

CONTRACT NO. 473-15-00255
BETWEEN
THE PUBLIC UTILITY COMMISSION OF TEXAS
AND
TEXAS RURAL WATER ASSOCIATION

The parties to this Contract No. 473-15-00255 for Retail Water and Sewer Utility Financial and Managerial Assistance, are the Public Utility Commission of Texas (PUCT), a duly organized agency of the State of Texas with its office located at 1701 N. Congress Ave., Austin, Texas 78701 and Texas Rural Water Association (TRWA), a trade association, whose mailing address is 1616 Rio Grande Street, Austin, TX 78701-1122

Article 1. DEFINITIONS

When used in this Agreement, the following terms shall have the following meanings:

1.1 “Public Utility Commission,” “PUCT,” or “Commission” means the Public Utility Commission of Texas acting through its Executive Director and the agency’s designated Contract Administrator.

1.2 “Contractor” includes Texas Rural Water Association, and any successors, heirs, and assigns.

1.3 “Services” means any and all services performed and any and all goods and products delivered by Contractor as specified in Attachment A, Statement of Work.

1.4 “Attachment A” means the Statement of Work attached to this contract as Attachment A, including any documents incorporated into the Statement of Work by reference, such as Texas Rural Water Association’s Proposal filed in Project No. 43848 (hereinafter, “Contractor’s Proposal”)(if incorporated), and Texas Rural Water Association’s Best and Final Offer Letter dated February 11, 2015 (hereinafter, “BAFO”)(if incorporated).

Article 2. COMPENSATION

2.1 Compensation. Contractor agrees to provide all services (including labor, expenses, and any other services) for the per-unit prices quoted in the BAFO, with total compensation estimated to be \$164,000.

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

2.2 Payment Process. Contractor shall submit a monthly statement for services or invoice to the PUCT Contract Administrator no later than the 15th day of the month after the month that the services were performed. The invoice must contain the name of the person performing the services and a brief description of the work performed. No payment will be made for administrative overhead, overtime, etc.

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 Agreement. The statement or invoice must include: the vendor identification number issued by the Texas Comptroller or the Contractor's federal taxpayer identification number, a description of the services provided, and the name and division of the Agency Contract Administrator.

Contractor shall submit the statement or invoice to the PUCT as follows:

By email to: Payables@puc.texas.gov

Or By Mail to: Accounts Payable
Operations Division
Public Utility Commission of Texas
P.O. Box 13326
Austin, TX 78711-3326

Or By Hand-Delivery to: Accounts Payable
Operations Division
Public Utility Commission of Texas
1701 North Congress Ave.
Austin, Texas 78701

2.3 Payment for Services. Contractor's acceptance of payment releases the PUCT of all claims for compensation owed in connection with this Agreement.

2.4 Payments made to Subcontractors. Contractor shall pay any subcontractor hereunder the appropriate share of payments received not later than the 10th day after the date Contractor receives the payment. The subcontractor's payment shall be 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 Sec. 5.1).

2.5 Records. Contractor and its subcontractors, if any, shall maintain records and books of account relating to services provided under this Agreement. Contractor shall, for a period of four (4) years following the expiration or termination of this Agreement, maintain its records (electronic and paper) of the work performed under this Agreement. Records include, but are not limited to correspondence concerning the subject of this

Agreement between Contractor and the PUCT; Contractor's internal correspondence; and correspondence between Contractor and any third party. Contractor shall make all records that support the performance of services and payment available to PUCT and/or its designees or the State Auditor during normal business hours given reasonable notice, upon the request of the PUCT Contract Administrator.

2.6 Sole Compensation. Payments under this Article are Contractor's sole compensation under this Agreement. Contractor shall not incur expenses with the expectation that the PUCT or any other agency of the state of Texas will directly pay the expense to a third-party vendor irrespective of the reason for incurring those expenses.

Article 3. CONTRACT ADMINISTRATION

3.1 PUCT Contract Administration. The PUCT designates **Tammy Holguin Benter** to serve as its primary point of contact and Contract Administrator throughout the term of this Agreement. Contractor acknowledges that the PUCT Contract Administrator does not have any authority to amend this Agreement on behalf of the PUCT, except as expressly provided herein. Contractor further acknowledges that such authority is exclusively held by the Commission or its authorized designee, Executive Director Brian H. Lloyd.

3.2 Contractor Contract Administration. Contractor designates **Celia Eaves** to serve as its Contract Administrator.

3.3 Reporting. Contractor shall report directly to the PUCT Contract Administrator and shall perform all activities in accordance with reasonable instructions, directions, requests, rules, and regulations issued during the term of this Agreement as conveyed to Contractor by the PUCT Contract Administrator.

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

3.5 Inquiries and Prompt Referral. Contractor understands that the PUCT does not endorse any vendor, commodity, or service. Contractor, its employees, representatives, other agents, or subcontractors may not issue any media release, advertisement, publication, or public pronouncement which pertains to this Agreement or the services or project to which this Agreement relates or which mentions the PUCT without the prior approval of the PUCT. Contractor will promptly refer all inquiries regarding this Agreement received from state legislators, other public officials, the media, or non-Parties to the PUCT Contract Administrator.

Article 4. REPORTS AND RECORDS

4.1 Written Reports. Contractor will provide written reports to the PUCT in the form and with the frequency specified in Attachment A or as agreed to between the parties.

4.2 Distribution of Consultant Reports. PUCT shall have 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. PUCT shall 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 PUCT may assert for the report.

Article 5. SUBCONTRACTING PARTIES

5.1 Use of Subcontractors. The Parties acknowledge and agree that at the time of execution of this Agreement, Contractor intends to perform the Services required under this Agreement using its own employees and the following subcontractors: Phillip Givens and Garry Smith. 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 such other subcontract or subsequent substitution of a subcontractor must be approved 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 such work produced by all subcontractors that the PUCT accepts and pays for in accordance with the terms of this Agreement.

5.3 Prime Vendor Contract. The Parties expressly agree that this Agreement 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 Agreement, notwithstanding the engagement of any subcontractor to perform an obligation under this Agreement.

Article 6. TERM, SUSPENSION, AND TERMINATION

6.1 Term. The term of this Agreement shall begin on the date signed by the last party to sign and shall continue in effect until February 29, 2016, unless sooner terminated under Sections 6.3 or 6.4 of this Agreement.

6.2 Options for Renewal. This Agreement may be renewed for an additional one (1) year period, provided funding is available and both parties agree in writing, via an amendment, to do so prior to the expiration date.

6.3 Termination for Cause. If either party is in default of any material term of this Agreement, the other party may serve upon the party in default written notice requiring the party in default to cure such default. Unless within thirty (30) days after receipt of said notice by the party in default, said default is corrected or arrangements satisfactory

to the other party, as applicable, for correcting the default have been made by the party in default, the other party may terminate this Agreement for default and shall have all rights and remedies provided by law and under this Agreement. However, if PUCT terminates Contractor under Article 18.12, PUCT need not provide any notice or opportunity for curing the default.

6.4 Termination for the Convenience of the PUCT. The PUCT may, upon thirty (30) days written notice to Contractor, terminate this Agreement or any assignments or assistance provided by contractor under this contract whenever the interests of the PUCT so require. The PUCT will only reimburse those expenses already incurred at the time the notice is provided. The PUCT shall not be liable for any damages and/or loss to Contractor as a result of termination for convenience.

6.5. Transfer of Duties. In the event of termination, Contractor will provide reasonable cooperation to transfer its duties under the Agreement to another entity without disruption to the FM assistance.

6.6 Survival. In the event that this Agreement expires or is terminated pursuant to its terms, the rights and obligations of the Parties under it shall end; provided that the provisions of Sections 2.5, 2.6, 3.5, 4.2, 6.5, 7.5, 9.2, 9.4 through 9.6, 17.2 and 19.1 through 19.4, 19.6, 19.8, and Articles 1, 10, 11, 12, 14, 15, 16, 20, 21, 23, 28, and 29 shall survive in their entirety.

Article 7. ASSIGNMENT, AMENDMENTS, AND MODIFICATIONS

7.1 Material Change Requests. PUCT may propose changes to Attachment A. Upon receipt of a written request from the PUCT for a change to Attachment A, Contractor shall, within a reasonable time thereafter, submit to the PUCT a detailed written estimate of any proposed price and schedule adjustment(s) to this Agreement. No changes to Attachment A will occur without the Parties' written consent as provided in accordance with the terms stated in this Agreement.

7.2 Changes in Law, Rules, or Rulings. Subsequent changes in federal or state legislation, rules and regulations or rulings by the PUCT may require modification of the terms of this Agreement, including an increase or decrease in Contractor's duties or compensation. In the event of such subsequent changes to statutes, rules, and/or regulations, the PUCT and Contractor shall negotiate the terms of a contract modification in good faith and incorporate such modification into this Agreement by written amendment.

7.3 No Assignment of Duties. This Agreement shall be binding upon and inure to the benefit of the permitted successors and assigns of any Party (including by merger of Contractor or otherwise by operation of law); provided however that Contractor shall not otherwise, without the prior written consent of the PUCT, assign or transfer this Agreement or any obligation incurred under this Agreement. Any attempt by Contractor

to assign or transfer this Agreement or any obligation incurred under this Agreement, in contravention of this paragraph, shall be void and of no force and effect.

7.4 Amendments and Modifications. This Agreement 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 Agreement.

7.5 Binding on Successors. The terms of this Agreement shall be binding on any successor organization of any of the Parties.

Article 8. REPRESENTATIONS, WARRANTIES AND COVENANTS

8.1 Warranty of Performance. Contractor represents, warrants, and covenants that it will perform the services outlined in Attachment 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 shall be rendered by the qualified personnel named in Section 19.7 of this Agreement. If Services provided under this Agreement 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 shall remain with Contractor until the items are delivered to the PUCT, at which time the risk of loss shall 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 shall remain the property of the third party, all finished materials, conceptions, or products created and/or prepared for 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, shall be the PUCT's property exclusively and will be given to the PUCT either at the PUCT's request during the term of the Agreement or upon termination or expiration of the Agreement. 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 Agreement.

9.3 Licensed Software. Contractor may obtain software licenses as an agent of the PUCT for software that is used by Contractor solely for the purpose of providing services under this Agreement. Contractor shall provide the PUCT with a copy of any software license obtained by Contractor as an agent for the PUCT for the purpose of providing services under this Agreement.

9.4 Prior Works. Except as provided herein, all previously owned materials, conceptions, or products shall remain the property of Contractor and nothing contained in

this Agreement will be construed to require Contractor to transfer ownership of such materials to the PUCT.

9.5 Trademarks. The Parties agree that no rights to any trademark or service mark belonging to another Party or to any non-Party are granted to any other Party by this Agreement, unless by separate written instrument. The PUCT acknowledges and agrees that use of any trademark associated with any software provided by Contractor under this Agreement does not give the PUCT any rights of ownership in the trademark or the software.

9.6 Program Information. Program information, data, and details relating to Contractor's services under this Agreement shall be maintained separately from Contractor's other activities. Contractor shall undertake all reasonable care and precaution in the handling and storing of this information.

9.7 Provision to be Inserted in Subcontracts. Contractor shall insert an article containing paragraphs 9.2 and 9.6 of this Agreement in all subcontracts hereunder except altered as necessary for proper identification of the contracting Parties and the PUCT under this Agreement.

Article 10. PUBLIC INFORMATION

10.1 Texas Public Information Act. (Texas Government Code Chapter 552). The Parties acknowledge that notwithstanding any other provisions of this Agreement, the Texas Public Information Act ("PIA") governs the treatment of all information held by or under the control of the Commission. The Commission will notify Contractor of requests for Contractor's information as provided under the PIA.

10.2 Agreement Not Confidential. The Parties acknowledge that not all terms of this Agreement may be confidential pursuant to the Texas Public Information Act, regardless of whether those terms are marked "Proprietary," "Trade Secret," or "Confidential." Contractor further acknowledges that in the event of a dispute over the release of a proposal or part of a proposal the PUCT is bound by the decision made by the Office of the Attorney General of Texas.

10.3 Contractor's Duty to Provide Public Information. Contractor is required, at no additional charge to the state, to make available in a format that is accessible by the public any information created or exchanged with the state pursuant to this contract. If information created or exchanged with the state pursuant to this contract is excepted from disclosure under the Texas Public Information Act, 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.

Article 11. CONFLICTS OF INTEREST AND EMPLOYMENT RESTRICTION

11.1 No Conflicting Relationships. Contractor certifies to the Commission that no existing or contemplated relationship exists between Contractor and the Commission that interferes with fair competition or is a conflict of interest, and that no existing or contemplated relationship exists between Contractor and another person or organization, whether or not located within the State of Texas, that constitutes or will constitute a conflict of interest for Contractor with respect to the Commission.

11.2 Prohibition on Transactions with Parties Adverse to Commission. Contractor agrees that during performance of this Agreement, 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 Commission or that has interests that are directly or indirectly adverse to those of the Commission. The Commission may waive this provision in writing if, in the Commission's sole judgment, such activities of the Contractor will not be adverse to the interests of the Commission.

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. Contractor's failure to do so shall be grounds for termination of this contract for cause, pursuant to Section 6.3.

11.4 Lobbying Activities. No compensation under this contract may be used to fund lobbying activities of contractor. As used in this contract, "Lobbying activities," means those actions and communications regulated under Chapter 305 of the Texas Government Code.

11.5 Screen Between Representation of TRWA Members and Activities Under this Contract. Contractor shall in no way use its position under this contract as Financial and Managerial Assistance Provider to promote TRWA. Activities prohibited include, but are not limited to: recruiting TRWA members through assignments from the PUCT; using information gained through assignments from the PUCT in its representation of its members; and using its status as the PUCT's contractor in its representation of its members.

Article 12. INDEMNIFICATION

Contractor shall indemnify, defend and hold harmless the PUCT, the State of Texas, and its officers, agents, employees, representatives, contractors, assignees, and designees from any and all liabilities, claims, demands or causes of action, and all related costs, attorney fees and expenses of whatever kind or nature asserted by a third party and occurring in any way incident to, arising out of, or in connection with acts or omissions of Contractor, its agents, employees and subcontractors, committed in the conduct of this

Agreement. Any defense shall be coordinated by contractor with the Office of the Attorney General when Texas State Agencies are named defendants in any lawsuit. Contractor may not agree to any settlement without first obtaining the concurrence from the Office of the Attorney General. Contractor and the PUCT agree to furnish timely written notice to each other of any such claim.

Article 13. INSURANCE

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 shall be liable to the Contractor, its employees, agents, or others for the provision of unemployment insurance and/or workers' compensation or any benefit available to a state employee.

13.1 Minimum Insurance. Contractor shall, at its sole cost and expense, secure and maintain as a minimum, from the Effective Date and thereafter during the term of this Agreement, for its own protection and the protection of the PUCT:

(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/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); and

(c) workers' compensation insurance in accordance with the statutory limits, as follows: (i) employer's liability - \$1,000,000 each incident, (ii) disease - \$1,000,000 each employee and \$1,000,000 policy limit.

The PUCT shall be named an additional insured on the commercial liability and automobile policies.

13.2 Certificates of Insurance. Contractor shall furnish to the PUCT certificates of insurance, 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 Agreement, and upon request thereafter. Contractor shall 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 promptly, shall constitute a material breach of this Agreement. Contractor shall provide thirty (30) days written notice of any notice for renewal and/or cancellation of insurance.

Article 14. DISPUTE RESOLUTION

The Parties agree to resolve disputes arising under this Agreement through the dispute resolution process provided for in Chapter 2260 of the Texas Government Code and Subchapter C of the PUCT Rules for Administrative Services.

Article 15. SOVEREIGN IMMUNITY

The State of Texas and the PUCT do not waive sovereign immunity by entering into this Agreement and specifically retain immunity and all defenses available to them under the laws of the State of Texas or the common law.

Article 16. GOVERNING LAW

Notwithstanding anything to the contrary in this Agreement, this Agreement shall be deemed entered into in the State of Texas and shall be governed by, construed and interpreted in accordance with the laws of the State of Texas that apply to contracts executed in and performed entirely within the State of Texas, without reference to any rules of conflict of laws. The Parties consent to the exclusive jurisdiction of the State of Texas. The Parties hereby submit to the jurisdiction of the courts located in, and venue is hereby stipulated to, the state courts located in Travis County, Texas. Each Party stipulates that it is subject to the jurisdiction of the courts located in Travis County, Texas, for any cause of action arising from any act or omission in the performance of this Agreement. Further, each Party hereby waives any right to assert any defense to jurisdiction being held by the courts located in Travis County, Texas, for any cause of action arising from any act or omission in the performance of this Agreement.

Article 17. COMPLIANCE WITH LAW

17.1 General. Contractor shall 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 shall have been produced, sold, delivered, and furnished in strict compliance with all applicable laws and regulations to which they are subject, including Equal Employment Opportunity laws. All laws and regulations required in agreements of this character are hereby incorporated by this reference.

17.2 Taxes. Contractor agrees to comply with any and all applicable state tax laws that may require any filing with and/or payment to the State of Texas as a result of any action taken as a result of this Agreement.

17.3 Workers' Compensation. Contractor agrees that it shall be in compliance with applicable state workers' compensation laws throughout the term of this Agreement.

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, and will inform and consult with the PUCT when further interpretations or directions are needed in order to fully implement the rules and regulations of the Commission. In the event that Contractor becomes aware of inconsistencies between this Agreement and a Texas statute

or PUCT rule, Contractor will so advise the PUCT and will cooperate fully to revise applicable provisions of this Agreement as necessary.

Article 18. CONTRACTOR'S CERTIFICATION

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

18.1 Prohibitions on Gifts. 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 Agreement.

18.2 Delinquent Obligations. Contractor is not currently delinquent in the payment of any franchise or sales tax owed to the State of Texas, and is not delinquent in the payment of any child support obligations under applicable state law.

18.3 Terrorist Financing. The PUCT is federally mandated to adhere to the directions provided in the President's Executive Order (EO) 13224, Executive Order on Terrorist Financing – Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten to Commit, or Support Terrorism, effective 9/24/2001 and any subsequent changes made to it, via cross referencing respondents/vendors with the Federal General Services Administration's System for Award Management (SAM), <https://www.sam.gov/>, which is inclusive of the United States Treasury's Office of Foreign Assets Control (OFAC) Specially Designated National (SDN) list.

<http://www.treasury.gov/resource-center/sanctions/SDN-List/Pages/default.aspx>

Respondent certifies that the responding entity and its principals are eligible to participate in this transaction and have not been subjected to suspension, debarment, or similar ineligibility determined by any federal, state or local governmental entity and that Respondent is not listed on the federal government's terrorism watch list as described in Executive Order 13224. Entities ineligible for federal procurement are listed at:

<https://www.sam.gov/>

18.4 Antitrust. Neither Contractor nor anyone acting for Contractor has violated the antitrust laws of this State, codified in Section 15.01, et seq. of the Texas Business and Commerce Code or the Federal Antitrust Laws, nor has communicated directly or indirectly to any competitor or any other person engaged in such line of business for the purpose of obtaining an unfair price advantage.

18.5 Family Code. Contractor has no principal who is ineligible to receive funds under Texas Family Code Section 231.006 and acknowledges that this Agreement may be terminated and payment may be withheld if this certification is inaccurate.

18.6 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 Agreement.

18.7 Government Code. Under Texas Government Code Section 2155.004, 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/or payment withheld if this certification is inaccurate.

18.8 Outstanding Obligations. Payments due under the contract will be applied towards any debt that is owed to the State of Texas, including but not limited to delinquent taxes and child support.

18.9 Contracting with Executive Head of State Agency. Contractor certifies this Agreement is in compliance with Texas Government Code Section 669.003 relating to contracting with the executive head of a State agency. If Texas Government Code Section 669.003 applies, bidder will complete the following information in order for the bid to be evaluated: Name of Former Executive; Name of State Agency; Date of Separation from State Agency; Position with Bidder; and Date of Employment with Bidder.

18.10 Buy Texas. Contractor will comply with Texas Government Code Section 2155.4441, pertaining to service contracts regarding the use of products produced in the State of Texas.

18.11 Hurricane Recovery. Under Texas Government Code Section 2155.006, Contractor certifies that the individual or business entity named in this proposal is not ineligible to receive the specified contract and acknowledges that this contract may be terminated and payment withheld if this certification is inaccurate.

18.12 E-Verify. Contractor certifies and ensures that it utilizes and will continue to utilize, for the term of this Contract, the U.S. Department of Homeland Security's E-Verify system to determine the eligibility of:

1. All persons hired to perform duties within Texas, during the term of the Contract; and
2. All persons (including subcontractors) assigned by the Contractor to perform work pursuant to the Contract, within the United States of America.

The Contractor shall provide, upon request of PUCT, an electronic or hardcopy screenshot of the confirmation or tentative non-confirmation screen containing the E-Verify case verification number for attachment to the Form I-9 for the three most recent hires that match the criteria above, by the Contractor, and Contractor's subcontractors, as proof that this provision is being followed.

If this certification is falsely made, the Contract may be immediately terminated, at the discretion of the state and at no fault to the state, with no prior notification. The

Contractor shall also be responsible for the costs of any re-solicitation that the state must undertake to replace the terminated Contract.

Article 19. GENERAL PROVISIONS

19.1 Relationship of Parties. Contractor is and shall remain at all times an independent contractor, and nothing in this Agreement shall be deemed to create a joint venture, partnership, employment, franchise, master-servant, or agency relationship between the Parties. Except as expressly provided to the contrary elsewhere in this Agreement, no Party has any right or authority to act on behalf of another Party, nor to assume or create any obligation, liability or responsibility on behalf of another Party. Under no circumstances shall the relationship of employer and employee be deemed to arise between the PUCT and Contractor's personnel. Contractor shall be solely responsible for achieving the results contemplated by this Agreement, whether performed by Contractor, its agents, employees or subcontractors.

19.2 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 Agreement. 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 shall 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 Agreement. 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.

19.3 Notice. Except as otherwise stated in this Agreement, all notices provided for in this Agreement shall 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 Agreement), (c) sent by FedEx, with proper postage affixed, or by hand-delivery, and (d) deemed effective upon receipt.

IF TO THE PUCT:

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

With copies to the PUCT Contract Administrator, and Erica Duque, CTPM, CTCM, at the same address.

IF TO CONTRACTOR:

ATTENTION: Fred Aus, Executive Director
1616 Rio Grande St.
Austin, Texas 78701

19.4 Headings. Titles and headings of paragraphs and sections within this Agreement are provided merely for convenience and shall not be used or relied upon in construing this Agreement or the Parties' intentions with respect thereto.

19.5 Export Laws. Contractor represents, warrants, agrees and certifies that it (a) shall 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) shall 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 Agreement in violation of any such laws, rules or regulations.

19.6 Preprinted Forms. The use of preprinted forms, such as purchase orders or acknowledgments, in connection with this Agreement is for convenience only and all preprinted terms and conditions stated thereon are void and of no effect. The terms of this Agreement 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 Agreement and any terms and conditions on a proposal, purchase order, acknowledgment, or other preprinted form, the terms and conditions of this Agreement will govern.

19.7 Specific Personnel. Contractor has identified the personnel for this assignment ("Team"), as follows: Fred Aus, Executive Director; Celia Eaves, FM Project Manager; Lara Zent, General Counsel/FM Back-up Project Manager; Steve Mindt, Staff FAP; Refugio Rodriguez, Staff FAP; Phillip Givens, Subcontractor FAP; Garry Smith, Subcontractor FAP; and Lance Harrell, Data and Reports Technician.

Contractor warrants that it shall use its best efforts to avoid any changes to the Team during the course of this Agreement. Should personnel changes occur during the contract

period, 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 shall provide individuals qualified to perform the tasks assigned to such individual. At the PUCT's request, Contractor shall remove from the project any individual whom the PUCT finds unacceptable. Contractor shall replace such individual with another individual satisfactory to the PUCT as soon as practicable.

19.8 Publicity. Contractor understands and agrees that no public disclosures or news releases pertaining to this Agreement or any results or findings based on information provided, created, or obtained to fulfill the requirements of this agreement shall be made without the prior written approval of the PUCT.

Article 20. NO IMPLIED WAIVER

The failure of any party, at any time, to enforce a provision of this contract will not constitute a waiver of that provision; will not affect the validity of this contract or any part of it; and will not affect the right of any party to enforce each and every provision.

Article 21. ORDER OF PRECEDENCE

In the event of conflicts or inconsistencies between the provisions of this contract and its attachment(s) or items incorporated by reference, the provisions of this contract will control. In the event of conflicts or inconsistencies between the provisions of Attachment A, Statement of Work, and any items incorporated by reference therein, the provisions of Attachment A will control.

Article 22. FORCE MAJEURE

Neither the PUCT nor Contractor will be considered in default in the performance of its obligations under this contract to the extent that the performance of such obligations is prevented or delayed by any cause beyond the reasonable control of the affected party, which such party could not, by due diligence have avoided, including but not limited to acts of God, severe weather, explosions, riots, acts of war, or orders of legal authority. Such causes will not relieve either party of liability in the event of its failure to use due diligence to remedy the situation and remove the cause in an adequate manner, with all reasonable dispatch, and to give notice and full particulars of the same in writing to the other party as soon as possible after the occurrence of the cause that prevented or delayed performance of the obligations. If the event of Force Majeure continues for a period of more than one hundred and eighty (180) days, either party thereafter may terminate this contract upon giving at least ten (10) days prior written notice to the other party.

Article 23. SEVERABILITY

If any provision of this contract is held unlawful or otherwise unenforceable, such provision will be severed and deemed deleted and the remainder of this contract will continue in full force and effect, as if such provision had never existed.

Article 24. FUNDING OUT CLAUSE

This contract is contingent upon the continued availability of funding. If funds become unavailable through lack of appropriations, legislative or executive budget cuts, amendment of the Appropriations Act, state agency consolidations, or any other disruptions of current appropriations, provisions of the Termination Article shall apply. Any contract resulting from this solicitation is contingent upon the continued availability of lawful appropriations by the Texas Legislature. *See* Texas Constitution, Article III Section 49, State Debts; and Texas General Appropriations Act for the 2014-2015 Biennium, Article IX, Section 6.03, Excess Obligations Prohibited.

Article 25. DRUG FREE WORKPLACE POLICY

The contractor shall 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 the contractor shall 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. PAST PERFORMANCE

A Respondent's past performance will be measured based upon pass/fail criteria, in compliance with applicable provisions of Texas Government Code Sections 2155.074, 2155.075, 2156.007, and 2157.125. Respondents may fail this selection criterion for any of the following conditions:

- 1) Having a score of less than 90% in the Vendor Performance System;
- 2) Being currently under a Corrective Action Plan through the Texas Comptroller of Public Accounts (CPA);
- 3) Having repeated negative Vendor Performance Reports for the same reason; or
- 4) Having purchase orders that have been cancelled in the previous 12 months for non-performance (i.e. late delivery, etc.).

Contractor performance information is located on the CPA web site at:

http://www.window.state.tx.us/procurement/prog/vendor_performance/.

CPA may conduct reference checks with other entities regarding past performance. In addition to evaluating performance through the Vendor Performance Tracking System (as authorized by 34 Texas Administrative Code § 20.108), CPA may examine other sources of vendor performance including, but not limited to, notices of termination, cure notices, assessments of liquidated damages, litigation, audit reports, and non-renewals of

contracts. Any such investigations shall be at the sole discretion of CPA, and any negative findings, as determined by CPA, may result in non-award to the Respondent.

Article 28. RIGHT TO AUDIT

Pursuant to Section 2262.003 of the Texas Government Code, the State Auditor may conduct an audit or investigation of Contractor or any other entity or person receiving funds from the state directly under this Agreement or indirectly through a subcontract under this contract. The acceptance of funds by Contractor or any other entity or person directly under this contract or indirectly through a subcontract under this 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, Contractor or any other 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. Contractor will ensure that this clause concerning the authority to audit funds received indirectly by subcontractors through the vendor and the requirement to cooperate is included in any subcontract awards.

Article 29. ENTIRE AGREEMENT

This contract, including Attachment 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 specifically referred to in this Agreement.

In WITNESS WHEREOF both parties by their duly authorized representatives have executed this contract effective as of the date the last party signs.

The Public Utility Commission of Texas

Texas Rural Water Association

By: 

Brian H. Lloyd
Executive Director

By: 

Fred Aus
Executive Director

Date Signed: 3-31-2015

Date Signed: 03-31-2015

ATTACHMENT A
STATEMENT OF WORK

1. **Background:** Texas Water Code, Chapter 13, and the Public Utility Commission of Texas's (PUCT's) rules outlined in Texas Administrative Code, Title 16, Chapter 24, require retail public utilities to have the financial and managerial (FM) capability to provide continuous and adequate water and/or sewer service to their customers.

This contract is being established in order to assess, assist and improve the FM capabilities of water and sewer retail public utilities in Texas, by carrying out the following objectives:

- a. The following FM Field Assistance tasks for existing or proposed water or sewer retail public utilities:
1. Billing and Accounting
 2. Budgeting
 3. Business Plans
 4. Managing Collection/Disconnections
 5. Water Supply Corporation (WSC) Formations/Creations
 6. Debt Payment
 7. Financial Records and Record Keeping
 8. Financial Statements
 9. Rate/Tariff Change Applications
 10. Rate Study
 11. Reserve Accounts
 12. Tariff Preparation and Completion
 13. Capital Improvement Plans
 14. Certificate of Convenience and Necessity (CCN) Applications and Service Areas
 15. Customer Complaint Issues
 16. Customer Service Agreements
 17. Customer Service and Relations
 18. Meeting with Home Owners Associations, Property Owners Association or Water Supply Corporation Members
 19. Petitions to Cease Operations

20. Receivership/Temporary Manger/Supervision of a Utility
21. Record Keeping
22. Sale/Transfer/Merger Applications
23. Stock Transfer Applications
24. Tax Exempt Status Matters
25. Termination Agreements
26. Annual Reports
27. WSC Conversions
28. PUC Compliance Regulation
29. Board/Council Training
30. Consolidation Assistance

b. Special Assignments for conducting and/or providing assistance which may include, in addition to other various tasks: phone surveys, preparing reports, researching PUC or TCEQ files and records, attending special meetings, and training for retail public water and sewer utilities.

2. FM Assistance: The PUC Project Manager (PM) or designated staff shall make assignments to the Contractor's Project Manager (CPM) for FM assistance of existing or proposed water or sewer retail public utilities. The CPM must acknowledge receipt of the assignment to the PM within five (5) calendar days of notification by the PM, by e-mail to the PM.

The Contractor shall complete all assigned FM assistance objectives and tasks for existing or proposed water or sewer retail public utilities in accordance with the Scope of Work, required forms, current and applicable guidance materials, policy, statutes, and regulations.

Tasks associated with meeting the requirements of the Scope of Work include:

- a. Scheduling and meeting with existing or proposed water or sewer retail public utilities and/or appropriate representatives.
- b. Notifying PUC designated program areas (regarding the scheduled meeting/visit and purpose).
- c. Researching and assembling background materials.
- d. Providing Field Assistance.
- e. Compiling FM data, including, but not limited to file and document research, database research, mapping information research, county records research, and electronic records research.
- f. Generating a final "Assistance Activity Report" (AAR) after each assignment summarizing the assistance provided to the existing or proposed retail public utility.

- g. Submitting the AAR to the PUC upon completion of each assistance assignment electronically and in hard copy format with the “Monthly Activity Reports” (MAR) invoice, in accordance with the PUC’s filing requirements.
- h. Maintaining files; and providing recommendations for further assistance, if needed.

Note: Amended updates to the exhibits or guidance materials may be substituted by the PUC as changes to policy, guidelines or requirements occur. The Contractor shall use the most current exhibit or guidelines as directed by PUC.

3. Monthly Activity Reports (MAR): The Contractor shall submit MARs for those entities which were assigned for assistance during the previous calendar month, or both. Reports shall be submitted in MS Word format. The following procedures apply:

- a. For each assignment completed, the Contractor shall prepare a hard copy AAR for submittal with the MAR deliverable package. The hard copies of all items shall be delivered monthly to the PUC, along with an electronic version to be emailed to the PUC staff member making the referral. Each AAR shall include:
 - 1. Existing or Proposed Utility Name
 - 2. CCN number (if applicable)
 - 3. Name of PUC staff making referral
 - 4. Name of contractor’s staff fulfilling the assignment
 - 5. Date of referral and priority of assignment
 - 6. Indication whether the AAR is interim or final
 - 7. Name and title of person contacted with the existing or proposed utility
 - 8. Physical address where assistance was given
 - 9. County(ies) Name(s)
 - 10. Dates of all contacts with the existing or proposed utility
 - 11. Description of the purpose of the assignment and the assistance provided
 - 12. Summary of findings including problems encountered
 - 13. Statement indicating that all assigned tasks are completed or reasons for not completing any portion of the assigned tasks
 - 14. Any recommendations for follow-up assistance (which shall include goals and specific details of the expected outcome of the additional assistance).
- b. For each recommendation for follow-up assistance, the Contractor shall prepare within thirty (30) days after receiving approval from the PUC Project Manager, a standard FM Field Assistance Referral Form for submittal to the PM.

4. MAR Format:

- a. The Contractor shall submit one hard copy of all assignment reports and one hard copy of each assistance form and report in labeled file folders and electronic copies of each by email. The folder should contain any background materials gathered by the Contractor from PUC’s Central Records, the entity, or any other source.
- b. File folder labels shall list the name of the entity, CCN number(s), county(ies), type of assignment(FM Assistance, Consolidation Assistance, Special Assignments, etc.), PUC Control Number.

- c. The hard copy and the electronic format of the MAR shall be in accordance with the PUC's FM Contract MAR Form or as authorized by the PM.

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

- a. Completeness: This includes all elements required by current PUCT guidance and policy as provided by PUCT Project Manager for the particular report (format, attachments, tables, maps, documentation of activities, etc.) and as specified in the scope of work.
- b. Conclusions and/or recommendations: Conclusions and/or recommendations reached in a report shall 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 shall include a determination as to the validity and representativeness of data and reports (accuracy, completeness, timeliness, meeting scope of work criteria, etc.) prior to submission to 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.

6. Contract Activity Meetings: The CPM, unless otherwise directed by the PM, shall meet with the PM or his designee at a minimum on a monthly basis to review the "Monthly Activity Report," 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 PM.

7. Training and Work Assignment Start Date: The Contractor and all persons assigned to perform the tasks of this Contract, including subcontractors, shall attend orientation and training sessions conducted by the PUC. One day orientation and training sessions will be scheduled within sixty (60) calendar days of the commencement of the Contract and as needed during the Contract period. The Contractor can anticipate two (2) additional one day PUC training sessions during the Contract period and may be requested by a PUC PM to attend additional training events presented by the PUC and/or other organizations. Any and all costs associated with attending training sessions shall be borne by the Contractor, unless directed otherwise by PUC.

No later than 60 calendar days after the commencement of the Contract, the CPM shall provide a "Training Program" detailing their training standard operating procedures (SOPs)/plans which are to include, but not be limited to: training records and qualifications of individual staff and subcontractors, new employee training/orientation procedures, process/criteria used to ensure staff qualifications meet minimum requirements to perform scope of work under this contract, verification procedures for new staff qualifications, training schedules and procedures, work process flow charts, organizational charts and reporting levels.

During the course of the contract, the Contractor must provide all training necessary for any new staff hired to perform the duties of this contract within 15 days after their start date.

The training required of personnel includes the following: PUC rules including utility service area rules, rates/tariff change rules, applications as specified by PUC PM, use of the PUC's data and electronic records, guidance, policy, and procedures; PUC forms and contract exhibits; specific instructions for this

contract; and computer applications as necessary to update the PUC's database and to provide responses in electronic form.

The Contractor shall provide PUC with all telephone numbers and addresses (email and postal) of all Contractor staff and organizational structure and reporting levels at the commencement of the Contract and update within 15 calendar days as changes occur.

Substitutions or additions of key personnel to the contract during the contract term shall be preapproved by PUC. Key personnel are those who will be performing on-site assistance visits, invoice preparation/review, management and oversight of the contract or subcontractors. Contractor shall submit qualifications of key personnel to the PM using the format provided in the Statement of Qualifications. PUC reserves the right to require any new key personnel to complete an FMT training session.

8. Contractor Must Maintain Adequate, Qualified Staff: Contractor shall maintain an adequate number of qualified staff or qualified subcontractor staff to carry out the scope of this contract within the time constraints given in the scope. 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 PUC PM before doing so.
9. Conclusion of Assignments: FM Field Assistance assignments from PUC will conclude under this contract at least one month prior to the end of the contract or at the sole discretion of PUC to allow sufficient time for the Contractor to complete the assignments before the contract end date.
10. Responses to Telephone Requests for Information: The Contractor shall be available during normal business hours (8 AM to 5PM CT) to respond by telephone to verbal requests for information from the entity regulated parties, PUC staff, and other interested parties for any FM Assistance or Special Project assignment under this contract. All telephone calls must be returned within 1 calendar day. The Contractor shall refer calls and inquiries from any governmental agency, the legislature, attorneys, and the media to the appropriate PUCT PM and notify the PUCT PM of those calls and inquiries. The Contractor shall not respond to inquiries or calls on behalf of the PUCT unless instructed to do so by the PUC PM, other than making a referral to the PUCT PM. The Contractor shall direct parties wishing to make Open Records Requests to the PUCT.

The Contractor shall ensure that it has a contact person or designee available to receive and respond to assignments from the PUCT PM at all times during normal PUCT business hours of 8 a.m. to 5 p.m., Monday through Friday, except for designated state holidays when PUCT is closed.

11. Data: The Contractor shall be responsible for safeguarding and maintaining the integrity of all data (electronic and hard copy) files. All Contractor staff must be able to provide their reports to their data technician and PUCT in electronic format and by e-mail. All data (electronic and hard copy) are to be filed, maintained, reported and submitted by existing or proposed utility name.

The Contractor and the employees of the Contractor shall not disclose any PUCT or facility documents, files or information marked "Confidential" to any party other than the PUCT. The Contractor shall direct all Open Records Requests to the PUCT immediately upon receipt of such requests. Instructions

for making an Open Records Request to the PUCT may be found on the PUCT's website at: <http://www.puc.texas.gov/agency/about/contact/PIA.aspx>. The Contractor shall also notify the PM whenever the Contractor refers requestors to the PUCT.

12. Incorporation of Contractor's Proposal and BAFO. Contractor's Proposal (Texas Rural Water Association's Proposal filed in Project No. 43848) and BAFO (Texas Rural Water Association's Best and Final Offer Letter dated February 11, 2015) are hereby incorporated in this Statement of Work, to the extent that they do not conflict with the Statement of Work. To the extent of any conflict between Contractor's Proposal and the BAFO, the BAFO shall control.
13. Verification of Deliverables: The PUCT has the right to inspect and validate all products, services and deliverables called for by this Contract to the extent practicable at all times and places during the Contract. The PUCT shall perform inspections in a manner that shall not unduly interfere with Contractor's performance of this Contract. Contractor shall furnish and shall require subcontractors to furnish, at no additional charge to the PUCT, all reasonable assistance for the safe and convenient performance of these duties. If any of the deliverables do not conform to this Contract's requirements, the PUCT may require Contractor to perform the deliverables or services again in conformity with this Contract's requirements at no increase in this Contract's amount, in addition to all other legal and equitable remedies.
14. Attached Timeline: *Exhibit 1 - Timeline of Contract Start-Up* describes deliverables expected of Contractor during the first three months of the contract.
15. Accepting Assignments: Contractor will begin accepting assignments between April 8, 2015 and April 14, 2015.

Exhibit 1

Timeline of Contract Start-up									
April 1	April 15 May 30	April 6-10	April 10	April 14	April 20		May 30	June	July

Commence contract; Provide PUCT with phone numbers and addresses (email and postal) of all contractor staff and organizational structure and reporting levels

- Review contract exhibits
- Format proposed 'Assistance Activity Report' & submit to PUCT for review and approval
- Format proposed 'Monthly Activity Report' & submit to PUCT for review and approval
- Finalize PUCT assignment database

TRWA Kickoff training meeting
Provide PUCT with Certificates of Insurance

Provide PUCT with "TRWA Training Program"

Review internal program procedures & compliance; implement any corrective actions

Follow-up meeting with PUCT to review procedures

Follow-up meeting with FAP staff to conduct any additional identified training or procedure changes

Attend PUCT One Day Orientation Training (within 60 days of commencement of contract)

**CONTRACT NO. 473-15-00255
AMENDMENT NO. 1
BETWEEN
THE PUBLIC UTILITY COMMISSION OF TEXAS
AND
TEXAS RURAL WATER ASSOCIATION**

The parties to this amendment of Contract No. 473-15-00255 for Retail Water and Sewer Utility Financial and Managerial Assistance, are the Public Utility Commission of Texas (PUCT,) a duly organized agency of the State of Texas with its office located at 1701 N. Congress Ave., Austin, Texas 78701 and Texas Rural Water Association (TRWA), a trade association whose mailing address is 1616 Rio Grande Street, Austin, TX 78701.

Article 1. DUTIES OF THE PARTIES

The parties' duties and the requirements of Contract No. 473-15-00255, shall remain the same, except as specifically modified by this document.

Article 2. EFFECTIVE DATE

This amendment is effective as of the date the last signatory signs.

Article 3. SERVICES AND COMPENSATION

All services provided under Contract No. 473-15-00255, remain unchanged except as modified by this document. Compensation for services provided shall remain unchanged.

Article 4. FILE FORMAT FOR REQUIRED REPORTS

Attachment A, Statement of Work, shall be amended to allow all required reports to be provided in Adobe PDF format.

Article 5. ASSISTANCE ACTIVITY REPORTS

Attachment A, Statement of Work shall be amended to require TRWA to turn in Assistance Activity Reports (AAR) to the PUCT monthly for all outstanding assignments.

Article 6. ENTIRE AGREEMENT

The original contract, including Attachment A, Statement of Work, and this Amendment 1, constitute the entire agreement and understanding between the parties with regard to its subject matter.

In WITNESS WHEREOF both parties by their duly authorized representatives have executed this contract effective as of the last date signed.

The Public Utility Commission of Texas

By:



Date: 5-27-15

Brian H. Lloyd
Executive Director

Texas Rural Water Association

By:



Date: 05-20-2015

Fred Aus
Executive Director

**CONTRACT NO. 473-15-00255
AMENDMENT NO. 2
BETWEEN
THE PUBLIC UTILITY COMMISSION OF TEXAS
AND
TEXAS RURAL WATER ASSOCIATION**

The parties to this amendment of Contract No. 473-15-00255 for Retail Water and Sewer Utility Financial and Managerial Assistance, are the Public Utility Commission of Texas (PUCT), a duly organized agency of the State of Texas with its office located at 1701 N. Congress Ave., Austin, Texas 78701 and Texas Rural Water Association (TRWA), a trade association, whose mailing address is 1616 Rio Grande Street, Austin, TX 78701-1122.

Article 1. DUTIES OF THE PARTIES

The parties' duties and the requirements of Contract No. 473-15-00255, as amended by Amendment No. 1, shall remain the same, except as specifically modified by this document.

Article 2. TERM AND EFFECTIVE DATE

The original term of Contract No. 473-15-00255 began March 31, 2015, and was scheduled to end February 29, 2016. By this document, the parties agree to extend the contract through February 28, 2017. This amendment is effective as of the date the last signatory signs.

Article 3. SERVICES

All services provided under Contract No. 473-15-00255, remain unchanged except as modified by this document. Total compensation for this extension period is estimated to be \$164,000.

Article 4. COMPENSATION

Compensation for services provided during the period of March 1, 2016 to February 28, 2017 will be made for per-unit prices under the terms of the original contract.

Article 5. ENTIRE AGREEMENT

The original contract, including Amendment No. 1, this Amendment No. 2, and Attachments to the contract and amendments, constitutes the entire agreement and understanding between the parties with regard to its subject matter.

In WITNESS WHEREOF both parties by their duly authorized representatives have executed this contract effective as of the last date signed.

Contract No. 473-15-00255
Amendment No. 1

The Public Utility Commission of Texas

By:



Brian H. Lloyd
Executive Director

Date: 2/22/16

Texas Rural Water Association

By:



Laura Zent
Executive Director

Date: 2/23/16