

RESOLUTION

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EL PASO:

THAT the City Manager or designee be authorized to sign a contract to fund a 90-day pilot program with Secure Origins, Inc. in the amount of \$195,000, using Project 21 to facilitate cross border traffic at the Ysleta-Zaragoza Port of Entry.

PASSED AND APPROVED this _____ day of _____, 2013.

CITY OF EL PASO

John F. Cook
Mayor

ATTEST:

Richarda Duffy Momsen
City Clerk

APPROVED AS TO FORM:

APPROVED AS TO CONTENT:

Josette Flores
Assistant City Attorney

Said Larbi-Cherif, Director
International Bridges

STATE OF TEXAS)
)
COUNTY OF EL PASO)

AGREEMENT

This Agreement entered into this _____ day of _____, 2013, by and between the City of El Paso, a municipal corporation situated in El Paso County, Texas, hereinafter referred to as “City”, and SecureOrigins, Inc., a 100% owned subsidiary of TECMA and located in El Paso, El Paso, County, Texas, hereinafter referred to as “Contractor”.

RECITALS

WHEREAS, the City Council of the City of El Paso has as its primary federal legislative agenda item the reduction of border crossing time for traffic across the City’s international bridges;

WHEREAS, enhanced border crossing time efficiencies could lead to growth in the maquiladora industry which in turn could translate to regional economic benefits;

WHEREAS, a successful reduction of border crossing time for commercial traffic across the City’s international bridges would serve as a model program for the rest of the nation’s land ports of entries;

WHEREAS, Contractor has developed Project 21, a technology-based tracking mechanism to enhance the efficient border crossing of commercial goods, and wishes to provide its services to the City for a second 90-day City-funded trial period, after the first 90-day City-funded trial period commencing on October 15, 2012 and ending January 14, 2013, did not achieve all of its intended deliverables;

WHEREAS, Contractor has been determined to be the sole source of said technology-based tracking mechanism, as provided by Texas Local Government Code Section 252.022(a)(7); and

WHEREAS, the City wishes to contract with Contractor in order to implement a second 90-day City-funded trial period to test Contractor’s technology-based tracking mechanism at the Ysleta-Zaragoza Port of Entry, on the terms and conditions set forth herein.

WITNESSETH

The City and Contractor, for the consideration and mutual promises as herein, set forth agree as follows:

1.0 TERM.

The term of this Agreement shall begin on April 15, 2013, and shall expire on July 14, 2013. The term of this Agreement shall not be extended.

2.0 CONTRACTOR RESPONSIBILITIES.

2.1 Contractor shall utilize Project 21, its technology-based tracking mechanism including Software-As-A-Service (“SaaS”), applied systems and C-TPAT best practices, to track the daily cross-border movement of C-TPAT commercial shipments by trucks certified in and participating in Project 21 and headed from Ciudad Juarez, Chihuahua to El Paso, Texas and from El Paso, Texas to Ciudad Juarez, Chihuahua over the Ysleta-Zaragoza Port of Entry.

2.1.1 Commercial trucks participating in the El Paso County Secure Border Trade Project shall not be counted as Project 21 participating trucks in this Agreement.

2.1.3 Commercial trucks using the Bridge of the Americas or any other port of entry other than the Ysleta-Zaragoza Port of Entry shall not be counted as Project 21 participating trucks in this Agreement.

2.2 Contractor shall meet or exceed the following deliverables:

2.2.1 The current number of CTPAT certified manufacturing operations (maquilas) certified in and participating in Project 21 is currently 13. Contractor shall increase that number to 16 by May 15, 2013, to 19 by June 15, 2013, and to 21 by July 14, 2013.

2.2.2 The current average daily number of commercial shipments of Project 21 certified and participating trucks using the Ysleta-Zaragoza Port of Entry shall be increased as follows:

2.2.2.1 The current average daily number of northbound (originating in Ciudad Juarez, Chihuahua and terminating in El Paso, Texas) commercial shipments is 212, based on the most recent biweekly report provided by SecureOrigins to the City. Contractor shall increase that number to 460 by May 15, 2013, to 500 by June 15, 2013, and to 600 by July 14, 2013. Northbound numbers shall be reported separately from southbound numbers.

2.2.2.2 The current average daily number of southbound (originating in El Paso, Texas and terminating in Ciudad Juarez, Chihuahua) commercial shipments is 212, based on the most recent biweekly report provided by SecureOrigins to the City. Contractor shall increase that number to 460 by May 15, 2013, to 500 by June 15, 2013, and to 600 by July 14, 2013. Southbound numbers shall be reported separately from northbound numbers.

2.2.3 The current average crossing time at the Ysleta-Zaragoza Port of Entry for commercial shipments of Project 21 certified and participating trucks, from Mexican Aduanas to the United States Customs and Border

Protection entrance is currently 40 minutes, and shall be reduced to an average of 35 minutes by May 15, 2013, to 30 minutes by June 14, 2013 and to 25 minutes by July 14, 2013. Northbound measurement for time monitoring purposes shall begin 1 kilometer before Mexican Aduanas and shall end at the United States Customs and Border Protection entrance.

2.2.3.1 Southbound measurement for time monitoring purposes shall begin 1 kilometer prior to the Zaragoza Port of Entry from either north on Loop 375 or west on Loop 375. The southbound measurement shall be provided for reporting purposes only, not as a deliverable.

- 2.3 Contractor shall provide on a bi-weekly basis to the Director of the City's International Bridges Department (the "Director") a report with data containing the deliverables and southbound time measurement set forth in Section 2.2.1 through 2.2.3 of this Agreement. Contractor shall certify that the submitted bi-weekly report does not contain data from trucks participating in the El Paso County Secure Border Trade Project or trucks using the Bridge of the Americas or any other port of entry that is not the Ysleta-Zaragoza Port of Entry.

2.3.1 In addition, Contractor shall include in the biweekly report the number of roundtrips by Project 21 certified and participating trucks carrying commercial shipments across the Ysleta-Zaragoza Port of Entry each day, originating in Ciudad Juarez, Chihuahua to El Paso, Texas and back to Ciudad Juarez, Chihuahua, with the goal of increasing the number from the current 1.9 roundtrips per day, to 2.3 roundtrips per truck per day by May 15, 2013, to 2.5 roundtrips per truck per day by June 14, 2013 and to 3 roundtrips per truck per day by July 14, 2013.

- 2.4 The first bi-weekly report shall be received by the Director on May 3, 2013. The last bi-weekly report shall be received by the Director no later than July 19, 2013. Failure to timely provide the City with the required reports described in Section 2.3 shall be deemed to be a material breach of this Agreement and shall be a basis for the City to terminate the Agreement in accordance with Section 10.
- 2.5 All reports and data shall be submitted to the City in a format that is compatible and readable with the City's IT system.
- 2.6 If Contractor utilizes anything other than Project 21, or counts and reports on data for Project 21 commercial shipments at an international border crossing other than the Ysleta-Zaragoza Port of Entry during the 90-day effective period described in Section 1.0 to this Agreement, the City may terminate the Agreement pursuant to Section 10.

3.0 CITY RESPONSIBILITIES.

- 3.1 For the services rendered under this Agreement, City will pay to Contractor as set forth in Section 4, Compensation.
- 3.2 The City shall allocate the funding for this Agreement from the International Bridges revenues. The City Manager is authorized to make all appropriate transfers to the relevant International Bridges fund for this purpose.
- 3.3 All payments by the City under this Agreement are payable only out of current City revenues. In the event that funds relating to this Agreement do not become available, such as by City Council not appropriating the funds, the City shall have no obligation to pay or perform any services related herein to Contractor, except to the extent that Contractor has in good faith obligated any funds by contract with third parties prior to actual notice of non-appropriation, for the City's fiscal year during which time such funding is not available or appropriated. Should the City experience a funding unavailability, either party may choose to terminate the Agreement subject to Section 10.

4.0 COMPENSATION AND METHOD OF PAYMENT.

- 4.1 The total amount of compensation to Contractor by the City shall not exceed ONE HUNDRED NINETY-FIVE THOUSAND AND NO/100 Dollars (\$195,000) for the term of this Agreement, as set forth below.
- 4.2 The payments from the City to Contractor shall be split into equal amounts over the 90-day term.
 - 4.2.1 Except as provided in Section 4.5 to this Agreement, upon receipt of an appropriate invoice from Contractor to the Director, the first payment shall be made by the City to Contractor on May 20, 2013, in the amount of SIXTY-FIVE THOUSAND AND NO/100 DOLLARS (\$65,000).
 - 4.2.2 Except as provided in Section 4.5 to this Agreement, upon receipt of an appropriate invoice from Contractor to the Director, the second payment shall be made by the City to Contractor on June 20, 2013, in the amount of SIXTY-FIVE THOUSAND AND NO/100 DOLLARS (\$65,000).
 - 4.2.3 Except as provided in Section 4.5 to this Agreement, upon receipt of an appropriate invoice from Contractor to the Director, the third payment shall be made by the City to Contractor on July 29, 2013, in the amount of SIXTY-FIVE THOUSAND AND NO/100 DOLLARS (\$65,000).

- 4.3 Contractor agrees that at no time shall it make a claim against the City for more than the compensation provided under the terms of this Agreement.
- 4.4 Payment is subject to the payment terms and conditions set forth in the Prompt Payment Act, Texas Government Code Section 2251.
- 4.5 Failure to fully achieve the monthly deliverables in Sections 2.2.1 through 2.2.3 shall be deemed to be a material breach of this Agreement and shall be a basis for the City to withhold from Contractor the corresponding monthly payment as described in Sections 4.2.1 through 4.2.3, and the City may terminate the Agreement in accordance with Section 10. Failure to timely provide the City with the required reports described in Section 2.3 is explained in Section 2.4 of this Agreement.

5.0 APPLICABLE LAWS. Contractor shall perform all services under this Agreement in accordance with all applicable local, state, and federal laws and regulations.

6.0 INDEPENDENT CONTRACTOR. Nothing contained herein shall be construed as creating the relationship of employer and employee between the City and Contractor. No partnership or joint venture is intended to be created by this Agreement, nor any principal-agent or employer-employee relationship between the parties or any of their officers, employees, agents or sub-consultants. As an independent contractor, each party understands and agrees that it will be responsible for its respective acts or omissions, and the other party shall in no way be responsible as an employer to the other party's officers, employees, agents, representatives or sub-contractors who perform any service in connection with this Agreement.

7.0 ASSIGNMENT/SUBCONTRACTORS. The services to be provided under this Agreement are specific to Contractor and shall not be assigned or delegated without the prior written consent of the City. Contractor will ensure that any subcontractor will comply with all applicable terms of this Agreement.

8.0 INDEMNIFICATION.

CONTRACTOR UNDERSTANDS AND AGREES THAT IT AND/OR ITS SUBCONTRACTOR(S) SHALL INDEMNIFY AND HOLD HARMLESS THE CITY AGAINST ANY AND ALL CLAIMS, DEMANDS, DAMAGES, COSTS AND EXPENSES, INCLUDING INVESTIGATION EXPENSES AND REASONABLE ATTORNEY FEES FOR THE DEFENSE OF SUCH CLAIMS AND DEMANDS, ARISING OUT OF OR ATTRIBUTED DIRECTLY OR INDIRECTLY TO THE NEGLIGENT, GROSS NEGLIGENT, INTENTIONAL, MALPRACTICE OR WILLFUL ACTS OR OMISSIONS OF CONTRACTOR, ITS AGENTS, SUBCONTRACTORS, EMPLOYEES, OR REPRESENTATIVES IN RENDERING THE SERVICES UNDER THIS AGREEMENT.

8.1 Without modifying the conditions of preserving, asserting or enforcing any legal liability against the City as required by the City Charter or any law, the City will promptly forward to Contractor every demand, notice, summons or other process received by the City in any claim or legal proceeding contemplated herein.

- 8.2 In addition, Contractor shall promptly advise the City in writing of any claim or demand against the City or Contractor known to Contractor related to or arising out of Contractor's activities under this Agreement.
- 8.3 Contractor understands and agrees that it will 1) investigate or cause the investigation of accidents or occurrences involving such claim or demand; 2) negotiate or cause to be negotiated the claim or demand as Contractor may deem expedient; and 3) defend or cause to be defended on behalf of the City all suits for damages even if groundless, false or fraudulent, brought because of such claim or demands.
- 8.4 Contractor understands and agrees that it will pay all final judgments establishing liability of the City in actions defended by Contractor pursuant to this section along with all reasonable attorneys' fees and costs incurred by the City including interest at the rate specified in such final judgment accruing and premiums on any appeal bonds.
- 8.5 The City, at its election will have the right to participate in any such negotiations or legal proceedings to the extent of its interest without relieving Contractor of any of its obligations under this paragraph.
- 9.0 LIABILITY INSURANCE.

Contractor agrees it or its subcontractor will provide public liability insurance and property damage insurance naming the City as an Additional Insured in an amount no less than \$500,000 for each person and \$100,000 for each single occurrence for bodily injury or death and \$100,000 for each single occurrence for injury to or destruction of property.

- 9.1 Upon execution hereof, Contractor shall file with the City's Risk Manager a copy of the Certificate of Insurance showing that such insurance coverage is in effect during the terms of this Agreement.
- 9.2 Issuers of Policies. The issuer of any policy must have a certificate of authority to transact insurance business in the State of Texas. Each issuer must be responsible, reputable, and have financial capability consistent with the risks covered. Each issuer shall be subject to approval by the City's Risk Manager in his or her sole discretion as to conformance with these requirements.
- 9.3 Deductibles. A policy may contain deductible amounts only if the City's Risk Manager approves the amount and scope of the deductible. Contractor shall assume and bear any claims or losses to the extent of such deductible amount and waives any claim it may ever have for the same against the City, its officers, agents or employees.
- 9.4 Cancellation. Each policy must expressly state that it may not be canceled or non-renewed unless thirty (30) days advance notice of cancellation or intent not to renew is given in writing to the City's Risk by the insurance company. Contractor

shall give written notice to the City's Risk Manager **within five (5) days** of the date upon which total claims by any party against Contractor reduce the aggregate amount of coverage below the amounts required by this Agreement.

- 9.5 Subrogation. Each policy must contain an endorsement to the effect that the issuer waives any claim or right in the nature of subrogation to recover against the City, its elected and appointed officials, officers, agents or employees.
- 9.6 Endorsement of Primary Insurance. Each policy must contain an endorsement that such policy is primary insurance, so long as it is customary in the industry and under Texas law for such insurance to be primary, to any other insurance available to the City, the Additional Insured, with respect to claims arising hereunder and that the insurance applies separately to each insured.
- 9.7 Liability for Premium. If any of the policies referred to above do not have a flat premium rate and such premium has not been paid in full, such policy must have a rider or other appropriate certificate of waiver sufficient to establish that the issuer is entitled to look only to Contractor for any further premium payment and has no right to recover any premiums from the City.

10.0 TERMINATION.

- 10.1 Either party may terminate this Agreement if the other is in default upon thirty (30) days written notice to the other party. The City or Contractor may terminate this Agreement for any cause upon thirty (30) days written notice to the other party.
- 10.2 Termination shall be without prejudice to any obligation by one party to the other, which shall have accrued and be owing prior thereto.
- 10.3 It shall not be considered an act of default on the part of the City should the City withhold payment to Contractor in accordance with Section 4.5 of this Agreement.

11.0 NOTICES. All notices, communications and reports under this Agreement shall be hand-delivered or mailed, certified, return receipt requested, to the respective parties at the respective addresses shown below, unless and until either party is otherwise notified in writing by the other party with such notice not requiring a formal contract amendment:

CITY: City Manager
City of El Paso
PO Box 1890
El Paso, Texas 79950-1890

With copy to:
International Bridges Department, Director
City of El Paso
1001 S. Stanton Street
El Paso, Texas 79901

CONTRACTOR:

SecureOrigins, Inc.
Attn: Toby Spoon, President
500 W. Overland Ave, Suite 320
El Paso, Texas 79901

12.0 WAIVER. Action or inaction by either party regarding any default, breach or condition precedent shall not be construed as a waiver of any other default, breach or condition precedent or any other right hereunder.

13.0 PUBLIC RECORDS. Contractor understands that the City is subject to the Texas Public Information Act (the "Act") and that records received by the City from Contractor are subject to public disclosure, except as provided for in said Act.

14.0 ENTIRE AGREEMENT; MODIFICATION OR AMENDMENT. This Agreement contains all commitments and agreements of the parties hereto, and no verbal or other written commitment shall have any force or effect if not contained herein. This Agreement may be modified, amended, or supplemented only by a written instrument duly authorized and executed by both parties.

15.0 VENUE. The parties hereto agree that this Agreement shall be enforceable in El Paso, Texas, and if legal action is necessary to enforce it, exclusive venue shall lie in El Paso County, Texas.

16.0 CONTRACT INTERPRETATION. In interpreting the various provisions of this Agreement in a court of law, any court having jurisdiction shall apply the laws of the State of Texas to interpret the terms and provisions in this Agreement. Contract agrees to abide by the laws of the State of Texas in the furtherance of this Agreement.

17.0 SEVERABILITY. If any provision of this Agreement is found by a court of competent jurisdiction to be illegal, invalid, or unenforceable, the remainder of this Agreement will not be affected and in lieu of each provision which is found to be illegal, invalid or unenforceable, there will be added as part of this Agreement a provision which preserves the intention of the unenforceable provision, but which complies with the law.

18.0 CAPTIONS. The captions to the various paragraphs of this Agreement are for informational purposes only and shall not alter the substance of the terms and conditions of this Agreement.

19.0 BINDING AGREEMENT. The individual signing this Agreement for each of the parties acknowledges that he is authorized to do so and said individual further warrants that he or she is authorized to commit and bind that party to the terms and conditions of this Agreement.

(Signatures appear on following page)

STATE OF TEXAS)
)
COUNTY OF EL PASO)

AGREEMENT

(Signature Page)

IN WITNESS WHEREOF, the parties have executed this Agreement in the City of El Paso to be effective on the date and year first above written.

SECUREORIGINS, INC.

Print Name: _____
Title: _____

CITY OF EL PASO

Joyce A. Wilson
City Manager

APPROVED AS TO FORM:

Josette Flores
Assistant City Attorney

APPROVED AS TO CONTENT:

Said Larbi-Cherif, Director
International Bridges Department

**HONORABLE SECRETARY JANET NAPOLITANO
U.S. DEPARTMENT OF HOMELAND SECURITY**

PROJECT-21: 100 DAY PLAN

Prepared by
The City of El Paso, Texas



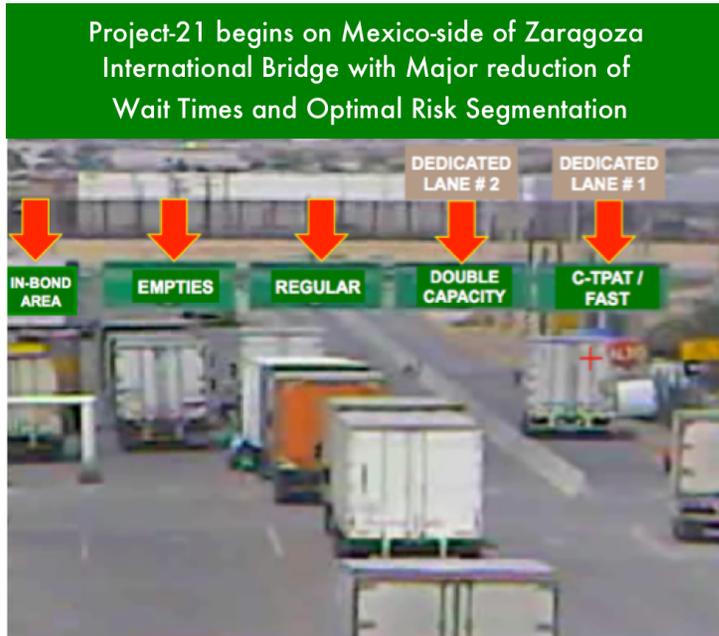
MAYOR JOHN COOK AND THE EL PASO CITY COUNCIL

March 2013



PROJECT - 21 : 100 DAY PLAN

ACTION PLAN #1: To complete the implementation of the two Dedicated Lanes and Risk Segmentation on the Mexico-side of Zaragoza International Bridge. Then, the core model of Project-21 is ready to secure, facilitate and grow the flow of certified trusted shipments (C-TPAT for CBP/NEEC for Aduana Mexico).



Dedicated Lane #1: Reserved for C-TPAT shipments authorized to use the FAST lanes of CBP, which represent approx. 500 Trucks-per-day. This daily flow on the FAST Lanes represents approximately 1/3 of the total northbound traffic of 1,500 Trucks-per-day and over 40% of these movements are with empty trailers.

Dedicated Lane #2: For Plants and Transport Firms that execute an agreement to enroll and complete the C-TPAT/FAST and NEEC certification programs (based on preapproved period by CBP and Aduana Mexico).

WAIT TIMES: Upon seeing the elimination of Wait Times on the Mexico-side of Zaragoza International Bridge (as represented above by the two Dedicated Lanes) plus expedited crossings expected from both CBP and Aduana Mexico, the goal for Project-21 is to greatly expand the use of the FAST Lanes.

Project-21 is already receiving the support of CBP to deliver expedited crossings for trusted shippers. The goal is to achieve an average of 15-to-20 minutes for each Border Crossing. In proper alignment with NEEC, Aduana Mexico is expected to match this goal. The status quo of hours of Wait Times and lengthy secondary inspections is reduced to minutes for vital 'trusted' shipments and greatly enables the surge to secure, facilitate and grow the Model Border.

THE MISSION: TO SERVE EACH HIGHER ORDER OF EL PASO-JUAREZ TRADE

The current status quo does not work, as this Borderplex must fully empower a new order of Global Competitiveness with the ever-higher precision of Logistics, Transportation and Supply Chains; and Just-In-Time Customer Fulfillment ("JIT"):

The future of the leading Ports of Entry of the El Paso-Juarez region for Commercial Trucks must achieve the order above with ever-higher milestones of economic value and benefits. In Action Plan #1, Project-21 needs to mobilize and serve the vital stakeholders of the leading Plants and Transport companies.

New Visionary Thinking: In this vital mandate, Project-21 must be able to enable a cost-effective resolution for the major congestion and air pollution at the Bridge of the Americas ("BOTA"). In the recent meeting of the Ports Task Force, Mayor John Cook declared the critical need for 'New Thinking' ... that includes the possibility to incorporate major reductions in tolls for trusted shipments at Zaragoza International Bridge (both directions). This process must include the need to resolve the high percentage of empty trailers. This spark of new thinking will ignite the assembly of the key players from Industry, Government and Trade to deliver the most powerful economic surge to the Model Border

The mission-critical results must deliver an order of magnitude of value to the \$80 Billion of annual El Paso-Juarez Trade (Source: REDCO) ... and beyond, as the core model of Project-21 can be applied to all major Border regions. The U.S.-Mexico border is vital to the Security and Trade of both Nations.

According to the U.S. Census Bureau: in 2009, U.S.-Mexico trade was \$300 billion; \$390 billion in 2010; and \$460 billion in 2011, with projections to surpass \$500 billion in 2012. The largest contributor is the Maquila Industry along the border. And the largest Plants on the Border are in Juarez. Thereby, El Paso-Juarez is positioned to achieve the leading role to protect, facilitate and grow this vital trade. This unrivaled vantage point delivers a new economic order in the range of billions of dollars to the El Paso-Juarez region.



PROJECT - 21 : 100 DAY PLAN

ACTION PLAN #2: The Staged Implementation of Secure Cross-Border Buses to facilitate the movement of thousands of Pedestrians across the Paso Del Norte International Bridge



This photograph of the Paso Del Norte Bridge from Juarez to El Paso clearly defines the long tiring walk, particularly bad in inclement weather (especially for the elderly and young children). The hours of Wait Times for pedestrians directly impacts the Secure Prosperity of this region.



**12,000 to 14,000 PEDESTRIANS PER DAY
HOURS OF WAIT TIMES**

FIRST STAGE DEPLOYMENT

Authorized TransBorde Buses with occupancy of 80 persons per bus will be implemented in a Pilot Program. In a looping pattern between El Paso and Juarez, the goal is to move thousands of pedestrians from 'the Walk' to 'the Ride' across the Paso Del Norte Bridge.

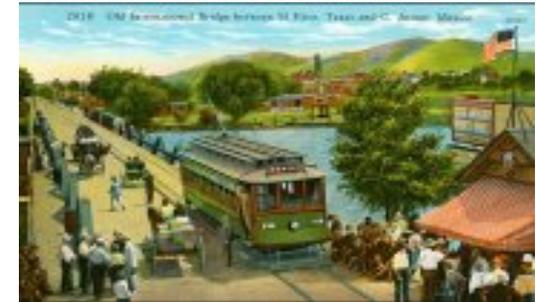
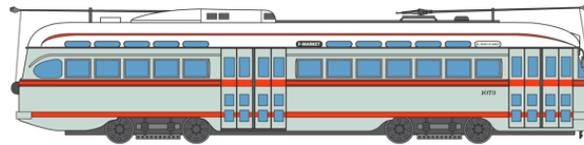
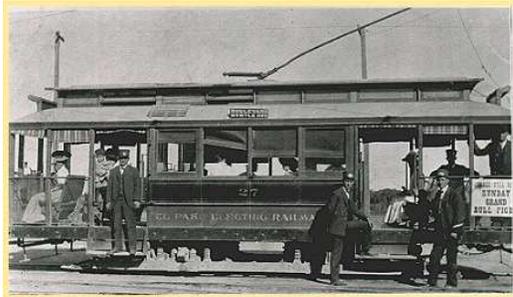
Wait Times are transformed to the optimal and secure flows of People-Goods-Commerce.





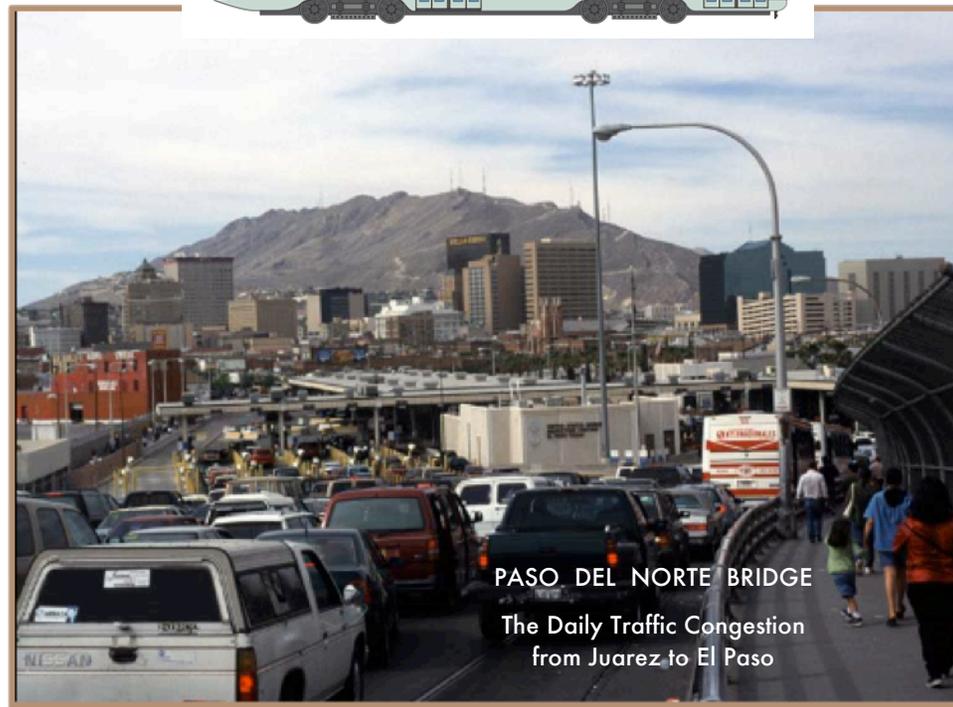
PROJECT - 21 : 100 DAY PLAN

ACTION PLAN #2: To Revisit the Historical Passages of the Past with the Secure and Trusted flow of People-Goods-Commerce From Mule-drawn Wagons - to Horse-drawn Trolleys - to Electric-powered Streetcars, the Future revisits the Past.



From 1881 to 1974, a fleet of streetcars looped from downtown El Paso to downtown Juarez. This first bi-national trolley system in the world was based on the secure and trusted flow of people, goods and commerce.

In timely intervals, the looping streetcars were filled to capacity with thousands of passengers from all walks of life. The Border was seamless, as the passengers crossed to work, to shop, to dine and to visit family members. The name 'Borderplex' was a reality.



PASO DEL NORTE BRIDGE
The Daily Traffic Congestion from Juarez to El Paso

Action Plan #2 of Project-21 is aligned to repeat the trusted security and economic dynamics of the past. In this order, trusted pedestrians use TransBorde buses to eliminate Wait Times and achieve the economic and quality of life benefits of both cities.

Using strategically placed Bus Stations in both cities, applied RFID Systems are used to secure the identity of each passenger (getting 'On' and 'Off' each Bus). Each Bus and route is monitored for optimal visibility and security.



PROJECT - 21 : 100 DAY PLAN

ACTION PLAN #3: To eliminate major Traffic Congestion for Passenger Vehicles during Peak Periods at the Bridge of the Americas Port of Entry ("BOTA")

Traffic Congestion during peak periods greatly impacts both Trucks and Passenger Vehicles. Project-21 100-Day Plan will focus on Passenger Vehicles at BOTA and apply a secure dedicated lane to guarantee non-stop flow of qualified vehicles during peak periods of congestion ("the High Security Lane").



This view is the BOTA entrance for southbound vehicles. The Mexican flag in the horizon marks the Mexico-side of the Border (notice the singular line for commercial trucks).

THE HIGH SECURITY LANE ('HSL') APPLIES TREND FOR HOT LANES

A new trend in highly congested highways: HOT Lane is the name assigned to a standard HOV Lane with value pricing for users. The BOTA HSL Lane will be used for non-stop passage to and thru the U.S.-Mexico Border: A Pilot Program of Project-21 will enable the major reduction of Traffic Congestion for Passenger Vehicles at BOTA. During peaked hours of Traffic Congestion, the use of High Security Lanes will reduce hours of congestion to minutes.



A Pioneering First: The innovative use of HSL LANES for the Border is being developed for Pilot Program at BOTA. The first stage will be for southbound Passenger Vehicles, but the traffic congestion represents a wasteland of Wait Times in both directions.

In this order, the proven core model can be cost-effectively replicated at all major Border crossings. In the case of BOTA, the capacity for High Security Lanes to process thousands of vehicles has an immediate profound impact.



This view is the San Ysidro Port of Entry from the City of Tijuana to San Diego.

The overlay of High Security Lane proves that it can be readily implemented at all major Border Crossings.

The interactive convergence of Action Plans #1 and #3 develops a core platform and benefits for the Model Border.

HSL LANE applies special access and 'Non-Stop' flow for Trusted Participants

1,200 TO 1,500 VEHICLES PER HOUR 'Non-Stop' 40 to 50 MPH

In combination with Zaragoza International Bridge, the major increase in capacity for both commercial trucks and passenger vehicles eliminates the need for major investments in new Bridges and costly infrastructure. The views above clearly define the low-cost expedited implementation of High Security Lanes, as required to eliminate the traffic congestion ... especially during peak hours.



BORDER 2020
U.S.-Mexico Environmental Program



PROJECT-21: 100 DAY PLAN

THE CONVERGENCE OF ACTION PLANS #1 AND #3

Project-21 is part of the Border 2020 Environmental Program

The Border 2020 Declaration: "As the home to over 14 million people and one of the busiest cross-border trade regions in the world, protecting human health and the environment with 'sustainable development' is essential to ensuring that the U.S.-Mexico border becomes safe, healthy and economically productive." In 2011, 4.9 million trucks crossed the Border. The results: Diesel-based contamination plagues millions of people along the southerly Border.

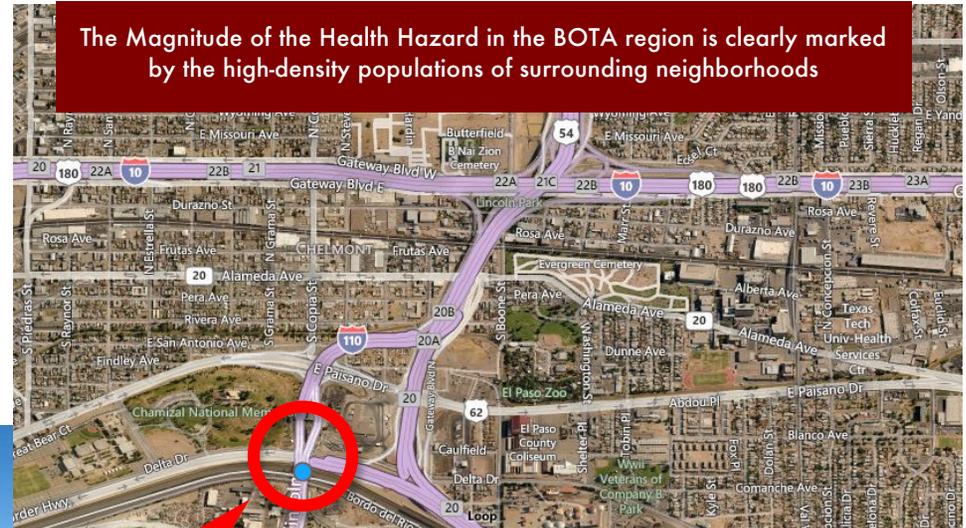
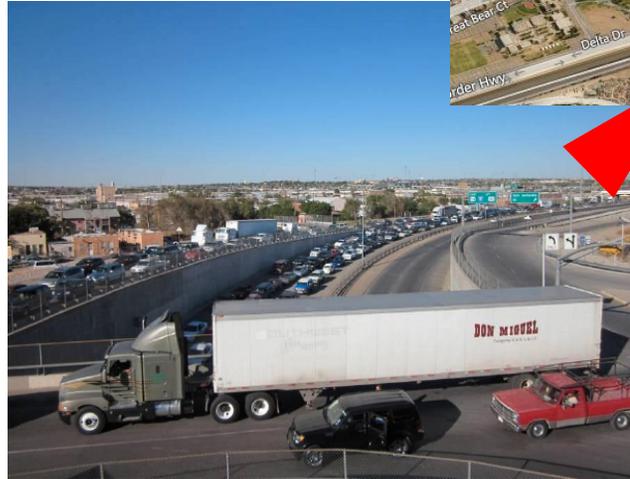
The El Paso-Juarez region is the largest Border community and within the next two decades, 3.4 million people will reside in this region. In this order, Frontera-21 is aligned to achieve 'billions of dollars' of health-related economic benefits for Border 2020 and the Model Border of the 21st Century.

THE ENVIRONMENTAL CHALLENGE

The only viable option for a healthful and economically productive solution: To remove diesel-based contaminants by moving 'all' commercial trucks to Zaragoza International Bridge.

BOTA and the density of the surrounding neighborhoods becomes the perfect laboratory to analyze the elimination of diesel-based contaminations. The work force of the Customs Services of both Nations becomes part of this analysis.

The move from BOTA to Zaragoza cannot be seen as simply moving the health risks from one Border crossing to another. The goal of Project-21 is for 1/3 of all shipments to become certified for use of Dedicated Lanes and optimal Risk Segmentation on the Mexico-side of the Border. The fluid flow of trusted commerce will eliminate Wait Times and inherent pollution levels. The health and economic benefits can be readily applied to the entire Border.



The Magnitude of the Health Hazard in the BOTA region is clearly marked by the high-density populations of surrounding neighborhoods

BOTA is the Border Crossing with the worst Traffic Congestions and Contaminations

- Adjacent figure clearly displays the major Traffic Congestion at peak hours
- All movement of trucks and passenger vehicles sputters to hours of wait times
- 1,000 Trucks-per-day releasing Diesel-based contaminations
- And 'Surrounded' by Neighborhoods with very dense Populations

Secure Lanes define a new Environmental standard: The BOTA laboratory continues with the use of High Security Lanes (HSL) for Passenger Vehicles. During peak hours, a singular lane has the capacity for 1,200-to-1500 vehicles per hour (based on 40-to-50 MPH). The HSL Lanes will greatly reduce pollution, as many vehicles are too old to comply with emission standards. This model will define the Environmental Benefits and Healthful Economic profile for all Border crossings with major traffic congestion.



PROJECT-21 PLAN FOR 2013



TECMA – SecureOrigins Joint Proposal
For the consideration of the City of El Paso

March 7, 2013

The opening section presents the plan of Project-21 being submitted to Secretary Janet Napolitano of the U.S. Department of Homeland Security (“DHS”). Secretary Napolitano actually requested this submittal from Mayor John Cook, as part of the mission-critical mandate of DHS to support vital projects that can serve the Security and Economic Prosperity of the U.S.-Mexico Border (“the Border”).

In this submittal, Project-21 is defined by three specific action plans to serve and fulfill the Model Border:

- (1) Action Plan #1: To complete the implementation of the two Dedicated Lanes and Risk Segmentation on the Mexico-side of Zaragoza International Bridge. Then the core model of Project-21 is ready to secure, facilitate and grow the flow of trusted cross-border shipments.
- (2) Action Plan #2: The Staged Implementation of Secure Cross-Border Buses to facilitate the movement of thousands of Pedestrians across the Paso Del Norte International Bridge.
- (3) Action Plan #3: To eliminate major Traffic Congestion for Passenger Vehicles during the Peak Periods at the Bridge of the Americas Port of Entry (“BOTA”).

The time period of 100-Days is intended to organize and mobilize the best resources and capacity to achieve each higher order of Project-21 in the El Paso-Juarez region. During this period, the core model is ready for optimal scalability and cost-effective replication to serve all major Border regions.

The Unrivaled Vantage Point: Project-21 is being implemented and supported from a state-of-the-art Operational Center that provides fiber-optic broadband coverage of the entire 1,900-mile Border (both nations), which includes the inherent primary trading corridors of North America. The enabling partnerships and stakeholders from all sectors of both nations fully empower an effective Public-Private Partnership to serve and deliver the Model Border of the 21st Century (“PPP-21”).

In this submittal, we respectfully request an extension of the current Agreement for another three months (March-April-May) and at the same terms and base rate of \$65,000 per month for a total of \$195,000.

The Holistic Approach: We believe that our strategy to focus on the importance of the whole and the interdependence of its parts is proving highly successful. The orderly convergence will truly multiply the scope and pace of achieving the Model Border. The unrivaled vantage point is further enhanced with the Memorandum of Understanding executed by Mayor John Cook and U.S. Customs and Border Protection, U.S. Department of Homeland Security (effective January 18, 2013, in Washington DC).

Respectfully submitted,

K. Alan Russell
Chief Executive Officer
The Tecma Group of Companies

Toby Spoon
President
SecureOrigins, Inc.



Report on the 90 – Day Secure Origins Pilot Program

March 21, 2013
Presentation to the Special City Council Meeting



- Pilot Program approved by Council October 2, 2012.
- Term of Pilot Program: October 15, 2012 to January 14, 2013.
- Compensation: \$195,000.
- Goal of the Pilot Program: To test the Secure Origins technology based shipment tracking system at the Zaragoza-Ysleta Port of Entry to enhance Border Crossing Time Efficiency.
- Secure Origins was to continue an additional uncompensated 90-day trial period.

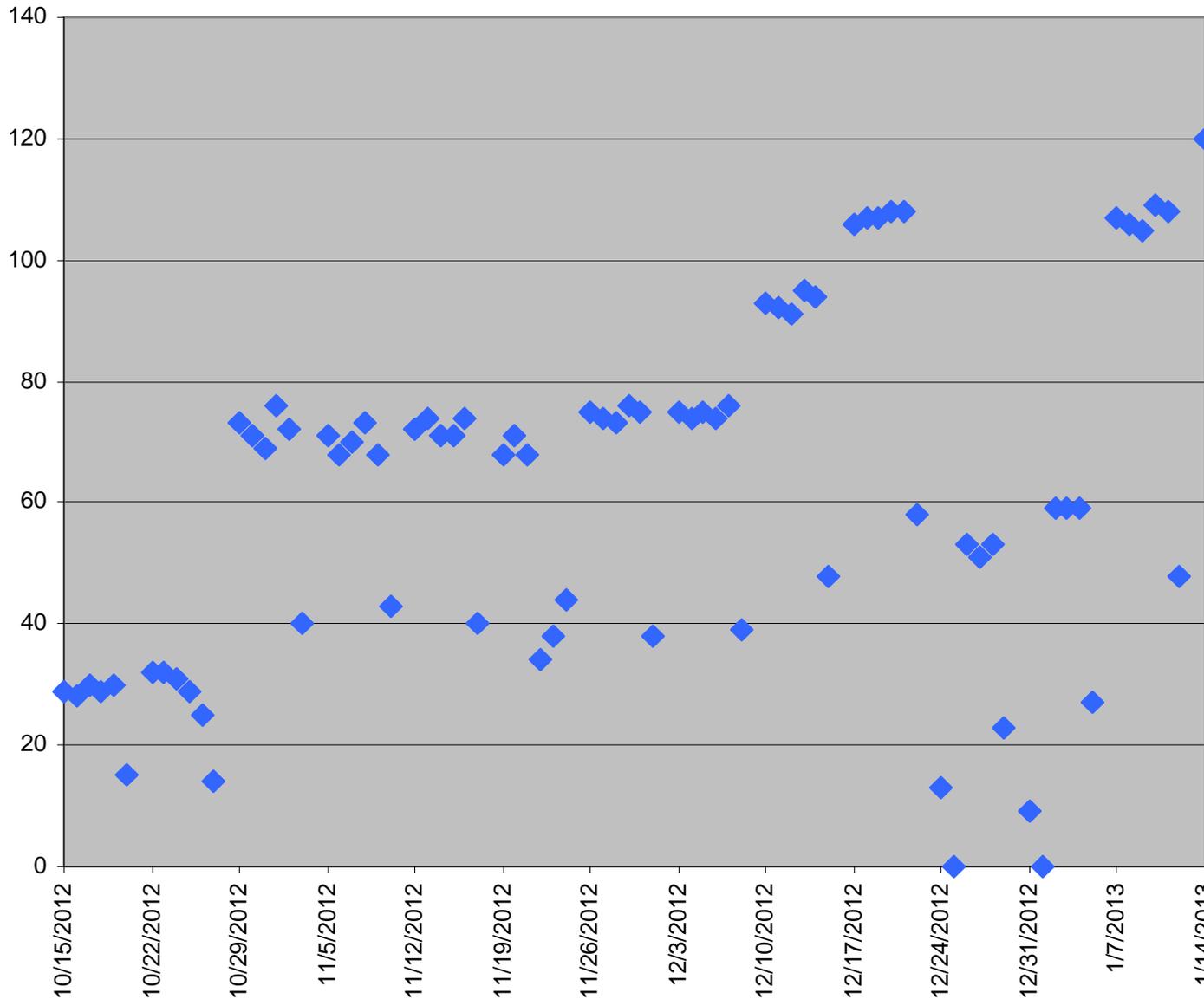


Secure Origins Responsibilities:

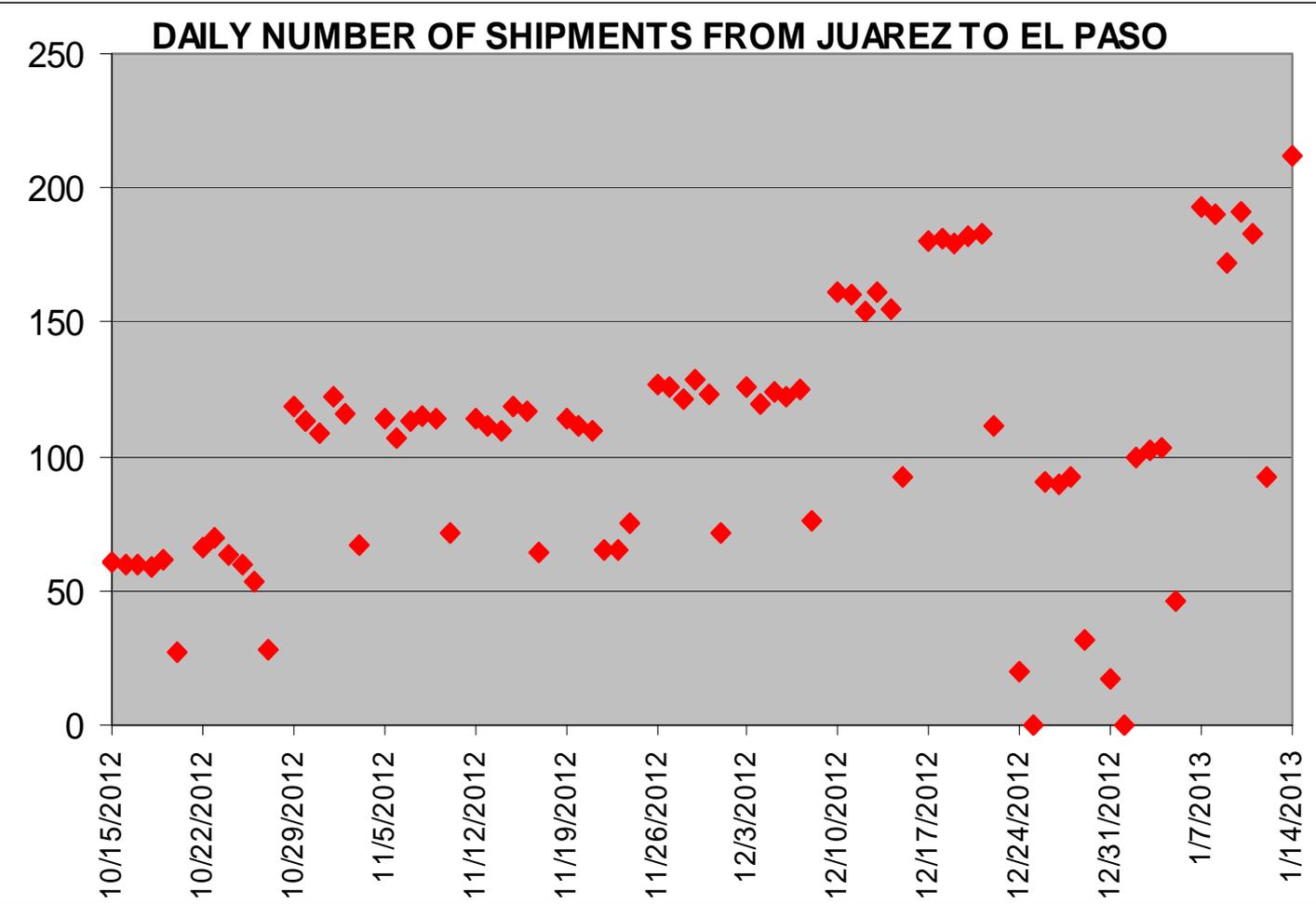
- Use technology to track a minimum of 100 trucks headed from Juarez to El Paso.
- Track the movement of a minimum of 250 daily C-TPAT shipments from Juarez to El Paso.
- Increase the number of roundtrips for participating trucks from the current 2.2 to 3 roundtrips.



DAILY NUMBER OF PARTICIPATING TRUCKS



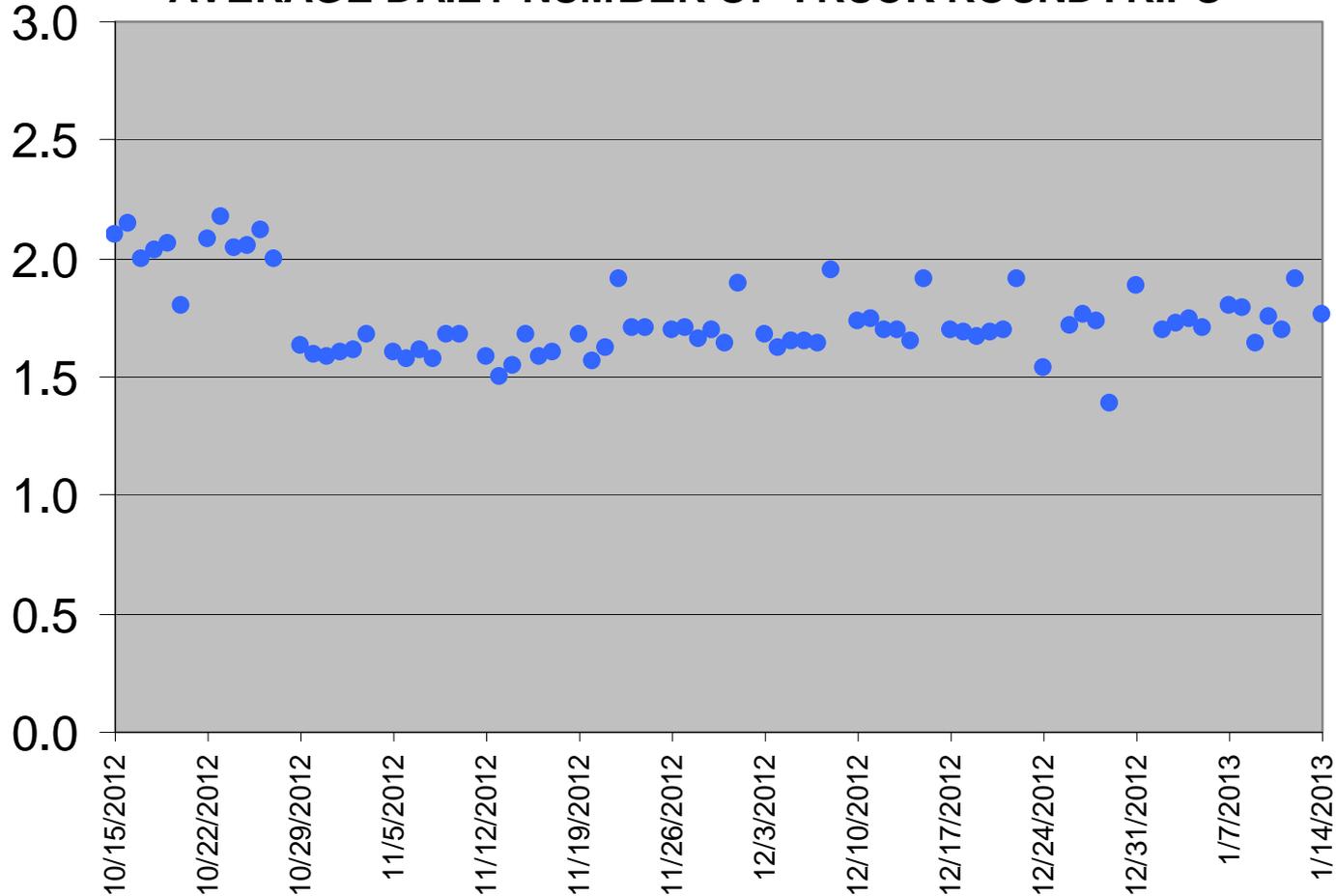
- Over 64 weekdays, the number of enrolled trucks exceeded 100 in only 11 days.
- For Saturdays, the number of enrolled trucks stayed consistently below 60, reaching a maximum of 58 on two (2) dates.



- Shipments, as defined in the Agreement from Juarez to El Paso, never reached the daily targeted goal of 250.
- Shipments during the Pilot Program reached a maximum of 212.



AVERAGE DAILY NUMBER OF TRUCK ROUNDTrips



- During the Pilot Program, the number of roundtrips averaged 1.8.
- Roundtrips reached a maximum of 2.2 October 23, 2012, at the beginning of the Pilot Program.



Questions or Comments