen, Texas 78501

22. This Contract constitutes the entire agreement of the parties with respect to the subject matter hereof, and all prior agreements, written or oral, are hereby superseded. This Contract shall not be amended or modified, except in writing signed by the County. No official, agent, or employee of the County has the authority, expressed or implied, to orally amend or modify this Contract. This Contract may not be assigned by Full Service Deputy.
23. This Contract shall be governed by and construed in accordance with the laws of the State of Texas and venue shall be in Hidalgo County Texas.

EXECUTED as of the 7th day of March, 2016.

ATTEST:

By: Arturo Guajardo Jr.
Arturo Guajardo Jr.
Hidalgo County Clerk



HIDALGO COUNTY

By: Ramon Garcia
Ramon Garcia, County Judge

By: Pablo Paul Villarreal Jr.
Pablo Paul Villarreal, Jr.
Tax Assessor-Collector

FULL SERVICE DEPUTY

By: DAVID R. CANTU
Its: PRESIDENT

EXHIBIT A

FULL SERVICE DEPUTY:

Location 1

BridgePoint Insurance Agency & Permit Center, LLC
101 N. McColl Rd. Suite 10
McAllen, TX 78501

Location 2

BridgePoint Insurance Agency & Permit Center, LLC
1619 N. Conway Suite I
Mission, TX 78572

Addendum - Registration and Title System Deputy User Agreement

The Texas Department of Motor Vehicles (TxDMV) operates and maintains the Registration and Title System, or RTS. Official records of motor vehicle ownership and registration are maintained in RTS. RTS allows direct access to motor vehicle records and allows authorized users to enter transactions affecting motor vehicle ownership and registration status.

TxDmv provides state equipment (including RTS terminals), accountable items such as license plates and secure paper, and services in support of the vehicle registration and titling activities of Texas County Tax Assessor-Collectors and their deputies, as governed by 43 Tex. Admin. Code Subchapter H. For purposes of this addendum, "Full Service Deputy" refers to the business organization or other legal entity appointed to serve under the provisions of Tex. Admin. Code, Chapter 217, Subchapter H. The term "Full Service Deputy" as used in this addendum does not include an individual employed, hired, or otherwise engaged by the Full Service Deputy to serve as the Deputy's agent (an "FSD Agent") in performing motor vehicle titling, registration or registration renewal activities.

As required by 43 Tex. Admin. Code §217.163(k), this addendum sets forth the limitations and responsibilities of having access to RTS and is hereby incorporated into the deputy agreement between Hidalgo County and BridgePoint Insurance Agency & Permit Center LLC (Full Service Deputy).

List all Full Service Deputy owners, including phone number and mailing address (attach additional pages if necessary):

David R. Cantu, Sole Member

Check if additional page(s) attached

By signing this document, the Full Service Deputy agrees and understands that:

1. The owners listed are all of the owners of the Full Service Deputy, regardless of ownership percentage. The Full Service Deputy will notify the county in writing of any change in ownership within 30 days of the change and provide a copy to TxDMV.
2. If an FSD Agent who has been given access to RTS is no longer associated with the Full Service Deputy, the Full Service Deputy will immediately notify the county tax assessor-collector, who will promptly terminate the FSD Agent's access. The county tax assessor-collector will notify TxDMV of all terminations within 30 days of the termination.
3. No authorized user will be allowed to share passwords or user login access.
4. The Full Service Deputy and any FSD Agent will cooperate with any investigation by law enforcement.

5. The Director of TxDMV Vehicle Titles and Registration Division or a TxDMV employee designated by the Director may suspend or terminate a Full Service Deputy's or FSD Agent's access to RTS if the Full Service Deputy or FSD Agent:
 - i. Is the subject of a criminal investigation involving a crime of moral turpitude; or
 - ii. Fails to materially comply with applicable statutes and regulations, including Texas Administrative Code, Chapter 217, and Transportation Code, Chapters 501, 502, 504, or 520.
6. TxDMV shall inform the county tax assessor-collector before taking action under paragraph 5. This provision shall not apply if action under paragraph 5 is as a result of a court order, time is of the essence, or revealing this action would detrimentally interfere with or compromise an active investigation by TxDMV or an enforcement agency of the State.
7. A Full Service Deputy may request a review of a decision to suspend or terminate RTS access by submitting a request for reinstatement in writing to the TxDMV Executive Director. The request for reinstatement should include any supporting information the Full Service Deputy deems relevant to support reinstatement. A county tax assessor-collector may submit information in support of or relevant to a Full Service Deputy's request for reinstatement. The Executive Director shall make a final determination on reinstatement within 21 calendar days from the date the request for reinstatement is received. If the Executive Director requests additional information from the county tax assessor-collector or Full Service Deputy, the deadline for determination of the request for reinstatement is tolled until the additional information is received.
8. TxDMV may conduct an inventory of state assets and accountable items provided by the state via the county, including license plates, secure paper, and any other accountable items provided to the Full Service Deputy.
9. TxDMV may conduct a review of the Full Service Deputy's operations governed by the Transportation Code and department rules. This includes physical and/or remote electronic access to any location containing RTS workstations. The TxDMV will provide the county tax assessor-collector with a copy of any findings from a review, unless findings must be turned over to a law enforcement entity.
10. RTS (including all hardware, software, components and interfaces) is and remains the sole property of the State of Texas and TxDMV.
11. Neither the Full Service Deputy, its employees or agents or anyone working in concert with them will move, disconnect, or physically modify any RTS workstation or TxDMV-provided peripheral equipment without prior notice to, and permission in writing from, TxDMV.
12. Neither the Full Service Deputy nor any individual provided access to RTS equipment through the Full Service Deputy will attempt to modify, reprogram, or introduce any software to the RTS workstations or other interfaces with RTS without prior written approval by TxDMV.
13. TxDMV may perform routine or emergency maintenance on RTS that will temporarily limit or prevent use of the system. TxDMV will give reasonable notice of routine maintenance, and as much notice as practical in emergency situations.

14. The Full Service Deputy agrees that TxDMV shall not be liable to Full Service Deputy or any of Full Service Deputy's principles, customers, agents, or affiliates for any downtime caused by system maintenance or access termination pursuant to the terms of this Addendum.

David R Cantu
SIGNATURE

David R Cantu
PRINTED NAME

President
TITLE

Full Service Deputy in and for
Hidalgo County, Texas

BridgePoint Insurance Agency & Permit Center, LLC
COMPANY NAME

2/3/17
EXECUTION DATE