

CONTRACT NO. 473-25-00002
BETWEEN
THE PUBLIC UTILITY COMMISSION OF TEXAS
AND
SUPERIOR WATER MANAGEMENT OF TEXAS LLC
DBA SUPERIOR MANAGEMENT

This contract engages a Contractor to provide financial, managerial, and technical (FMT) assistance to water and sewer retail public utilities in Texas, as directed by the PUCT.

The parties to this contract are the Public Utility Commission of Texas (PUCT), an agency of the State of Texas, located at 1701 N. Congress Ave., Austin, Texas 78701, and Superior Water Management of Texas LLC, dba Superior Management (Contractor), with a mailing address of P.O. Box 130308, Spring, TX 77393-0308.

Article 1. DEFINITIONS

When used in this contract, the following terms have the following meanings:

- (1) **Business day** means a day other than a: (i) Saturday or Sunday; (ii) national holiday under Texas Government Code § 662.003(a); or (iii) state holiday under Texas Government Code § 662.003(b). Unless described as a ‘**business day**’, a ‘**day**’ means a calendar day.
- (2) **Commission** means the governing body of the PUCT.
- (3) **Contractor** means the person, organization, business entity, or other entity that is selected for the contract contemplated by RFP 473-25-00002.
- (4) **May** means “is authorized to.”
- (5) **Parties** means the PUCT and Contractor. **Party** means the PUCT or Contractor.
- (6) **PUCT** means the Public Utility Commission of Texas, an agency of the state of Texas.
- (7) **Services** means any and all services performed and any and all goods and products delivered by Contractor as specified in the Statement of Work, attached hereto as Exhibit A.
- (8) **Statement of Work** means the description of goods and services to be provided as specified in Exhibit A to this contract.
- (9) **Vendor** means a person, organization, business entity, or other entity that has been selected for or entered into a contract with a Texas state agency.
- (10) **Week** means seven consecutive calendar days.

Article 2. COMPENSATION

2.1 Compensation. Contractor agrees to provide all Services (including labor, expenses, and any other services) described in the Statement of Work, attached as Exhibit A, using the following pricing structure, to be paid after completion of Services.

- A. The following items correspond to the assignment types (FMT Field Assistance, Consolidation Assistance, Special Assignments, and Group Workshops), as more fully described in the Statement of Work, attached as Exhibit A, and the Contractor’s proposal.
- B. FMT Field Assistance unit prices reflect two levels of priority and response for the identified tasks in the Statement of Work, attached as Exhibit A. Contractor will perform no more than three tasks per assignment and one corresponding on-site FMT Field Assistance or off-site virtual assistance, as specified by the PUCT. Prices include all costs of performance, including materials, equipment, labor, communication, transportation, and planning to successfully complete the work.
- C. Cancellation unit price reflects FMT Field Assistance assignments that are unable to be completed due to utility circumstance and where work has commenced.
- D. Hourly personnel rates and other reimbursable costs (such as facility rental, presentation materials, associated travel) as allowed and approved shall be used in the event the PUCT issues a Special Assignment, Group Training, or other Training Session for Services and to successfully complete Training Sessions.
- E. Virtual is based on Texas Per Diem Rate of \$168.00

Item	Description	Unit	Unit Price (In Person)	Unit Price (Virtual)
1	FMT Field Assistance – Routine Priority	each	\$2,507.00	\$2,339.00
2	FMT Field Assistance – High Priority	each	\$3,598.00	\$3,430.00
3	Consolidation Assistance	each	\$4,290.00	\$4,122.00
4	Cancellation	each	\$705.00	NA
5	Unable to Schedule	each	\$215.00	NA
6	Group Workshops (TBD based on location, equipment, materials, supplies, & travel requirements, etc.)	Project specific	Project specific	Project specific
7	Project Manager	hour	\$137.00	NA
8	Financial & Managerial Assistance Technician	hour	\$90.00	
9	Data and Reports Technician	hour	\$65.00	NA
10	Administrative Staff	hour	\$53.00	NA
11	Other Personnel as required and approved	hour	Project specific	NA
12	Miscellaneous – reimbursable costs	Not to exceed	At cost	NA

The total price of this contract shall not exceed \$750,000.00 for the term of the contract. Contractor understands that the PUCT is not responsible for payment of any costs or expenses exceeding this amount.

If Contractor believes that changes in the scope of Services to be performed will require Contractor to increase its fee, it must request the PUCT's written authorization to increase its fee. Contractor must document the changes in the scope of Services and why they will require additional effort. The PUCT must approve the increase in fee by written amendment to this contract before Contractor performs any Services or may invoice the increased fee.

2.2 Payment Process. Contractor must submit an invoice to the PUCT contract administrator no later than the 15th business day after the month the Services were performed. The invoice must contain the name of the person performing Services and a brief description of work performed, including a description of any applicable deadlines for deliverables during the period invoiced and the date those deliverables were provided to the PUCT. No payment will be made for administrative overhead, overtime, or other costs not specifically described in this contract.

On the statement or invoice, Contractor must include a statement that the invoice accurately describes the Services performed and the Services were performed in compliance with the contract. The statement or invoice must include the vendor identification number issued by the Texas Comptroller or Contractor's federal taxpayer identification number, a description of the Services provided, and the name and division of the PUCT contract administrator.

Contractor must submit the invoice to the PUCT as follows:

By email to: Payables@puc.texas.gov

Or by mail to: Accounts Payable

Public Utility Commission of Texas

P.O. Box 13326

Austin, TX 78711-3326

The PUCT contract administrator will review the invoice and any other relevant documentation to ensure the Services were performed in compliance with the contract. If the invoice does not contain required information or documentation, or if the PUCT disputes that the Services were performed in compliance with the contract, the PUCT will reject the invoice and give the contractor its reasons and the opportunity to submit a corrected invoice.

Upon approval of the invoice, the PUCT will direct the payment of the invoice.

The PUCT reserves the right to withhold payment of any invoice(s) for poor performance, default, or non-compliance with the terms of the contract, without penalty to the PUCT. In such event, payment(s) may be withheld until the poor performance, default, or non-compliance is resolved in a manner satisfactory to the PUCT. The Contractor will not be entitled to any additional compensation from the PUCT for any damages or expenses incurred as a result of withheld payment(s) under this section.

2.3 Release of Claims. Contractor's acceptance of payment releases the PUCT of all claims for compensation owed in connection with this contract.

2.4 Refund. Contractor will promptly refund or credit within thirty calendar days any funds erroneously paid by PUCT which are not expressly authorized under the contract.

2.5 Payments Made to Subcontractors. Contractor must pay its subcontractors, if any, the appropriate share of payments received not later than the 10th day after the date Contractor receives the payment. The subcontractor's payment is overdue on the 11th day after the date Contractor receives the payment. The PUCT must approve Contractor's use of any subcontractor before Contractor engages the subcontractor (see Section 5.1 of this contract).

2.6 Records Retention. Contractor shall maintain and retain all records relating to the performance of the contract, including supporting fiscal documents adequate to ensure that claims for contract funds are in accordance with applicable State of Texas requirements. These records will be maintained and retained by Contractor for a period of seven (7) years after the contract expiration date or until all audit, claim, and litigation matters are resolved, whichever is later. Contractor must make all records available to the PUCT, PUCT's designee, or the State Auditor during normal business hours with reasonable notice, upon the request of the PUCT contract administrator.

2.7 Contracting Information Responsibilities. In accordance with Section 552.372 of the Texas Government Code, Contractor agrees to (1) preserve all contracting information related to the contract as provided by the records retention requirements applicable to the PUCT for the duration of the contract, (2) promptly provide to the PUCT any contracting information related to the contract that is in the custody or possession of the Contractor on request of the PUCT, and (3) on termination or expiration of the contract, either provide at no cost to the PUCT all contracting information related to the contract that is in the custody or possession of the Contractor or preserve the contracting information related to the contract as provided by the records retention requirements applicable to the PUCT. Except as provided by Section 552.374(c) of the Texas Government Code, the requirements of Subchapter J, Chapter 552, Government Code, may apply to the contract, and the Contractor agrees that the contract can be terminated if the Contractor knowingly or intentionally fails to comply with a requirement of that subchapter.

2.8 Sole Compensation. Payments under this Article are Contractor's sole compensation under this contract. Contractor must not incur expenses not contemplated under the Statement of Work, attached hereto as Exhibit A, with the expectation that the PUCT, the State of Texas, or any other agency of the State of Texas will pay the expense.

Article 3. CONTRACT ADMINISTRATION

3.1 PUCT Contract Administration. The PUCT designates Celia Eaves to serve as its primary point of contact and contract administrator throughout the term of this contract. Contractor acknowledges that the PUCT contract administrator does not have any authority to amend this contract on behalf of the PUCT, except as expressly provided herein. Contractor further acknowledges that such authority is exclusively held by the Commission exercising its authority through a vote in an open meeting, or the Executive Director of the PUCT as the Commission's authorized designee.

3.2 Contractor Contract Administration. Contractor designates its contract administrator as Phillip Givens, Chief Executive Officer.

3.3 Reporting. Contractor must report directly to the PUCT contract administrator and must perform all activities in accordance with the reasonable instructions, directions, and requests conveyed to Contractor by the PUCT contract administrator.

3.4 Cooperation. The Parties' respective contract administrators must handle all communications between them in a timely and cooperative manner. The Parties must timely notify each other by email or other written communication of any change in designee or contact information.

3.5 Media Releases. Contractor shall not use the PUCT's name, logo, or other likeness in any press release, marketing material, or other announcement without the PUCT's prior written approval. The PUCT does not endorse any vendor, commodity, or service. Contractor is not authorized to make or participate in any media releases or public announcements pertaining to this procurement, the response, or the services to which they relate without the PUCT's prior written consent, and then only in accordance with explicit written instructions from the PUCT. Contractor will promptly refer all inquiries regarding this contract received from state legislators, other public officials, the media, or anyone else not a Party to this contract to the PUCT contract administrator.

Article 4. REPORTS AND RECORDS

4.1 Written Reports. Contractor must provide written reports to the PUCT in the form and with the frequency specified in the Statement of Work, attached hereto as Exhibit A, or as otherwise agreed in writing between the Parties.

4.2 Distribution of Consultant Reports. Contractor agrees the PUCT has the right to distribute any consultant report associated with this contract, or to allow another Texas state agency or the Texas legislature to distribute it. The PUCT will also have the right to post any consultant report associated with this contract to the PUCT's website or to the website of a standing committee of the legislature. This provision does not waive any right to confidentiality that the PUCT may assert for the report or any portion thereof.

Article 5. SUBCONTRACTING PARTIES

5.1 Use of Subcontractors. The Parties acknowledge and agree that, at the time of execution of this contract, Contractor will utilize the following subcontractors to perform the Services required under this Contract: GEOTHEMATICS LLC and Elston Johnson and Associates. Contractor may not subcontract any or all of the work and/or obligations due under the contract without prior written approval of the PUCT. Subcontracts, if any, entered into by the Contractor shall be in writing and be subject to the requirements of the contract. Should Contractor subcontract any of the services required in the contract, Contractor expressly understands and acknowledges that in entering into such subcontract(s), the PUCT is in no manner liable to any subcontractor(s) of the Contractor. In no event shall this provision relieve Contractor of the responsibility for ensuring that the services performed under all subcontracts are rendered in compliance with the contract.

Contractor will notify the PUCT contract administrator of any other proposed subcontract and will work with the PUCT HUB Coordinator to procure such other subcontractor and to submit appropriate subcontractor selection documentation for approval prior to engaging any other

subcontractor, such approval not to be unreasonably withheld. Any subcontract not contemplated at the initiation of this contract and any subsequent substitution of a subcontractor must be approved by an amendment according to the terms of Article 7.

5.2 Sole Responsibility. Contractor is solely responsible for the quality and timeliness of the work produced by all subcontractors that Contractor may engage to provide Services hereunder and for the timely payment for all work produced by all subcontractors that the PUCT accepts in accordance with the terms of this contract.

5.3 Prime Vendor Contract. The Parties expressly agree that this contract is intended to constitute a prime vendor contract, with Contractor serving as the prime vendor for delivery of the Services made the subject hereof. Contractor acknowledges and agrees that it is fully liable and responsible for timely, complete delivery of the Services described in this contract, notwithstanding the engagement of any subcontractor to perform an obligation under this contract.

Article 6. TERM AND TERMINATION

6.1 Term. The term of this contract will begin on April 1, 2025, and will continue in effect until March 31, 2029, unless sooner terminated under Sections 6.2, 6.3, or 18.20 of this contract. Any extension of the contract must be agreed to by the Parties in writing.

6.2 Termination for Cause. If Contractor fails to provide the goods or services contracted for according to the provisions of the contract or fails to comply with any terms or conditions of the contract, the PUCT may serve upon Contractor written notice requiring Contractor to cure such default. Unless within thirty (30) days after receipt of said notice by Contractor, said default is corrected or arrangements satisfactory to the PUCT, as applicable, for correcting the default have been made by Contractor, the PUCT may terminate this contract for default and will have all rights and remedies provided by law and under this contract. If the PUCT terminates Contractor for a violation of Section 18.20 of this contract, the PUCT need not provide any notice or opportunity for curing the default. The PUCT will not be liable for any damages or loss to Contractor as a result of termination for cause.

6.3 Termination for Convenience. The PUCT reserves the right to terminate the contract at any time, in whole or in part, without cost or penalty, by providing thirty (30) calendar days' advance written notice, if the PUCT determines that such termination is in the best interest of the State. In the event of such a termination, Contractor must, unless otherwise mutually agreed upon in writing, cease all work immediately upon the effective date of termination. The PUCT shall be liable for payments limited only to the portion of work the PUCT authorized in writing and which Contractor has completed, delivered to the PUCT and which has been accepted by the PUCT. All such work shall have been completed, in accordance with contract requirements, prior to the effective date of termination. The PUCT shall have no other liability, including no liability for any costs associated with the termination.

6.4 Transfer of Duties. In the event of termination, Contractor will provide reasonable cooperation to transfer its duties under the contract to another entity without disruption to the provision of Services.

6.5 Remedies for Breach. All remedies available to the PUCT for breach or anticipatory breach of this contract by Contractor are cumulative and may be exercised concurrently or separately, and the exercise of any one remedy will not be deemed an election of such remedy to the exclusion of other remedies. Actual damages, cost projections, and injunctive relief may also be invoked either separately or combined with any other remedy in accordance with applicable law.

Liquidated Damages.

Contractor's failure to meet the Parties' agreed-upon deadlines for Services set forth in the Statement of Work, attached hereto as Exhibit A, would result in damages to the PUCT that, by their nature are difficult to ascertain. Deadlines will not be considered unmet if delays arise from circumstances outside the Contractor's reasonable control, including force majeure events, delays caused by the PUCT, delays caused by a utility, or delays arising from mutual agreement between the Contractor and PUCT. Liquidated damages may be assessed, in the PUCT's sole discretion, at the rate(s) set forth below. The liquidated damages are not intended to be a penalty and are solely intended as compensation for damages.

Assignments. If the Contractor fails to complete an assignment by the due date agreed upon by the Parties, the Contractor will owe the PUCT \$5,000 per week past the deadline until the assignment is completed.

6.6 Survival. Expiration or termination of the contract for any reason does not release Contractor from any liability or obligation set forth in the contract that is expressly stated to survive any such expiration or termination, that by its nature would be intended to be applicable following any such expiration or termination, or that is necessary to fulfill the essential purpose of the contract, including without limitation the provisions regarding warranty, indemnification, confidentiality, and rights and remedies upon termination.

Article 7. ASSIGNMENT, AMENDMENTS, AND MODIFICATIONS

7.1 Material Change Requests. The PUCT may propose changes to the Statement of Work attached hereto as Exhibit A. Upon receipt of a written request from the PUCT for a change to the Statement of Work, Contractor must, within the deadline specified in the request, or if no deadline is specified within a reasonable time after the request, submit to the PUCT a detailed written estimate of any proposed price and schedule adjustments to this contract. No changes to the Statement of Work will occur without the Parties' written consent as provided in accordance with the terms stated in this contract.

7.2 Change in Law and Compliance with Laws. Contractor shall comply with all laws, regulations, requirements and guidelines applicable to a vendor providing services and products required by the contract to the State of Texas, as these laws, regulations, requirements and guidelines currently exist and as amended throughout the term of the contract. The PUCT reserves the right, in its sole discretion, to unilaterally amend the contract prior to award and throughout the term of the contract to incorporate any modifications necessary for the PUCT's compliance, as an agency of the State of Texas, with all applicable state and federal laws, regulations, requirements and guidelines.

7.3 Assignment. Contractor shall not assign its rights under the contract or delegate the performance of its duties under the contract without prior written approval from the PUCT. Any attempted assignment in violation of this provision is void and without effect.

7.4 Amendments and Modifications. This contract may not be amended or modified in any manner except by written instrument executed by authorized representatives of the Parties in accordance with the terms of this contract.

7.5 Binding Effect. The contract shall be binding upon and shall inure to the benefit of the PUCT and Contractor and to their representatives, successors, and assigns.

Article 8. REPRESENTATIONS, WARRANTIES, AND COVENANTS

8.1 Warranty of Performance. Contractor represents, warrants, and covenants that it will perform the Services outlined in the Statement of Work attached hereto as Exhibit A in a professional and workmanlike manner, consistent with professional standards of practice in the professional industry.

8.2 Warranty of Services. Contractor warrants that the Services will be rendered by the qualified personnel named in Section 19.8 of this contract. If Services provided under this contract require a professional license, then Contractor represents, warrants, and covenants that the activity will be performed only by duly licensed personnel.

Article 9. RISK OF LOSS AND PROPERTY RIGHTS

9.1 Risk of Loss. The risk of loss for all items to be furnished hereunder will remain with Contractor until the items are delivered to and accepted by the PUCT, at which time the risk of loss will pass to the PUCT.

9.2 Ownership. Except for materials where any intellectual property rights are vested in a third party, such as software or hardware, in which case such rights remain the property of the third party, all finished materials, deliverables, conceptions, or products created or prepared for or on behalf of the PUCT and purchased by the PUCT, or on behalf of the PUCT, that the PUCT has accepted as part of the performance of Services hereunder, will be the PUCT's property exclusively and will be given to the PUCT either at the PUCT's request during the term of the contract or upon termination or expiration of the contract. Notwithstanding the foregoing, materials created, prepared for, or purchased exclusively by the PUCT or on behalf of the PUCT are the PUCT's exclusive property regardless of whether delivery to the PUCT is effectuated during or upon termination or expiration of this contract.

9.3 Prior Works. Except as provided herein, all previously owned materials, conceptions, or products prior to execution of the contract will remain the property of Contractor and nothing contained in this contract will be construed to require Contractor to transfer ownership of such materials to the PUCT.

9.4 Trademark Ownership. Contractor hereby acknowledges and agrees that trademarks owned by the PUCT remain the exclusive property of the PUCT, that all right, title, and interest in and to the trademarks are exclusively held by the PUCT, and all goodwill associated with such trademarks inures solely to the PUCT.

9.5 Program Information. Program information, data, and details relating to Contractor's Services under this contract must be maintained separately from Contractor's other activities. Contractor must undertake all reasonable care and precaution in the handling and storing of this information.

9.6 Provision to be Inserted in Subcontracts. Contractor must insert a provision containing Sections 9.2 and 9.5 of this contract in all subcontracts hereunder except altered as necessary for proper identification of the contracting Parties and the PUCT under this contract.

Article 10. PUBLIC INFORMATION ACT

10.1 Public Information Act. Contractor understands that the PUCT will comply with the Texas Public Information Act (Chapter 552 of the Texas Government Code) as interpreted by judicial rulings and opinions of the Attorney General of the State of Texas. Information, documentation, and other material in connection with the solicitation of, or this resulting contract, may be subject to public disclosure pursuant to the Texas Public Information Act. In accordance with Section 2252.907 of the Texas Government Code, Contractor is required to make any information created or exchanged with the State pursuant to the contract, and not otherwise excepted from disclosure under the Texas Public Information Act, available in a format that is accessible by the public at no additional charge to the State. For the purpose of this paragraph, paper documents, Adobe Portable Document Format files (.pdf), Microsoft Excel spreadsheets (.xls), Microsoft Word documents (.docx), and Hypertext Markup Language (.html) files will be considered "accessible by the public," unless another format is specified by the PUCT, at the PUCT's sole discretion.

The Parties acknowledge that not all terms of this contract may be confidential under the PIA, regardless of whether those terms are marked "Proprietary," "Trade Secret," or "Confidential." The PUCT will notify Contractor of requests for Contractor's information as required under the PIA. If information created or exchanged with the state pursuant to this contract is excepted from disclosure under the PIA, Contractor will not be required to make the information available to the public but may be required to facilitate the PUCT's provision of the information to the Texas Attorney General for a decision on the information's confidentiality. The PUCT has no duty or responsibility to argue a defense of confidentiality to Contractor's information or data; it will be Contractor's sole responsibility to do so.

Article 11. CONFLICTS OF INTEREST AND EMPLOYMENT RESTRICTION

11.1 No Conflicts of Interest. Contractor represents and warrants that the provision of goods and services or other performance under the contract will not constitute an actual or potential conflict of interest or reasonably create an appearance of impropriety.

11.2 Prohibition on Transactions with Parties Adverse to the PUCT. Contractor agrees that during the term of this contract and any extensions or renewals thereof, it will neither provide contractual services nor enter into any agreement, oral or written, to provide services to a person or organization that is regulated or funded by the PUCT or that has interests that are directly or indirectly adverse to those of the PUCT. The PUCT may waive this provision in writing if, in the PUCT's sole judgment, such activities of the Contractor will not be adverse to the interests of the PUCT.

11.3 Notice of Conflict. Contractor agrees to promptly notify the PUCT of any circumstance that may create a real or perceived conflict of interest, whether arising prior to or during the term of the contract. Contractor agrees to use its best efforts to resolve any real or perceived conflict of interest to the satisfaction of the PUCT. If Contractor fails to do so, it will be grounds for termination of this contract for cause, pursuant to Section 6.2 of this contract.

11.4 Prohibited Employment. Contractor agrees that it will not hire any person whose employment with Contractor would violate any of the employment restrictions in Texas Government Code Chapter 572 or Texas Utilities Code Chapter 12.

Article 12. INDEMNIFICATION

CONTRACTOR SHALL DEFEND, INDEMNIFY AND HOLD HARMLESS THE STATE OF TEXAS AND THE PUCT, AND/OR THEIR OFFICERS, AGENTS, EMPLOYEES, REPRESENTATIVES, CONTRACTORS, ASSIGNEES, AND/OR DESIGNEES FROM ANY AND ALL LIABILITY, ACTIONS, CLAIMS, DEMANDS, OR SUITS, AND ALL RELATED COSTS, ATTORNEY FEES, AND EXPENSES ARISING OUT OF, OR RESULTING FROM ANY ACTS OR OMISSIONS OF CONTRACTOR OR ITS AGENTS, EMPLOYEES, SUBCONTRACTORS, ORDER FULFILLERS, OR SUPPLIERS OF SUBCONTRACTORS IN THE EXECUTION OR PERFORMANCE OF THE CONTRACT AND ANY PURCHASE ORDERS ISSUED UNDER THE CONTRACT. THE DEFENSE SHALL BE COORDINATED BY CONTRACTOR WITH THE OFFICE OF THE TEXAS ATTORNEY GENERAL WHEN TEXAS STATE AGENCIES ARE NAMED DEFENDANTS IN ANY LAWSUIT AND CONTRACTOR MAY NOT AGREE TO ANY SETTLEMENT WITHOUT FIRST OBTAINING THE CONCURRENCE FROM THE OFFICE OF THE TEXAS ATTORNEY GENERAL. CONTRACTOR AND THE PUCT AGREE TO FURNISH TIMELY WRITTEN NOTICE TO EACH OTHER OF ANY SUCH CLAIM.

Article 13. INSURANCE

13.1 Contractor Responsibility. Contractor agrees to comply with all state and federal laws applicable to the liability and payment of Contractor and Contractor's employees, including laws regarding wages, taxes, insurances, and workers' compensation. Neither the PUCT nor the State of Texas will be liable to the Contractor, its employees, agents, or others for the provision of unemployment insurance or workers' compensation or any benefit available to a state employee.

13.2 Minimum Insurance. Contractor must, at its sole cost and expense, secure and maintain as a minimum, from the effective date of this contract and thereafter during the term of this contract and any renewals or extensions thereof, for its own protection and the protection of the PUCT and the State of Texas:

- a) commercial liability insurance, covering, at a minimum, the following categories of liability within the following limits: (i) bodily injury and property damage - \$1,000,000 limit per occurrence, \$2,000,000 aggregate, (ii) medical expense - \$5,000 limit per person, (iii) personal injury and advertising liability - \$1,000,000 limit, (iv) products or completed operations – \$2,000,000 aggregate, (v) damage to premises rented - \$50,000 limit;
- b) automobile liability coverage for vehicles driven by Contractor's employees (\$500,000 per occurrence);

- c) workers' compensation insurance in accordance with the statutory limits, as follows: (i) employer's liability - \$1,000,000 each incident; and (ii) disease - \$1,000,000 each employee and \$1,000,000 policy limit; and
- d) cyber incident coverage to include: privacy breach related legal expenses to review and determine responsibilities under privacy breach laws; expenses related to compliance with privacy law notification requirements; credit and identification monitoring for up to 12 months after a cyber incident; expenses related to forensic investigations to investigate a system intrusion into the Contractor's computer system; and expenses to hire a public relations firm for public communications response; and

The PUCT and the State of Texas must be named an additional insured on the commercial liability and automobile policies.

Insurance coverage must be from companies licensed by the State of Texas to provide insurance with an "A" rating from A.M. Best and authorized to provide the corresponding coverage.

13.3 Certificates of Insurance. Contractor must furnish to the PUCT certificates of insurance and any applicable endorsements, signed by authorized representatives of the surety or insurers, of all such bonds and insurance and confirming the amounts of such coverage within ten (10) days of the effective date of this contract, and upon request thereafter. Contractor must provide the PUCT contract administrator with timely renewal certificates as the coverage renews. Failure to maintain such insurance coverage specified herein, or to provide such certificates or endorsements promptly, will constitute a material breach of this contract. Contractor must provide thirty (30) days written notice of any notice for renewal or cancellation of insurance.

Article 14. DISPUTE RESOLUTION

The dispute resolution process provided for in Chapter 2260 of the Texas Government Code must be used to attempt to resolve any dispute arising under the contract.

Article 15. SOVEREIGN IMMUNITY

Nothing in the contract shall be construed as a waiver of the PUCT's or the State's sovereign immunity. This contract shall not constitute or be construed as a waiver of any of the privileges, rights, defenses, remedies, or immunities available to the PUCT or the State of Texas. The failure to enforce, or any delay in the enforcement, of any privileges, rights, defenses, remedies, or immunities available to the PUCT or the State of Texas under the contract or under applicable law shall not constitute a waiver of such privileges, rights, defenses, remedies, or immunities or be considered as a basis for estoppel. The PUCT does not waive any privileges, rights, defenses, or immunities available to the PUCT by entering into the contract or by its conduct prior to or subsequent to entering into the contract.

Article 16. GOVERNING LAW AND VENUE

The contract shall be governed by and construed in accordance with the laws of the State of Texas, without regard to the conflicts of law provisions. The venue of any suit arising under the contract is fixed in any court of competent jurisdiction of Travis County, Texas, unless the specific venue is otherwise identified in a statute which directly names or otherwise identifies its applicability to the PUCT.

Article 17. COMPLIANCE WITH LAW

17.1 General. Contractor must comply with all federal, state, and local laws, executive orders, regulations, and rules applicable at the time of performance. Contractor warrants that all Services sold hereunder will have been produced, sold, delivered, and furnished in strict compliance with all applicable laws and regulations to which they are subject. Contractor represents and warrants its compliance with all applicable duly enacted state and federal laws governing equal employment opportunities. Contractor further represents and warrants that all articles and services shall meet or exceed the safety standards established and promulgated under the Federal Occupational Safety and Health Act of 1970, as amended (29 U.S.C. Chapter 15).

17.2 Taxes. Purchases made for State of Texas use are exempt from the State Sales Tax and Federal Excise Tax. The PUCT will furnish Tax Exemption Certificates upon request. Contractor represents and warrants that it shall pay all taxes or similar amounts resulting from the contract, including, but not limited to, any federal, State, or local income, sales or excise taxes of Contractor or its employees. The PUCT shall not be liable for any taxes resulting from the contract.

17.3 Workers' Compensation. Contractor agrees that it will be in compliance with applicable state workers' compensation laws throughout the term of this contract and any renewals or extensions thereof.

17.4 Conflicts. Contractor agrees to abide by the requirements of and policy directions provided by the Texas statutes and the rules and regulations of the PUCT. Contractor agrees to inform and consult with the PUCT when further interpretations or directions are needed in order to fully implement the rules and regulations of the PUCT. In the event that Contractor becomes aware of inconsistencies between this contract and a Texas statute or PUCT rule, Contractor will so advise the PUCT immediately and will cooperate fully to revise applicable provisions of this contract, as necessary.

17.5 Unfair Business Practices. Contractor represents and warrants that it has not been the subject of allegations of Deceptive Trade Practices violations under Chapter 17 of the Texas Business and Commerce Code, or allegations of any unfair business practice in any administrative hearing or court suit, and that Contractor has not been found to be liable for such practices in such proceedings. Contractor certifies that it has no officers who have served as officers of other entities who have been the subject of allegations of Deceptive Trade Practices violations or allegations of any unfair business practices in an administrative hearing or court suit and that such officers have not been found to be liable for such practices in such proceedings.

17.6 Americans with Disabilities Act. Contractor represents and warrants its compliance with the requirements of the Americans With Disabilities Act (ADA) and its implementing regulations, as each may be amended.

17.7 Lobbying Prohibition. Contractor represents and warrants that the PUCT's payments to Contractor and Contractor's receipt of appropriated or other funds under the contract are not prohibited by Sections 556.005 or 556.0055 of the Texas Government Code.

17.8 Disclosure of Interested Parties. Contractor represents and warrants that if applicable, it will submit to the PUCT a Certificate of Interested Parties prior to contract execution in accordance with Section 2252.908 of the Texas Government Code.

Article 18. CONTRACTOR’S CERTIFICATION

By accepting the terms of this contract, Contractor certifies that, to the extent applicable, it is in compliance with the following requirements. Contractor understands and agrees that a false certification may lead to termination of this contract for cause.

18.1 Dealings with Public Servants Affirmation. Contractor has not given, offered to give, nor intends to give at any time hereafter any economic opportunity, future employment, gift, loan, gratuity, special discount, trip, favor, or service to a public servant in connection with this contract.

18.2 Debt and Delinquency Affirmation. Contractor agrees that any payments due under the contract shall be applied towards any debt or delinquency that is owed to the State of Texas.

18.3 Excluded Parties. Contractor certifies that it is not listed in the prohibited vendors list authorized by Executive Order No. 13224, “Blocking Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism”, published by the United States Department of the Treasury, Office of Foreign Assets Control.

Foreign Terrorist Organizations. Contractor further represents and warrants that it is not engaged in business with Iran, Sudan, or a foreign terrorist organization, as prohibited by Section 2252.152 of the Texas Government Code.

18.4 Antitrust. Contractor represents and warrants that, in accordance with Section 2155.005 of the Texas Government Code, neither Contractor nor the firm, corporation, partnership, or institution represented by Contractor, or anyone acting for such a firm, corporation or institution has (1) violated any provision of the Texas Free Enterprise and Antitrust Act of 1983, Chapter 15 of the Texas Business and Commerce Code, or the federal antitrust laws, or (2) communicated directly or indirectly the contents of RFP 473-25-00002, its proposal, or this contract to any competitor or any other person engaged in the same line of business as Contractor.

18.5 Prohibited Compensation. Contractor has not received compensation from the PUCT, or any agent, employee, or person acting on the PUCT’s behalf for participation in the preparation of this contract.

18.6 Financial Participation Prohibited Affirmation. Under Section 2155.004(b) of the Texas Government Code, Contractor certifies that the individual or business entity named in this contract is not ineligible to receive the specified contract and acknowledges that the contract may be terminated and payment withheld if this certification is inaccurate.

18.7 Child Support Obligation Affirmation. Under Section 231.006 of the Family Code, the Contractor certifies that the individual or business entity named in this contract is not ineligible to receive the specified payments and acknowledges that this contract may be terminated and payment may be withheld if this certification is inaccurate in addition to other remedies set out in § 231.006(f).

18.8 Executive Head of State Agency Affirmation. In accordance with Section 669.003 of the Texas Government Code, relating to contracting with the executive head of a state agency, Contractor certifies that it is not (1) the executive head of the PUCT, (2) a person who at any time during the four years before the date of the contract was the executive head of the PUCT, or (3) a person who employs a current or former executive head of the PUCT.

Former Agency Employees. Further, Contractor represents and warrants that none of its employees including, but not limited to, those authorized to provide services under the contract, were former employees of the PUCT during the twelve (12) month period immediately prior to the date of execution of the contract.

18.9 Buy Texas Affirmation. In accordance with Section 2155.4441 of the Texas Government Code, Contractor agrees that during the performance of a contract for services it shall purchase products and materials produced in Texas when they are available at a price and time comparable to products and materials produced outside this state.

18.10 Prior Disaster Relief Contract Violation. Under Sections 2155.006 and 2261.053 of the Texas Government Code, the Contractor certifies that the individual or business entity named in this contract is not ineligible to receive the specified contract and acknowledges that this contract may be terminated and payment withheld if this certification is inaccurate.

18.11 E-Verify Program. Contractor certifies that for contracts for services, it shall utilize the U.S. Department of Homeland Security's E-Verify system during the term of the contract to determine the eligibility of:

1. all persons employed by Contractor to perform duties within Texas; and
2. all persons, including subcontractors, assigned by Contractor to perform work pursuant the contract within the United States of America.

18.12 Suspension and Debarment. Contractor certifies that neither it nor its principals are debarred, suspended, proposed for debarment, declared ineligible, or otherwise excluded from participation in the contract by any state or federal agency.

18.13 Entities that Boycott Israel. Contractor represents and warrants that (1) it does not, and shall not for the duration of the contract, boycott Israel; or (2) the verification required by Section 2271.002 of the Texas Government Code does not apply to the contract. If circumstances relevant to this provision change during the course of the contract, Contractor shall promptly notify the PUCT.

18.14 COVID-19 Vaccine Passport Prohibition. Under Section 161.0085 of the Texas Health and Safety Code, Contractor certifies that the individual or business entity named in this contract is not ineligible to receive this contract.

18.15 Human Trafficking Prohibition. Under Section 2155.0061 of the Texas Government Code, the Contractor certifies that the individual or business entity named in this contract is not

ineligible to receive the specified contract and acknowledges that this contract may be terminated and payment withheld if this certification is inaccurate.

18.16 Energy Company Boycott. Contractor represents and warrants that: (1) it does not, and will not for the duration of the contract, boycott energy companies; or (2) the verification required by Section 2276.002 of the Texas Government Code does not apply to the contract. If circumstances relevant to this provision change during the course of the contract, Contractor shall promptly notify the PUCT.

18.17 Firearm Entities and Trade Associations Discrimination. Contractor verifies that: (1) it does not, and will not for the duration of the contract, have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association; or (2) the verification required by Section 2274.002 of the Texas Government Code does not apply to the contract. If circumstances relevant to this provision change during the course of the contract, Contractor shall promptly notify the PUCT.

18.18 Critical Infrastructure Affirmation. Pursuant to Texas Government Code § 2275.0102, Contractor certifies that neither it nor its parent company, nor any affiliate of Contractor or its parent company, is: (i) majority owned or controlled by citizens or governmental entities of China, Iran, North Korea, Russia, or any other country designated by the Governor under Texas Government Code § 2275.0103; or (ii) headquartered in any of those countries.

18.19 Disaster Recovery Plan. Upon request of the PUCT, Contractor shall provide the descriptions of its business continuity and disaster recovery plans.

18.20 False Statements. Contractor represents and warrants that all statements and information prepared and submitted in this document are current, complete, true, and accurate. Submitting a contract with a false statement or material misrepresentations made during the performance of a contract is a material breach of contract and may void any resulting contract.

18.21 Compliance with Executive Order GA 48. In accordance with Executive Order GA 48, Contractor certifies that it, and if applicable, any of Contractor's holding companies or subsidiaries, is not: (a) Listed in Section 889 of the 2019 National Defense Authorization Act (NDAA); or (b) Listed in Section 1260H of the 2021 NDAA; or (c) Owned by the government of a country on the U.S. Department of Commerce's foreign adversaries list under 15 C.F.R. § 791.4; or (d) Controlled by any governing or regulatory body located in a country on the U.S. Department of Commerce's foreign adversaries list under 15 C.F.R. § 791.4.

18.22 Disclosure of Prior State Employment. In accordance with Section 2254.033 of the Texas Government Code, relating to consulting services, Contractor certifies that it does not employ an individual who has been employed by the PUCT or another agency at any time during the two years preceding the submission of the response to RFP 473-25-00002 or, in the alternative, Contractor has disclosed in its response the following: (i) the nature of the previous employment with the PUCT or the other agency; (ii) the date the employment was terminated; and (iii) the annual rate of compensation for the employment at the time of its termination.

18.23 Restricted Employment for Certain State Personnel. Pursuant to Section 572.069 of the Texas Government Code, Contractor certifies that it has not employed and will not employ a former state officer or employee who participated in a procurement or contract negotiations for the PUCT involving Contractor within two (2) years after the date that the contract is signed or the procurement is terminated or withdrawn. This certification only applies to former state officers or employees whose state service or employment ceased on or after September 1, 2015.

Article 19. GENERAL PROVISIONS

19.1 Independent Contractor. Contractor and Contractor's employees, representatives, agents, subcontractors, suppliers, and third-party service providers shall serve as independent contractors in providing the services under the contract. Neither Party is an agent of the other and neither may make any commitments on the other party's behalf. Should Contractor subcontract any of the services required in the contract, Contractor expressly understands and acknowledges that in entering into such subcontract(s), the PUCT is in no manner liable to any subcontractor(s) of Contractor. In no event shall this provision relieve Contractor of the responsibility for ensuring that the services performed under all subcontracts are rendered in compliance with the contract. Contractor shall have no claim against the PUCT for vacation pay, sick leave, retirement benefits, social security, worker's compensation, health or disability benefits, unemployment insurance benefits, or employee benefits of any kind. The contract shall not create any joint venture, partnership, agency, or employment relationship between the Parties.

19.2 Non-Exclusivity. Nothing in this contract is intended nor will be construed as creating any exclusive arrangement between Contractor and PUCT. This contract will not restrict from acquiring any similar, equal, or like goods or services from other entities or sources. Further, the PUCT makes no express or implied warranty whatsoever that any minimum compensation or minimum quantity will be guaranteed under the contract.

19.3 Taxes and Statutory Withholdings. Contractor acknowledges that it is not a PUCT employee but is an independent contractor. Accordingly, it is Contractor's sole obligation to report as income all compensation received by Contractor under the terms of this contract. Contractor is solely responsible for all taxes (federal, state, or local), withholdings, social security, unemployment, Medicare, Workers' Compensation insurance, and other similar statutory obligations (of any governmental entity of any country) arising from, relating to, or in connection with any payment made to Contractor under this contract. Contractor must defend, indemnify and hold the PUCT harmless to the extent of any obligation imposed by law on the PUCT to pay any tax (federal, state, or local), withholding, social security, unemployment, Medicare, Workers' Compensation insurance, or other similar statutory obligation (of any governmental entity of any country) arising from, relating to, or in connection with any payment made to Contractor under this contract. Further, Contractor understands that neither it nor any of its individual employees is eligible for any PUCT employee benefit, including but not limited to holiday, vacation, sick pay, withholding taxes (federal, state, local), social security, Medicare, unemployment or disability insurance, Workers' Compensation, health and welfare benefits, profit sharing, 401(k) or any employee stock option or stock purchase plans. Contractor hereby waives any and all rights to any such PUCT employment benefit.

19.4 Notice. Except as otherwise stated in this contract, all notices provided for in this contract must be (a) in writing; (b) addressed to a Party at the address set forth below (or as expressly designated by such Party in a subsequent effective written notice referring specifically to this contract); (c) sent by a national carrier with tracking capability (e.g. FedEx or Certified U.S. Mail); with proper postage; and (d) deemed effective upon the third business day after deposit of the notice with the carrier.

IF TO THE PUCT:

ATTENTION: Executive Director
1701 N. Congress Ave., 7th Floor
Austin, TX 78701

With copies to the PUCT contract administrator and Jay Stone CTCD, CTCM, at the same address.

IF TO CONTRACTOR:

ATTENTION: Phillip Givens, Chief Executive Officer
Superior Water Management of Texas LLC
P.O. Box 130308
Spring, TX. 77393-0308

19.5 Headings. Titles and headings of articles and sections within this contract are provided merely for convenience and must not be used or relied upon in construing this contract or the Parties' intentions with respect thereto. Reference to the singular includes a reference to the plural and vice versa.

19.6 Export Laws. Contractor represents, warrants, agrees and certifies that it (a) will comply with the United States Foreign Corrupt Practices Act (regarding, among other things, payments to government officials) and all export laws and rules and regulations of the United States Department of Commerce or other United States or foreign agency or authority; and (b) will not knowingly permit any non-Party to directly or indirectly, import, export, re-export, or transship any intellectual property or any third Party materials accessed by Contractor during the course of this contract in violation of any such laws, rules or regulations.

19.7 Preprinted Forms. The use of preprinted forms, such as purchase orders or acknowledgments, in connection with this contract is for convenience only and all preprinted terms and conditions stated thereon are void and of no effect. The terms of this contract cannot be amended, modified, or altered by any conflicting terms, provisions, or conditions contained in a proposal or a preprinted form, such as purchase orders or acknowledgements. If any conflict exists between this contract and any terms and conditions on a proposal, purchase order, acknowledgment, or other preprinted form, the terms and conditions of this contract will govern.

19.8 Specific Personnel. Contractor has identified the personnel for this assignment ("Team"), as follows: Phillip Givens, Chief Executive Officer; Steffani Givens, Chief Financial Officer; Phyllis Brown, GEOTHEMATICS LLC; Elston Johnson, Elston Johnson and Associates; Mark Palmie, Elston Johnson and Associates; Brent Reeh, Elston Johnson and Associates; and Michael Urrutia, Elston Johnson and Associates.

Contractor warrants that it will use its best efforts to avoid any changes to the Team during the course of this contract. Should personnel changes occur during the term of this contract or any extensions or renewals thereof, Contractor will recommend to the PUCT personnel with comparable experience and required qualifications and training. The PUCT must approve any change in personnel on this project in writing. Contractor must provide individuals qualified to perform the tasks assigned to such individual. At the PUCT's request, Contractor must remove from the project any individual whom the PUCT finds unacceptable for any reason in the PUCT's sole discretion. Contractor must replace such individual with another individual satisfactory to the PUCT as soon as practicable.

19.9 No Felony Criminal Convictions. Contractor represents and warrants that neither Contractor, nor any of its employees, agents, or representatives, including any subcontractors and employees, agents or representatives of such subcontractors, has been convicted of a felony criminal offense or that if such a conviction has occurred Contractor has fully advised the PUCT of the facts and circumstances surrounding the conviction.

19.10 No Third-Party Beneficiaries. Nothing contained in the contract, either expressed or implied, is intended to confer on any person other than the Parties, or their respective permitted successors, assigns, transferees or delegates, any interests, rights, remedies, obligations or liabilities pursuant to, or by reason of, this contract.

19.11 Prompt Payment. All payments to Contractor, any payments by Contractor to any subcontractor, and any payments by a subcontractor to any other person or entity that provides goods or services under this contract must be made in compliance with Chapter 2251 of the Texas Government Code and 34 Texas Administrative Code § 20.487.

19.12. Legal and Regulatory Actions. Contractor represents and warrants that it is not aware of and has received no notice of any court or governmental agency actions, proceedings or investigations, etc., pending or threatened against Contractor or any of the individuals or entities included in its proposal within the five (5) calendar years immediately preceding the submission of the proposal that would or could impair Contractor's performance under the contract, relate to the solicited or similar goods or services, or otherwise be relevant to the PUCT's consideration of the proposal. If Contractor is unable to make the preceding representation and warranty, then Contractor instead represents and warrants that it has included as a detailed attachment in its proposal a complete disclosure of any such court or governmental agency actions, proceedings or investigations, etc. that would or could impair Contractor's performance under the contract, relate to the solicited or similar goods or services, or otherwise be relevant to the PUCT's consideration of the proposal. In addition, Contractor represents and warrants that it shall notify the PUCT in writing within five (5) business days of any changes to the representations or warranties in this clause and understands that failure to so timely update the PUCT shall constitute breach of contract and may result in immediate termination of the contract.

Article 20. NO IMPLIED WAIVER

The failure of a Party to insist at any time upon the strict performance of any covenant or agreement or to exercise any option, right, power, or remedy contained in the contract shall not be construed as a waiver or a relinquishment thereof for the future.

Article 21. ORDER OF PRECEDENCE

In the event of conflicts or inconsistencies between the provisions of this contract and any exhibits, the following are given preference in the order listed below:

- 1) The terms and conditions of this contract;
- 2) The Statement of Work, attached hereto as Exhibit A;
- 3) RFP 473-25-00002 and any related addendums;
- 4) The Contractor's Best and Final Offer (BAFO); and
- 5) The Contractor's proposal and any revised responses.

Article 22. FORCE MAJEURE

Neither Party shall be liable to the other for any delay in, or failure of performance, of any requirement included in the contract caused by force majeure. The existence of such causes of delay or failure shall extend the period of performance until after the causes of delay or failure have been removed provided the non-performing party exercises all reasonable due diligence to perform. Force majeure is defined as acts of God, war, fires, explosions, hurricanes, floods, failure of transportation, or other causes that are beyond the reasonable control of either Party and that by exercise of due foresight such party could not reasonably have been expected to avoid, and which, by the exercise of all reasonable due diligence, such party is unable to overcome.

Article 23. SEVERABILITY

If any provision of the contract is construed to be illegal or invalid, such construction will not affect the legality or validity of any of its other provisions. The illegal or invalid provision will be deemed severable and stricken from the contract as if it had never been incorporated herein, but all other provisions will continue in full force and effect.

Article 24. EXCESS OBLIGATIONS PROHIBITED

The contract is subject to termination or cancellation, without penalty to the PUCT, either in whole or in part, subject to the availability of state funds. The PUCT is a state agency whose authority and appropriations are subject to actions of the Texas Legislature. If the PUCT becomes subject to a legislative change, revocation of statutory authority, or lack of appropriated funds that would render either Party's delivery or performance under the contract impossible or unnecessary, the contract will be terminated or cancelled and be deemed null and void. In the event of a termination or cancellation under this Article, the PUCT will not be liable to Contractor for any damages that are caused or associated with such termination or cancellation, and the PUCT will not be required to give prior notice.

Article 25. DRUG FREE WORKPLACE POLICY

Contractor must comply with the applicable provisions of the Drug-Free Work Place Act of 1988, 41 U.S.C. § 8102, et seq., and 48 CFR § 52.223-6 Drug-Free Workplace) and maintain a drug-free work environment. The requirements of the Drug Free Workplace Act and the rules interpreting it are incorporated by reference and Contractor must comply with the relevant provisions thereof, including any amendments that may hereafter be issued.

Article 26. SUBSTITUTIONS

Substitutions are not permitted without written approval of the PUCT.

Article 27. STATE AUDITOR’S RIGHT TO AUDIT

The state auditor may conduct an audit or investigation of any entity receiving funds from the State directly under the contract or indirectly through a subcontract under the contract. The acceptance of funds directly under the contract or indirectly through a subcontract under the contract acts as acceptance of the authority of the state auditor, under the direction of the legislative audit committee, to conduct an audit or investigation in connection with those funds. Under the direction of the legislative audit committee, an entity that is the subject of an audit or investigation by the state auditor must provide the state auditor with access to any information the state auditor considers relevant to the investigation or audit.

Article 28. DAMAGE TO GOVERNMENTAL PROPERTY.

In the event of loss, destruction, or damage to any PUCT or State of Texas property by Contractor or Contractor’s employees, agents, subcontractors, and suppliers, Contractor shall be liable to the PUCT and the State of Texas for the full cost of repair, reconstruction, or replacement of the lost, destroyed, or damaged property. Contractor will reimburse the PUCT and the State of Texas for such property damage within ten (10) calendar days after the Contractor’s receipt of the agency’s notice of amount due.

Article 29. SIGNATURE AUTHORITY

The undersigned signatories represent and warrant that they have full authority to enter into this contract on behalf of the respective parties.

Article 30. ENTIRE AGREEMENT

This contract, including the Statement of Work attached hereto as Exhibit A, constitutes the entire agreement and understanding between the parties with regard to its subject matter and supersedes and merges all prior discussions, writings, negotiations, understandings, and agreements concerning the provision of these Services. Any terms and conditions attached to a solicitation will not be considered unless incorporated into this contract by specific reference.

In WITNESS WHEREOF both parties through their duly authorized representatives have executed this contract effective April 1, 2025.

The Public Utility Commission of Texas

Contractor

By:

Connie Corona

Digitally signed by Connie Corona
Date: 2025.03.26 13:51:51 -05'00'

By:

Connie Corona
Executive Director

Name
Title

Date Signed: _____

Date Signed: _____

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In WITNESS WHEREOF both parties through their duly authorized representatives have executed this contract effective April 1, 2025.

The Public Utility Commission of Texas

Contractor

By:

Connie Corona

Digitally signed by Connie Corona
Date: 2025.03.26 13:51:51 -05'00'

Connie Corona
Executive Director

By:

Phillip Green, CEO

Name
Title

Date Signed: _____

Date Signed: March 27, 2025

Jay Stone

From: Phillip Givens <SuperiorManagementLLC@outlook.com>
Sent: Thursday, March 27, 2025 4:43 PM
To: Jay Stone
Subject: FW: Contract with Exhibit Final for Signature-cc
Attachments: Contract with Exhibit Final for Signature-cc.pdf; Contract Signature Page-Signed 473-25-00002.pdf

WARNING: EXTERNAL SENDER. Always be cautious when clicking links or opening attachments. NEVER provide your user ID or password.

Jay – Because the original contract PDF is locked I cannot add a page but the signature page is attached – Phillip

From: Jay Stone <Jay.Stone@puc.texas.gov>
Sent: Wednesday, March 26, 2025 2:45 PM
To: Phillip Givens <SuperiorManagementLLC@outlook.com>
Subject: Contract with Exhibit Final for Signature-cc

Phillip

For your signature

Exhibit A – STATEMENT OF WORK

I. Background

- a) Texas Water Code Chapter 13 and the Public Utility Commission of Texas’s (PUCT) rules outlined in 16 Texas Administrative Code Chapter 24 require retail public utilities to have the financial, managerial, and technical (FMT) capability to provide continuous and adequate water, sewer, or water and sewer service, as applicable, to their customers.

- b) The Contractor must assess, assist, and improve the FMT capabilities of water and sewer retail public utilities in Texas by carrying out the following objectives, as assigned by the PUCT Contract Administrator (CA):
 - i) Providing FMT field or virtual assistance, as determined by the PUCT, with the following tasks for existing or proposed water or sewer retail public utilities:
 - (1) Billing and Accounting;
 - (2) Budgeting;
 - (3) Business Plans;
 - (4) Managing Collection and Disconnections;
 - (5) Water Supply Corporation (WSC) Formations or Creations;
 - (6) Debt Payment;
 - (7) Financial Records and Record Keeping;
 - (8) Financial Statements;
 - (9) Rate or Tariff Change Applications;
 - (10) Rate Study;
 - (11) Reserve Accounts;
 - (12) Tariff Preparation and Completion;
 - (13) Capital Improvement Plans;
 - (14) Alternative Ratemaking;
 - (15) Certificate of Convenience and Necessity (CCN) Related Applications and Service Areas;
 - (16) Customer Complaint Issues;
 - (17) Customer Service Agreements;
 - (18) Customer Service and Relations;
 - (19) Meeting with Homeowners Associations, Property Owners Association or Water Supply Corporation Members;
 - (20) Petitions to Cease Operations;
 - (21) Receivership, Temporary Manager Assignment, or Supervision of a Utility;
 - (22) Record Keeping;
 - (23) Sale, Transfer, or Merger (STM) Applications;
 - (24) Stock Transfer Applications;
 - (25) Tax Exempt Status Matters;
 - (26) Termination Agreements;
 - (27) Annual Reports;
 - (28) WSC Conversions;
 - (29) PUCT Compliance Regulation;

- (30) Board or Council Training;
 - (31) Consolidation Assistance;
 - (32) Consolidation Assessment;
 - (33) Special Assignments; and
 - (34) Group Training.
- ii) Consolidation assistance will include meeting with the retail public utilities (both transferor and transferee) at least monthly throughout the consolidation process to discuss and facilitate consolidation of the utilities' businesses and facilities. The PUCT will make separate assignments for Sale/Transfer/Merger (if needed) or CCN related applications.
- iii) Completing special assignments for conducting or aiding water or sewer retail public utilities, which may include: phone surveys, preparing reports, researching PUCT or TCEQ files and records, attending special meetings, or other tasks as assigned.
- iv) Group Workshops: Workshops should be conducted quarterly in different geographic regions of the state. The workshops should be no less than 2 hours and no more than 6 hours total and should include topics of basic bookkeeping, records management, and preparation for a rate study and/or rate application filing (if applicable).
- v) For the purpose of developing a proposal, Proposers should know that the PUCT expects up to 60 routine assignments, 4 to 6 group trainings, and up to 6 high priority assignments annually. However, this is not a guarantee of a minimum or maximum number of assignments. Actual assignments may exceed these estimates. Proposers must be prepared to handle all assignments at the proposed price.

II. FMT Assistance

- a) The CA or designated staff will make assignments to the Contractor's Project Manager (CPM) for FMT assistance of existing or proposed water or sewer retail public utilities. The CPM must acknowledge receipt of the assignment to the CA within three (3) calendar days of notification by the CA, by e-mail to the CA. The Contractor shall update the FMT Contract spreadsheet with relevant information about the assignment, including date contacted, date of assignment, etc., as directed by the PUCT.
- b) The Contractor must complete all assigned FMT assistance objectives and tasks for existing or proposed water or sewer retail public utilities in accordance with the Statement of Work, required forms, current and applicable guidance materials, policies, statutes, rules, and regulations.
- c) Tasks associated with meeting the requirements of the Statement of Work include:
- i) Scheduling and meeting with existing or proposed water or sewer retail public utilities or appropriate representatives. A virtual meeting may be appropriate in some circumstances. The CA will determine the method of delivery of the assistance visit, whether in person or virtual. Contractor must be prepared to offer

- both in-person and virtual meetings.
 - ii) Notifying PUCT designated program areas regarding scheduled meetings and purpose by email.
 - iii) Researching and assembling background materials.
 - iv) Providing database research and Field Assistance – onsite or virtual assistance provided by the Contractor to an existing or proposed retail public utility.
 - v) Compiling FMT data, including, but not limited to file and document research, database research, mapping information research, county records research, and electronic records research.
 - vi) Generating a final Assistance Activity Report (AAR) after each assignment summarizing the assistance provided to the existing or proposed retail public utility.
 - vii) Submitting the AAR electronically to the CA upon completion of each assistance assignment with the Monthly Activity Report (MAR) invoice, in accordance with the PUCT’s filing requirements.
 - viii) Maintaining files and providing recommendations for further assistance, if needed.
 - ix) Upon the PUCT approval of the monthly invoice and all documentation, the Contractor must file all AAR, MAR, and backup documentation in the appropriate AIS project number.
 - x) Contractor shall also update assignment details in a shared electronic file/spreadsheet with the PUCT. Link and file access to be provided by CPM.
- d) Note: The PUCT may periodically update the electronic file/spreadsheet, exhibits, or guidance materials as changes to policy, guidelines, rules, or requirements occur. The Contractor must use the most current exhibit, guidelines, rules, and electronic file/spreadsheet as directed by the PUCT.

III. Monthly Activity Reports (MARs)

- a) The Contractor must submit MARs for those entities assisted during the previous calendar months. Reports must be submitted in MS Word format or PDF format. The following procedures apply:
 - i) For each assignment completed, the Contractor must prepare an electronic copy AAR for submittal with the MAR deliverable package. The electronic copies of all items must be delivered monthly to the CA. Each AAR must include:
 - (1) Existing or Proposed Utility Name;
 - (2) CCN number (if applicable);
 - (3) TCEQ System Name and ID number(s) (if applicable);
 - (4) Name of PUCT staff making referral;
 - (5) Name of Contractor’s staff fulfilling the assignment;
 - (6) Date of referral and priority of assignment;
 - (7) Indication whether the AAR is interim or final;
 - (8) Name and title of person contacted with the existing or proposed utility;
 - (9) Physical address where assistance was given;

- (10) Mailing address, phone number, and email address for existing or proposed utility;
 - (11) Counties where the retail public utility provides service;
 - (12) Dates of all contacts with the existing or proposed utility;
 - (13) Description of the purpose of the assignment and the assistance provided;
 - (14) Summary of findings, including problems encountered;
 - (15) Statement indicating that all assigned tasks are completed or reasons for not completing any portion of the assigned tasks; and
 - (16) Any recommendations for follow-up assistance (which must include goals and specific details of the expected outcome of the additional assistance).
- ii) For each recommendation for follow-up assistance, the Contractor must prepare within thirty days after receiving approval from the CA, a standard FMT Field Assistance Referral Form for submittal to the CA.

IV. MAR Format

- a) For each assignment, the Contractor must submit an electronic file with a copy of the completed assignment reports, the corresponding assistance form, any interim reports, and any background materials gathered by the Contractor from the entity or any other source. Rather than provide copies of materials gathered from PUCT's Central Records, the Contractor must cite the location of the information including the control number, item number, and page numbers.
- b) The electronic files must all be saved in an electronic folder labeled with the name of the entity and corresponding CCN number or numbers, if applicable.
- c) The electronic format of the MAR must be identical to the PUCT's FMT Contract MAR Form unless variations are authorized by the CA.

V. Report Review and Response. At a minimum, reports must be reviewed, verified, and approved by the CPM for the following:

- a) **Completeness.** This includes all elements required by directives provided by the CA for the report (format, attachments, tables, maps, documentation of activities, etc.) and as specified in the Statement of Work.
- b) **Conclusions and recommendations.** All conclusions and recommendations reached in a report must be evaluated by the CPM for technical accuracy and conformity with current PUCT rules, policy, and guidance.
- c) **Data Quality.** Data quality review by the CPM must include a determination as to the validity and representativeness of data and reports (including accuracy, completeness, timeliness, meeting scope of work criteria, and any other measures of validity or

representativeness relevant to the data) prior to submission to the PUCT. The CPM review and approval will be indicated by date and signature of the CPM upon completion of review and approval of each deliverable and report.

VI. Contract Activity Meetings. The CPM, unless otherwise directed by the CA, must meet with the CA or the CA's designee monthly (at a minimum) to review the MARs, assignments, problems encountered, and any other contract-related issues. Meetings will be conducted at the PUCT, located at 1701 N Congress Avenue, Austin, Texas, unless otherwise directed by the CA. The CA may direct that meetings be held virtually or by telephone.

VII. Training and Work Assignment Start Date

- a) The Contractor and all persons assigned to perform the tasks of the contract, including subcontractors, must attend orientation and training sessions conducted by the PUCT. One-day orientation and training sessions will be scheduled within ninety (90) calendar days of the effective date of the contract and as needed during the contract period.
- b) No later than 60 calendar days after the effective date of the contract, the CPM must provide a "Training Program" describing its training standard operating procedures (SOPs) and plans, which must include: training records and qualifications of individual staff and subcontractors; new employee training procedures, process, or criteria used to ensure staff and subcontractor qualifications meet minimum requirements to perform the scope of work under the contract; verification procedures for new staff and subcontractor qualifications; training schedules and procedures; work process flow charts; organizational charts; and reporting levels.
- c) During the contract, the Contractor must provide proof of all training necessary for any new staff and subcontractors hired to perform the duties of the contract or existing staff who have not previously performed work for the contract within 15 days after their start date.
- d) The training required of staff and subcontractors includes the following: PUCT rules, including utility service area rules, rate and tariff change rules, application forms, use of the PUCT's data and electronic records, guidance, policy, and procedures; PUCT forms and contract exhibits; specific instructions for the contract; and computer applications as necessary to update the PUCT's database and to provide responses in electronic form.
- e) The Contractor must provide the PUCT with all telephone numbers and addresses (email and postal) of all Contractor staff and subcontractors and organizational structure and reporting levels at the commencement of the contract and update within fifteen calendar days of any changes.
- f) Substitutions or additions of key personnel to the contract during the contract term must be pre-approved by the PUCT. Key personnel are those who will be performing on-site assistance visits, invoice preparation or review, and/or management and oversight of the contract or subcontractors. Contractor must submit qualifications of key personnel to the

CA using the format required by the PUCT. The PUCT reserves the right to require any new key personnel to complete an FMT training session.

VIII. Contractor Must Maintain Adequate Staffing. Contractor must maintain an adequate number of qualified staff or qualified subcontractor staff to carry out the scope of the contract within the time constraints given by the CA in each assignment. If the Contractor must bring in new staff, hire temporary staff or additional subcontractors to complete tasks or special projects, the Contractor must receive written approval from the CA before doing so.

IX. Conclusion of Assignments. FMT Field Assistance assignments from the PUCT will be sent to Contractor. The Contractor must endeavor to complete all assignments prior to the termination of the contract. Should any assignment not be completed at the time of the contract's termination, the Contractor will be required to complete the outstanding assignment(s) after the contract's termination, at no additional cost to the PUCT.

X. Responses to Telephone Requests for Information. The Contractor must be available during normal business hours (8 AM to 5PM CT) on all business days to respond by telephone to verbal requests for information from the retail public utilities referred to the Contractor, PUCT staff, and other interested parties for any FMT Assistance, Special Project assignment, or Group Training offered under the contract. All telephone calls must be returned within one (1) business day. The Contractor must refer calls and inquiries from any governmental agency, the legislature, attorneys, and the media to the CA and notify the CA of those calls and inquiries within (insert time frame). The Contractor must not respond to inquiries or calls on behalf of the PUCT unless instructed to do so by the CA, other than making a referral to the CA. The Contractor must direct parties wishing to make Public Information Act Requests to the PUCT. The Contractor must also notify the CA whenever the Contractor refers requestors to the PUCT.

The Contractor must ensure that it has a contact person or designee available to receive and respond to assignments from the CA at all times during normal PUCT business hours of 8 a.m. to 5 p.m., on all business days.

XI. Data. The Contractor will be responsible for safeguarding and maintaining the integrity of all data and electronic files. All Contractor staff and subcontractors must be able to provide their reports to their data technician and the PUCT in electronic format and by e-mail. All data are to be filed, maintained, reported, and submitted by existing or proposed utility name. If the Contractor encounters a data breach during the contract period that may impact PUCT work or any assignments of the contract, the Contractor must immediately notify the PUCT.

The Contractor and the employees of the Contractor must not disclose any PUCT or facility documents, files, or information marked "Confidential" to any party other than the PUCT.

XII. Verification of Deliverables. The PUCT has the right to inspect and validate all products, services, and deliverables required by this contract, as well as any sites visited by the Contractor during the course of the contract, to the extent practicable. The PUCT will perform inspections in a manner that will not unduly interfere with Contractor's performance

of the contract. Contractor must furnish and must require subcontractors to furnish, at no additional charge to the PUCT, all reasonable assistance for the safe and convenient performance of duties under the contract. If any of the deliverables do not conform to the contract's requirements, the PUCT may require Contractor to correct or perform the deliverables or services again in conformity with the contract's requirements at no increase in the contract's amount, in addition to all other legal and equitable remedies available to the PUCT.

XIII. Deadlines. Proposals must include timelines for completing the tasks associated with this Statement of Work. Timelines will be incorporated into the contract as part of the requirements of the contract. The PUCT reserves the right to negotiate timelines.

XIV. Conditions of Payment: The PUCT will only pay for services provided by personnel approved to provide services under the contract. The PUCT reserves the right to direct Contractor to not make assignments to specific individuals or subcontractors to work under the contract for any of the following reasons:

- a) Failure to provide acceptable quality work product;
- b) Failure to meet deadlines;
- c) Failure to provide an acceptable level of customer service; or
- d) Unprofessional behavior by contractor staff member or subcontractor.