

# TXShare

## Your Public Sector Solutions Center

### MASTER SERVICES AGREEMENT #2025-023 Artificial Intelligence (AI) Consultancy Services

THIS MASTER SERVICES AGREEMENT ("Agreement"), effective the last date of signed approval ("Effective Date"), is entered into by and between the **North Central Texas Council of Governments** ("**NCTCOG**"), a Texas political subdivision and non-profit corporation, with offices located at 616 Six Flags Drive, Arlington, TX 76011, and

**Centroid Systems LLC ("Contractor")**  
**1050 Wilshire Drive, Ste 170**  
**Troy, MI 48084**

#### ARTICLE I RETENTION OF THE CONTRACTOR

1.1 This Agreement defines the terms and conditions upon which the Contractor agrees to provide **Artificial Intelligence (AI) Consultancy Services** (hereinafter, "Services") to governmental entities participating in the TXShare program (hereinafter "Participating Entities"). The Contractor is being retained to provide services described below to Participating Entities based on the Contractor's demonstrated competence and requisite qualifications to perform the scope of the services described herein and in the Request for Proposals #2025-023 (hereinafter, "RFP"). The Contractor demonstrated they have the resources, experience, and qualifications to perform the described services, which is of interest to Participating Entities and was procured via the RFP. NCTCOG agrees to and hereby does retain the Contractor, as an independent contractor, and the Contractor agrees to provide services to Participating Entities, in accordance with the terms and conditions provided in this Agreement and consistent with Contractor's response to the RFP.

#### ARTICLE II SCOPE OF SERVICES

- 2.1 The Contractor will provide Services described in a written Purchase Order issued by NCTCOG or a SHARE Participating Entity. Any such Purchase Order is hereby incorporated by reference and made a part of this Agreement and shall be subject to the terms and conditions in this Agreement. In the event of a conflict between any term or provision in this Agreement and any term or provision in a Purchase Order, the term or provision in this Agreement shall control unless the conflicting term or provision in this Agreement is referenced, and expressly stated not to apply, in such Purchase Order.
- 2.2 All Services rendered under this Agreement will be performed by the Contractor: i) with due care; ii) in accordance with generally prevailing industry standards; iii) in accordance with Participating Entities' standard operating procedures and applicable policies, as may be amended from time to time; and iv) in compliance with all applicable laws, government regulatory requirements, and any other written instructions, specifications, guidelines, or requirements provided by NCTCOG and/or Participating Entities.
- 2.3 Any agreed-upon changes to a Purchase Order shall be set forth in a subsequent Purchase Order amendment. Contractor will not implement any changes or any new Services until a Purchase Order has been duly executed by Participating Entity. For the avoidance of doubt, the Contractor acknowledges that Participating Entity is under no obligation to execute a Purchase Order. Participating

Entity shall not be liable for any amounts not included in a Purchase Order in the absence of a fully executed amendment of Purchase Order.

- 2.4 Pricing for items in Appendix A represent the maximum cost for each item offered by the Contractor. Contractor and Participating Entity may mutually agree to a lower cost for any item covered under this agreement.

## 2.5 NCTCOG Obligations

- 2.5.1 NCTCOG shall make available a contract page on its TXShare.org website which will include contact information for the Contractor(s).

## 2.6 Participating Entity Obligations.

- 2.6.1 In order to utilize the Services, Participating Entities must have executed a Master Interlocal Agreement for TXShare with NCTCOG. This agreement with the Participating Entity will define the legal relationship between NCTCOG and the Participating Entity.
- 2.6.2 In order to utilize the Services, Participating Entities must execute a Purchase Order with the Contractor. This agreement with the Participating Entity will define the Services and costs that the Participating Entity desires to have implemented by the Contractor.

## 2.7 Contractor Obligations.

- 2.7.1 Contractor must be able to deliver, perform, install, and implement services with the requirements and intent of RFP #2025-023.
- 2.7.2 If applicable, Contractor shall provide all necessary material, labor and management required to perform this work. The scope of services shall include, but not be limited to, items listed in Appendix A.
- 2.7.3 Contractor agrees to market and promote the use of the SHARE awarded contract whenever possible among its current and solicited customer base. Contractor shall agree to follow reporting requirements in report sales made under this Master Services Agreement in accordance with Section 4.2.

## ARTICLE III

### TERM

- 3.1 This Agreement will commence on the Effective Date and remain in effect for an initial term ending on May 31, 2027 (the “**Term**”), unless earlier terminated as provided herein. This Agreement will automatically be renewed, unless NCTCOG explicitly desires otherwise, for up to three (3) additional one (1) year terms through May 31, 2030.
- 3.2 **Termination.** NCTCOG and/or Participating Entities may terminate this Agreement and/or any Purchase Order to which it is a signatory at any time, with or without cause, upon thirty (30) days’ prior written notice to Contractor. Upon its receipt of notice of termination of this Agreement or Purchase Order, Contractor shall follow any instructions of NCTCOG respecting work stoppage. Contractor shall cooperate with NCTCOG and/or Participating Entities to provide for an orderly conclusion of the Services. Contractor shall use its best efforts to minimize the amount of any non-cancelable obligations and shall assign any contracts related thereto to NCTCOG or Participating Entity at its request. If NCTCOG or Participating Entity elects to continue any activities underlying a terminated Purchase Order after termination, Contractor shall cooperate with NCTCOG or Participating Entity to provide for an orderly transfer of Contractor’s responsibilities with respect to such Purchase Order to NCTCOG or Participating Entity. Upon the effective date of any such termination, the Contractor shall submit a final invoice for payment in accordance with Article IV, and NCTCOG or Participating Entity shall pay such amounts as are due to Contractor through the effective date of termination. NCTCOG or Participating Entity shall only be liable for payment of services rendered before the effective date of termination. If Agreement is terminated, certain reporting requirements identified in this Agreement shall survive termination of this Agreement.

- 3.2.1 Termination for Convenience: Either party may terminate the agreement for its convenience in whole or in part at any time without cause, upon 30 days written notice. Upon termination for convenience, the contractor will be entitled to payment for goods or services satisfactorily performed or delivered.
- 3.2.2 Termination for Cause: Either party may immediately terminate this Agreement if the other party breaches its obligations specified within this Agreement, and, where capable of remedy, such breach has not been materially cured within thirty (30) days of the breaching party's receipt of written notice describing the breach in reasonable detail.
- 3.2.3 Termination for Breach: Upon any material breach of this Agreement by either party, the non-breaching party may terminate this Agreement upon twenty (20) days written notice to the breaching party. The notice shall become effective at the end of the twenty (20) day period unless the breaching party cures such breach within such period.

#### **ARTICLE IV COMPENSATION**

- 4.1 **Invoices.** Contractor shall submit an invoice to the ordering Participating Entity upon receipt of an executed Purchase Order and after completion of the work, with Net 30 payment terms. Costs incurred prior to execution of this Agreement are not eligible for reimbursement. There shall be no obligation whatsoever to pay for performance of this Agreement from the monies of the NCTCOG or Participating Entities, other than from the monies designated for this Agreement and/or executed Purchase Order. Contractor expressly agrees that NCTCOG shall not be liable, financial or otherwise, for Services provided to Participating Entities.
- 4.2 **Reporting.** NCTCOG intends to make this Agreement available to other governmental entities through its TXShare cooperative purchasing program. NCTCOG has contracted Civic Marketplace as a digital marketplace for selected TXShare awarded contracts and to serve as NCTCOG's collector of reports and remunerative fees referenced in Section 5.2 of the Master Services Agreement. Unless otherwise directed in writing by NCTCOG, Contractor shall submit to Civic Marketplace on a calendar quarterly basis a report that identifies any new client Participating Entities, the date(s) and order number(s), and the total contracted value of service(s) that each Participating Entity has purchased and paid in full under this Master Service Agreement. Reporting and invoices should be submitted to:

Civic Marketplace, Inc.  
6502 Glen Abbey  
Abilene, TX 79606  
Email: [support@civicmarketplace.com](mailto:support@civicmarketplace.com)

#### **ARTICLE V SERVICE FEE**

- 5.1 **Explanation.** NCTCOG will make this Master Service Agreement available to other governmental entities, Participating Entities, and non-profit agencies in Texas and the rest of the United States through its SHARE cooperative purchasing program. The Contractor is able to market the Services under this Agreement to any Participating Entity with emphasis that competitive solicitation is not required when the Participating Entity purchases off of a cooperative purchasing program such as SHARE. However, each Participating Entity will make the decision that it feels is in compliance with its own purchasing requirements. The Contractor realizes substantial efficiencies through their ability to offer pricing through the SHARE Cooperative and that will increase the sales opportunities as well as reduce the need to repeatedly respond to Participating Entities' Requests for Proposals. From these efficiencies, Contractor will pay an administrative fee to SHARE calculated as a percentage of sales processed through the SHARE Master Services Agreement. This administrative fee is not an added cost to SHARE participants. This administrative fee covers the costs of solicitation of the contract, marketing and facilitation, as well as offsets expenses incurred by SHARE.

5.2 **Administrative Fee.** NCTCOG will utilize an administrative fee, in the form of a percent of cost that will apply to all contracts between awarded contractor and NCTCOG or participants resulting from this solicitation. The administrative fee will be remitted by the contractor to Civic Marketplace on a quarterly basis, along with required quarterly reporting. The remuneration fee for this program will be 2.5% on sales.

5.3 **Setup and Implementation.** NCTCOG will provide instruction and guidance as needed to the Contractor to assist in maximizing mutual benefits from marketing these Services through the SHARE purchasing program.

## **ARTICLE VI RELATIONSHIP BETWEEN THE PARTIES**

6.1 **Contractual Relationship.** It is understood and agreed that the relationship described in this Agreement between the Parties is contractual in nature and is not to be construed to create a partnership or joint venture or agency relationship between the parties. Neither party shall have the right to act on behalf of the other except as expressly set forth in this Agreement. Contractor will be solely responsible for and will pay all taxes related to the receipt of payments hereunder and shall give reasonable proof and supporting documents, if reasonably requested, to verify the payment of such taxes. No Contractor personnel shall obtain the status of or otherwise be considered an employee of NCTCOG or Participating Entity by virtue of their activities under this Agreement.

## **ARTICLE VII REPRESENTATION AND WARRANTIES**

7.1 **Representations and Warranties.** Contractor represents and warrants that:

- 7.1.1 As of the Effective Date of this Agreement, it is not a party to any oral or written contract or understanding with any third party that is inconsistent with this Agreement and/or would affect the Contractor's performance under this Agreement; or that will in any way limit or conflict with its ability to fulfill the terms of this Agreement. The Contractor further represents that it will not enter into any such agreement during the Term of this Agreement;
- 7.1.2 NCTCOG is prohibited from making any award or permitting any award at any tier to any party which is debarred or suspended or otherwise excluded from, or ineligible for, participation in federal assistance programs under Executive Order 12549, Debarment and Suspension. Contractor and its subcontractors shall include a statement of compliance with Federal and State Debarment and suspension regulations in all Third-party contracts.
- 7.1.3 Contractor shall notify NCTCOG if Contractor or any of the Contractor's sub-contractors becomes debarred or suspended during the performance of this Agreement. Debarment or suspension of the Contractor or any of Contractor's sub-contractors may result in immediate termination of this Agreement.
- 7.1.4 Contractor and its employees and sub-contractors have all necessary qualifications, licenses, permits, and/or registrations to perform the Services in accordance with the terms and conditions of this Agreement, and at all times during the Term, all such qualifications, licenses, permits, and/or registrations shall be current and in good standing.
- 7.1.5 Contractor shall, and shall cause its representatives to, comply with all municipal, state, and federal laws, rules, and regulations applicable to the performance of the Contractor's obligations under this Agreement.

## ARTICLE VIII CONFIDENTIAL INFORMATION AND OWNERSHIP

- 8.1 **Confidential Information.** Contractor acknowledges that any information it or its employees, agents, or subcontractors obtain regarding the operation of NCTCOG or Participating Entities, its products, services, policies, customer, personnel, and other aspect of its operation (“Confidential Information”) is proprietary and confidential, and shall not be revealed, sold, exchanged, traded, or disclosed to any person, company, or other entity during the period of the Contractor’s retention hereunder or at any time thereafter without the express written permission of NCTCOG or Participating Entity.

Notwithstanding anything in this Agreement to the contrary, Contractor shall have no obligation of confidentiality with respect to information that (i) is or becomes part of the public domain through no act or omission of Contractor; (ii) was in Contractor’s lawful possession prior to the disclosure and had not been obtained by Contractor either directly or indirectly from the NCTCOG or Participating Entity; (iii) is lawfully disclosed to Contractor by a third party without restriction on disclosure; (iv) is independently developed by Contractor without use of or reference to the NCTCOG’s Participating Entity’s Confidential Information; or (v) is required to be disclosed by law or judicial, arbitral or governmental order or process, provided Contractor gives the NCTCOG or Participating Entity prompt written notice of such requirement to permit the NCTCOG or Participating Entity to seek a protective order or other appropriate relief. Contractor acknowledges that NCTCOG and Participating Entities must strictly comply with applicable public information laws, in responding to any request for public information. This obligation supersedes any conflicting provisions of this Agreement.

- 8.2 **Ownership.** No title or ownership rights to any applicable software are transferred to the NCTCOG by this agreement. The Contractor and its suppliers retain all right, title and interest, including all copyright and intellectual property rights, in and to, the software (as an independent work and as an underlying work serving as a basis for any improvements, modifications, derivative works, and applications NCTCOG may develop), and all copies thereof. All final documents, data, reports, information, or materials are and shall at all times be and remain, upon payment of Contractor’s invoices therefore, the property of NCTCOG or Participating Entity and shall not be subject to any restriction or limitation on their future use by, or on behalf of, NCTCOG or Participating Entity, except otherwise provided herein. Subject to the foregoing exception, if at any time demand be made by NCTCOG or Participating Entity for any documentation related to this Agreement and/or applicable Purchase Orders for the NCTCOG and/or any Participating Entity, whether after termination of this Agreement or otherwise, the same shall be turned over to NCTCOG without delay, and in no event later than thirty (30) days after such demand is made. Contractor shall have the right to retain copies of documentation, and other items for its archives. If for any reason the foregoing Agreement regarding the ownership of documentation is determined to be unenforceable, either in whole or in part, the Contractor hereby assigns and agrees to assign to NCTCOG all rights, title, and interest that the Contractor may have or at any time acquire in said documentation and other materials, provided that the Contractor has been paid the aforesaid.

## ARTICLE IX GENERAL PROVISIONS

- 9.1 **Notices.** All notices from one Party to another Party regarding this Agreement shall be in writing and delivered to the addresses shown below:

If to NCTCOG:	North Central Texas Council of Governments P.O. Box 5888 Arlington, TX 76005-5888 Attn: Purchasing Agent Phone Number: 817-704-5674 <a href="mailto:elittrell@nctcog.org">elittrell@nctcog.org</a>
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If to Contractor:

**Centroid Systems LLC**  
**Attn:** Chris Wilson  
**1050 Wilshire Drive, Ste 170**  
**Troy, MI 48084**  
**Phone:** 314-422-2583  
**Email:** [chris.wilson@centroid.com](mailto:chris.wilson@centroid.com)

The above contact information may be modified without requiring an amendment to the Agreement.

**9.2 Tax.** NCTCOG and several participating entities are exempt from Texas limited sales, federal excise and use tax, and does not pay tax on purchase, rental, or lease of tangible personal property for the organization's use. A tax exemption certificate will be issued upon request.

**9.3 Indemnification.** Contractor shall defend, indemnify, and hold harmless NCTCOG and Participating Entities, NCTCOG's affiliates, and any of their respective directors, officers, employees, agents, subcontractors, successors, and assigns from any and all suits, actions, claims, demands, judgments, liabilities, losses, damages, costs, and expenses (including reasonable attorneys' fees and court costs) (collectively, "Losses") arising out of or relating to: (i) Services performed and carried out pursuant to this Agreement; (ii) breach of any obligation, warranty, or representation in this Agreement, (iii) the negligence or willful misconduct of Contractor and/or its employees or subcontractors; or (iv) any infringement, misappropriation, or violation by Contractor and/or its employees or subcontractors of any right of a third party; provided, however, that Contractor shall have no obligation to defend, indemnify, or hold harmless to the extent any Losses are the result of NCTCOG's or Participating Entities' gross negligence or willful misconduct.

**9.4 Limitation of Liability.** In no event shall either party be liable for special, consequential, incidental, indirect or punitive loss, damages or expenses arising out of or relating to this Agreement, whether arising from a breach of contract or warranty, or arising in tort, strict liability, by statute or otherwise, even if it has been advised of their possible existence or if such loss, damages or expenses were reasonably foreseeable.

Notwithstanding any provision hereof to the contrary, neither party's liability shall be limited by this Article with respect to claims arising from breach of any confidentiality obligation, arising from such party's infringement of the other party's intellectual property rights, covered by any express indemnity obligation of such party hereunder, arising from or with respect to injuries to persons or damages to tangible property, or arising out of the gross negligence or willful misconduct of the party or its employees.

**9.5 Insurance.** At all times during the term of this Agreement, Contractor shall procure, pay for, and maintain, with approved insurance carriers, the minimum insurance requirements set forth below, unless otherwise agreed in a Purchase Order between Contractor and Participating Entities. Further, Contractor shall require all contractors and sub-contractors performing work for which the same liabilities may apply under this Agreement to do likewise. All subcontractors performing work for which the same liabilities may apply under this contract shall be required to do likewise. Contractor may cause the insurance to be effected in whole or in part by the contractors or sub-contractors under their contracts. NCTCOG reserves the right to waive or modify insurance requirements at its sole discretion.

**9.5.1 Workers' Compensation:** Statutory limits and employer's liability of \$100,000 for each accident or disease.

**9.5.2 Commercial General Liability:**

**9.5.2.1 Required Limits:**

\$1,000,000 per occurrence;

\$3,000,000 Annual Aggregate

**9.5.2.2 Commercial General Liability policy shall include:**

- 9.5.2.2.1 Coverage A: Bodily injury and property damage;
  - 9.5.2.2.2 Coverage B: Personal and Advertising Injury liability;
  - 9.5.2.2.3 Coverage C: Medical Payments;
  - 9.5.2.2.4 Products: Completed Operations;
  - 9.5.2.2.5 Fire Legal Liability;
- 9.5.2.3 Policy coverage must be on an “occurrence” basis using CGL forms as approved by the Texas State Board of Insurance.
- 9.5.3 Business Auto Liability: Coverage shall be provided for all owned hired, and non-owned vehicles. Required Limit: \$1,000,000 combined single limit each accident.
- 9.5.4 Professional Errors and Omissions liability:
  - 9.5.4.1 Required Limits:
    - \$1,000,000 Each Claim
    - \$1,000,000 Annual Aggregate
- 9.6 **Conflict of Interest.** During the term of this Agreement, and all extensions hereto and for a period of one (1) year thereafter, neither party, shall, without the prior written consent of the other, directly or indirectly, whether for its own account or with any other persons or entity whatsoever, employ, solicit to employ or endeavor to entice away any person who is employed by the other party.
- 9.7 **Force Majeure.** It is expressly understood and agreed by both parties to this Agreement that, if the performance of any provision of this Agreement is delayed by force majeure, defined as reason of war, civil commotion, act of God, governmental restriction, regulation or interference, fire, explosion, hurricane, flood, failure of transportation, court injunction, or any circumstances which are reasonably beyond the control of the party obligated or permitted under the terms of this Agreement to do or perform the same, regardless of whether any such circumstance is similar to any of those enumerated herein, the party so obligated or permitted shall be excused from doing or performing the same during such period of delay, so that the period of time applicable to such requirement shall be extended for a period of time equal to the period of time such party was delayed. Each party must inform the other in writing within a reasonable time of the existence of such force majeure.
- 9.8 **Ability to Perform.** Contractor agrees promptly to inform NCTCOG of any event or change in circumstances which may reasonably be expected to negatively affect the Contractor’s ability to perform its obligations under this Agreement in the manner contemplated by the parties.
- 9.9 **Availability of Funding.** This Agreement and all claims, suits, or obligations arising under or related to this Agreement are subject to and limited by the receipt and availability of funds which are received from the Participating Entities by NCTCOG dedicated for the purposes of this Agreement.
- 9.10 **Governing Law.** This Agreement will be governed by and construed in accordance with the laws of the State of Texas, United States of America. The mandatory and exclusive venue for the adjudication or resolution of any dispute arising out of this Agreement shall be in Tarrant County, Texas.
- 9.11 **Waiver.** Failure by either party to insist on strict adherence to any one or more of the terms or conditions of this Agreement, or on one or more occasions, will not be construed as a waiver, nor deprive that party of the right to require strict compliance with the same thereafter.
- 9.12 **Entire Agreement.** This Agreement and any attachments/addendums, as provided herein, constitutes the entire agreement of the parties and supersedes all other agreements, discussions, representations or understandings between the parties with respect to the subject matter hereof. No amendments hereto, or waivers or releases of obligations hereunder, shall be effective unless agreed to in writing by the parties hereto.

- 9.13 **Assignment.** This Agreement may not be assigned by either Party without the prior written consent of the other Party.
- 9.14 **Severability.** In the event any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision(s) hereof, and this Agreement shall be revised so as to cure such invalid, illegal, or unenforceable provision(s) to carry out as near as possible the original intents of the Parties.
- 9.15 **Amendments.** This Agreement may be amended only by a written amendment executed by both Parties, except that any alterations, additions, or deletions to the terms of this Agreement, which are required by changes in Federal and State law or regulations or required by the funding source, are automatically incorporated into this Agreement without written amendment hereto and shall become effective on the date designated by such law or regulation.
- 9.16 **Dispute Resolution.** The parties to this Agreement agree to the extent possible and not in contravention of any applicable State or Federal law or procedure established for dispute resolution, to attempt to resolve any dispute between them regarding this Agreement informally through voluntary mediation, arbitration or any other local dispute mediation process, including but not limited to dispute resolution policies of NCTCOG, before resorting to litigation.
- 9.17 **Publicity.** Contractor shall not issue any press release or make any statement to the media with respect to this Agreement or the services provided hereunder without the prior written consent of NCTCOG.
- 9.18 **Survival.** Rights and obligations under this Agreement which by their nature should survive will remain in effect after termination or expiration hereof.

## ARTICLE X ADDITIONAL REQUIREMENTS

- 10.1 **Equal Employment Opportunity.** Contractor shall not discriminate against any employee or applicant for employment because of race, religion, color, sex, sexual orientation, gender identity, or national origin. Contractor shall take affirmative actions to ensure that applicants are employed, and that employees are treated, during their employment, without regard to their race, religion, color, sex, sexual orientation, gender identity, or national origin. Such actions shall include, but not be limited to, the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship.
- 10.2 **Davis-Bacon Act.** Contractor agrees to comply with all applicable provisions of 40 USC § 3141 – 3148.
- 10.3 **Contract Work Hours and Selection Standards.** Contractor agrees to comply with all applicable provisions of 40 USC § 3701 – 3708 to the extent this Agreement indicates any employment of mechanics or laborers.
- 10.4 **Rights to Invention Made Under Contract or Agreement.** Contractor agrees to comply with all applicable provisions of 37 CFR Part 401.
- 10.5 **Clean Air Act, Federal Water Pollution Control Act, and Energy Policy Conservation Act.** Contractor agrees to comply with all applicable provisions of the Clean Air Act under 42 USC § 7401 – 7671, the Energy Federal Water Pollution Control Act 33 USC § 1251 – 1387, and the Energy Policy Conservation Act under 42 USC § 6201.
- 10.6 **Debarment/Suspension.** Contractor is prohibited from making any award or permitting any award at any tier to any party which is debarred or suspended or otherwise excluded from or ineligible for



participation in federal assistance programs under Executive Order 12549, Debarment and Suspension. Contractor and its subcontractors shall comply with the Certification Requirements for Recipients of Grants and Cooperative Agreements Regarding Debarments and Suspensions.

- 10.7 **Restrictions on Lobbying.** CONTRACTOR agrees to comply with all applicable provisions of 2 CFR §200.450. CONTRACTOR shall include a statement of compliance with the Lobbying Certification and Disclosure of Lobbying Activities in procurement solicitations exceeding \$100,000. Lobbying Certification and Disclosure of Lobbying Activities shall be completed by subcontractors and included in subcontractor contracts, as applicable. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award. Each tier must also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. See Appendix C.
- 10.8 **Procurement of Recovered Materials.** Contractor agrees to comply with all applicable provisions of 2 CFR §200.322.
- 10.9 **Drug-Free Workplace.** Contractor shall provide a drug free work place in compliance with the Drug Free Work Place Act of 1988.
- 10.10 **Texas Corporate Franchise Tax Certification.** Pursuant to Article 2.45, Texas Business Corporation Act, state agencies may not contract with for profit corporations that are delinquent in making state franchise tax payments.

10.11 **Civil Rights Compliance**

Compliance with Regulations: Contractor will comply with the Acts and the Regulations relative to Nondiscrimination in Federally-assisted programs of the U.S. Department of Transportation (USDOT), the Federal Highway Administration (FHWA), as they may be amended from time to time, which are herein incorporated by reference and made part of this agreement.

Nondiscrimination: Contractor, with regard to the work performed by it during the contract, will not discriminate on the grounds of race, color, sex, or national origin in the selection and retention of subcontractors, including procurement of materials and leases of equipment. Contractor will not participate directly or indirectly in the discrimination prohibited by the Acts and the Regulations, including employment practices when the contract covers any activity, project, or program set forth in Appendix B of 45 CFR Part 21.

Solicitations for Subcontracts, Including Procurement of Materials and Equipment: In all solicitations either by competitive bidding or negotiation made by Contractor for work to be performed under a subcontract, including procurement of materials or leases of equipment, each potential subcontractor or supplier will be notified by Contractor of obligations under this contract and the Acts and Regulations relative to Nondiscrimination on the grounds of race, color, sex, or national origin.

Information and Reports: Contractor will provide all information and reports required by the Acts, the Regulations, and directives issued pursuant thereto, and will permit access to its books, records, accounts, other sources of information, and facilities as may be determined by the State or the FHWA to be pertinent to ascertain compliance with such Acts, Regulations or directives. Where any information required of Contractor is in the exclusive possession of another who fails or refuses to furnish this information, Contractor will so certify to NCTCOG, the Texas Department of Transportation (“the State”) or the Federal Highway Administration, as appropriate, and will set forth what efforts it has made to obtain the information.

Sanctions for Noncompliance: In the event of Contractor's noncompliance with the Nondiscrimination provisions of this Agreement, NCTCOG will impose such sanctions as it or the State or the FHWA may determine to be appropriate, including, but not limited to: withholding of payments to the Contractor under this Agreement until the Contractor compiles and/or cancelling, terminating or suspension of this Agreement, in whole or in part.

Incorporation of Provisions: Contractor will include the provisions of the paragraphs listed above, in this section 10.11, in every subcontract, including procurement of materials and leases of equipment, unless exempt by the Acts, the Regulations and directives issued pursuant thereto. Contractor will take such action with respect to any subcontract or procurement as NCTCOG, the State, or the FHWA may direct as a means of enforcing such provisions including sanctions for noncompliance. Provided, that if Contractor becomes involved in, or is threatened with, litigation with a subcontractor or supplier because of such direction, Contractor may request the State to enter into such litigation to protect the interests of the State. In addition, Contractor may request the United States to enter into such litigation to protect the interests of the United States.

#### 10.12 **Disadvantaged Business Enterprise Program Requirements**

Contractor shall not discriminate on the basis of race, color, national origin, or sex in the award and performance of any U.S. Department of Transportation (DOT)-assisted contract or in the administration of its DBE program or the requirements of 49 CFR Part 26. Contractor shall take all necessary and reasonable steps under 49 CFR Part 26 to ensure non-discrimination in award and administration of DOT-assisted contracts. Each sub-award or sub-contract must include the following assurance: *The Contractor, sub-recipient, or sub-contractor shall not discriminate on the basis of race, color, national origin, or sex in the performance of this Agreement. The Contractor shall carry out applicable requirements of 49 CFR Part 26 in the award and administration of DOT-assisted contracts. Failure by the Contractor to carry out these requirements is a material breach of this agreement, which may result in the termination of this agreement or such other remedy as the recipient deems appropriate.*

#### 10.13 **Pertinent Non-Discrimination Authorities**

During the performance of this Agreement, Contractor, for itself, its assignees, and successors in interest agree to comply with the following nondiscrimination statutes and authorities; including but not limited to:

- a. Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d et seq., 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin); and 49 CFR Part 21.
- b. The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, (42 U.S.C. § 4601), (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects).
- c. Federal-Aid Highway Act of 1973, (23 U.S.C. § 324 et seq.), as amended, (prohibits discrimination on the basis of sex).
- d. Section 504 of the Rehabilitation Act of 1973, (29 U.S.C. § 794 et seq.) as amended, (prohibits discrimination on the basis of disability); and 49 CFR Part 27.
- e. The Age Discrimination Act of 1975, as amended, (49 U.S.C. § 6101 et seq.), (prohibits discrimination on the basis of age).
- f. Airport and Airway Improvement Act of 1982, (49 U.S.C. Chapter 471, Section 47123), as amended, (prohibits discrimination based on race, creed, color, national origin, or sex).
- g. The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the programs or activities of the Federal-aid recipients, subrecipients and contractors, whether such programs or activities are Federally funded or not).
- h. Titles II and III of the Americans with Disabilities Act, which prohibits discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 U.S.C. §§ 12131-12189) as implemented by Department of Transportation regulations at 49 C.F.R. parts 37 and 38.

- i. The Federal Aviation Administration's Nondiscrimination statute (49 U.S.C. § 47123) (prohibits discrimination on the basis of race, color, national origin, and sex).
- j. Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures nondiscrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations.
- k. Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, the parties must take reasonable steps to ensure that LEP persons have meaningful access to the programs (70 Fed. Reg. at 74087 to 74100).
- l. Title IX of the Education Amendments of 1972, as amended, which prohibits the parties from discriminating because of sex in education programs or activities (20 U.S.C. 1681 et seq.).

**10.14 Ineligibility to Receive State Grants or Loans, or Receive Payment on State Contracts**

In accordance with Section 231.006 of the Texas Family Code, a child support obligor who is more than thirty (30) days delinquent in paying child support and a business entity in which the obligor is a sole proprietor, partner, shareholder, or owner with an ownership interest of at least twenty-five (25) percent is not eligible to:

- a. Receive payments from state funds under a contract to provide property, materials or services; or
- b. Receive a state-funded grant or loan.

By signing this Agreement, the Contractor certifies compliance with this provision.

**10.15 House Bill 89 Certification**

If contractor is required to make a certification pursuant to Section 2270.002 of the Texas Government Code, contractor certifies that contractor does not boycott Israel and will not boycott Israel during the term of the contract resulting from this solicitation. If contractor does not make that certification, contractor state in the space below why the certification is not required.

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**10.16 Certification Regarding Disclosure of Conflict of Interest.**

The undersigned certifies that, to the best of his or her knowledge or belief, that:

“No employee of the contractor, no member of the contractor's governing board or body, and no person who exercises any functions or responsibilities in the review or approval of the undertaking or carrying out of this contract shall participate in any decision relating to this contract which affects his/her personal pecuniary interest.

Executives and employees of contractor shall be particularly aware of the varying degrees of influence that can be exerted by personal friends and associates and, in administering the contract, shall exercise due diligence to avoid situations which give rise to an assertion that favorable treatment is being granted to friends and associates. When it is in the public interest for the contractor to conduct business with a friend or associate of an executive or employee of the contractor, an elected official in the area or a member of the North Central Texas Council of Governments, a permanent record of the transaction shall be retained.

Any executive or employee of the contractor, an elected official in the area or a member of the NCTCOG, shall not solicit or accept money or any other consideration from a third person, for the performance of an act reimbursed in whole or part by contractor or Department. Supplies, tools, materials, equipment or services purchased with contract funds shall be used solely for purposes allowed under this contract. No member of the NCTCOG shall cast a vote on the provision of services by that member (or any organization which that member represents) or vote on any matter

which would provide a direct or indirect financial benefit to the member or any business or organization which the member directly represents.”

No officer, employee or paid consultant of the contractor is a member of the NCTCOG.

No officer, manager or paid consultant of the contractor is married to a member of the NCTCOG.

No member of NCTCOG directly owns, controls or has interest in the contractor.

The contractor has disclosed any interest, fact, or circumstance that does or may present a potential conflict of interest.

No member of the NCTCOG receives compensation from the contractor for lobbying activities as defined in Chapter 305 of the Texas Government Code.

Should the contractor fail to abide by the foregoing covenants and affirmations regarding conflict of interest, the contractor shall not be entitled to the recovery of any costs or expenses incurred in relation to the contract and shall immediately refund to the North Central Texas Council of Governments any fees or expenses that may have been paid under this contract and shall further be liable for any other costs incurred or damages sustained by the NCTCOG as it relates to this contract.

**10.17 Certification of Fair Business Practices**

That the submitter affirms that the submitter has not been found guilty of unfair business practices in a judicial or state agency administrative proceeding during the preceding year. The submitter further affirms that no officer of the submitter has served as an officer of any company found guilty of unfair business practices in a judicial or state agency administrative during the preceding year.

**10.18 Certification of Good Standing Texas Corporate Franchise Tax Certification**

Pursuant to Article 2.45, Texas Business Corporation Act, state agencies may not contract with for profit corporations that are delinquent in making state franchise tax payments. The undersigned authorized representative of the corporation making the offer herein certified that the following indicated Proposal is true and correct and that the undersigned understands that making a false Proposal is a material breach of contract and is grounds for contract cancellation.

**10.19 Prohibition on Certain Telecommunications and Video Surveillance Services or Equipment.**

Pursuant to Public Law 115-232, Section 889, and 2 Code of Federal Regulations (CFR) Part 200, including §200.216 and §200.471, NCTCOG is prohibited from using federal funds to procure, contract with entities who use, or extend contracts with entities who use certain telecommunications and video surveillance equipment or services provided by certain Chinese controlled entities. The Contractor agrees that it is not providing NCTCOG with or using telecommunications and video surveillance equipment and services as prohibited by 2 CFR §200.216 and §200.471. Contractor shall certify its compliance through execution of the “Prohibited Telecommunications and Video Surveillance Services or Equipment Certification,” which is included as Appendix D of this Contract. The Contractor shall pass these requirements down to any of its subcontractors funded under this Agreement. The Contractor shall notify NCTCOG if the Contractor cannot comply with the prohibition during the performance of this Contract.

**10.20 Discrimination Against Firearms Entities or Firearms Trade Associations**

Pursuant to Texas Local Government Code Chapter 2274, Subtitle F, Title 10, prohibiting contracts with companies who discriminate against firearm and ammunition industries. NCTCOG is prohibited from contracting with entities, or extend contracts with entities who have practice, guidance, or directive that discriminates against a firearm entity or firearm trade association. Contractor shall certify its compliance through execution of the “Discrimination Against Firearms Entities or Firearms Trade Associations Certification,” which is included as Appendix D of this Contract. The Contractor shall pass these requirements down to any of its subcontractors funded under this Agreement. The Contractor shall notify NCTCOG if the Contractor cannot comply with the prohibition during the performance of this Contract.

10.21 **Boycotting of Certain Energy Companies**

Pursuant to Texas Local Government Code Chapter 2274, Subtitle F, Title 10, prohibiting contracts with companies who boycott certain energy companies. NCTCOG is prohibited from contracting with entities or extend contracts with entities that boycott energy companies. Contractor shall certify its compliance through execution of the “Boycotting of Certain Energy Companies Certification,” which is included as Appendix D of this Contract. The Contractor shall pass these requirements down to any of its subcontractors funded under this Agreement. The Contractor shall notify NCTCOG if the Contractor cannot comply with the prohibition during the performance of this Contract.

10.22 **Domestic Preference for Procurements**

As appropriate and to the extent consistent with law, the CONTRACTOR should, to the greatest extent practicable, provide a preference for the purchase, acquisition, or use of goods, products, or materials produced in the United States (including but not limited to iron, aluminum, steel, cement, and other manufactured products). Consistent with §200.322, the following items shall be defined as: “Produced in the United States” means, for iron and steel products, that all manufacturing processes, from the initial melting stage through the application of coatings, occurred in the United States. “Manufactured products” means items and construction materials composed in whole or in part of non-ferrous metals such as aluminum; plastics and polymer-based products such as polyvinyl chloride pipe; aggregates such as concrete; glass, including optical fiber; and lumber.

10.23 **Trafficking in Persons**

Contractor agrees to comply with all applicable provisions of 2 CFR §175.15. NCTCOG, the Contractor, and its subcontractors are prohibited from (i) engaging in severe forms of trafficking in persons during the period of time that the award is in effect; (ii) procure a commercial sex act during the period of time that the award is in effect; (iii) use forced labor in the performance of the award or subawards under the award. The Federal award agency may unilaterally terminate the award, without penalty, if the Contractor (i) is determined to have violated an applicable prohibition; (ii) has an employee who is determined by the agency officially authorized to terminate the award to have violated an applicable prohibition of this award term. NCTCOG must notify the Federal award agency immediately if any information received from the Contractor indicates a violation of the applicable prohibitions.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the Effective Date.

**Centroid Systems LLC**

**North Central Texas Council of Governments**

<u>Scott Morrell</u>	<u>7/24/2025</u>
Signature	Date
<u>Scott Morrell</u>	
Printed Name	
<u>CEO</u>	
Title	

Signed by:	
<u>Todd Little</u>	<u>8/26/2025</u>
349D83294E7946E...	
Signature	Date
Todd Little	
Executive Director	

**APPENDIX A**  
**Statement of Work**

The Contractor agrees to provide AI consultancy services in accordance with the scope of work and requirements outlined in Request for Proposal (RFP) No. 2025-023, and as further detailed in the Contractor's technical proposal response. Both documents are hereby incorporated by reference and made a part of this Statement of Work.

## 5. Technical Proposal...



A team of **passionate experts** with diverse backgrounds

**United by a common purpose**

To harness the potential of AI, technology, and data for the greater good and build a future where technology and humanity thrive hand-in-hand.





## **5.2 Tech Proposal - Scope of Work**

- 5.2.1 AI Strategy Development**
- 5.2.2 Feasibility Study and Use Case Identification**
- 5.2.3 AI Solution Design & Roadmap**
- 5.2.4 Pilot Testing and Implementation Support**
- 5.2.5 Training, Adoption, and Capacity Building**

# **5.2 Scope of Work**



# 5.2.1 AI Strategy Development: Overview

Define and refine AI processes and documentation plus create an implementation plan

A full understanding of the Governmental Entity’s ability to provide governance, access to data, AI skillsets, processes, and technology infrastructure as it pertains to developing and supporting AI initiatives will be assessed by a team. Close collaboration with full access to its data, systems, and personnel are needed.

The AI Strategy Development will take place in three phases:

- Phase 1: Collaboration,
- Phase 2: Assessment, and
- Phase 3: Development



# 5.2.1 AI Strategy Development

## Based on the organizational needs, the AI Strategy may include:

- Governance frameworks used by the Governmental Entity,
- Data access policies used by the Governmental Entity,
- Compliance regulations related to AI initiatives,
- Surveys and interviews with a sample of state employees to assess their AI-related skillsets, knowledge of AI policies, and proficiency in relevant technologies,
- Review of current internal training,
- Map existing processes and workflows across Governmental Entity,
- Inventory of current technology infrastructure, including hardware, software, cloud capabilities, and data storage solutions,
- Gap analysis,
- Roadmap to advance the Governmental Entity's AI capabilities across governance, data access, skillsets, processes, and technology,
- Identification of areas of ongoing revisions to strategic planning protocols (i.e., AI Strategy Development, AI Maturity Plan, AI Support Model, and AI Roadmap).

### Key milestones of the AI journey

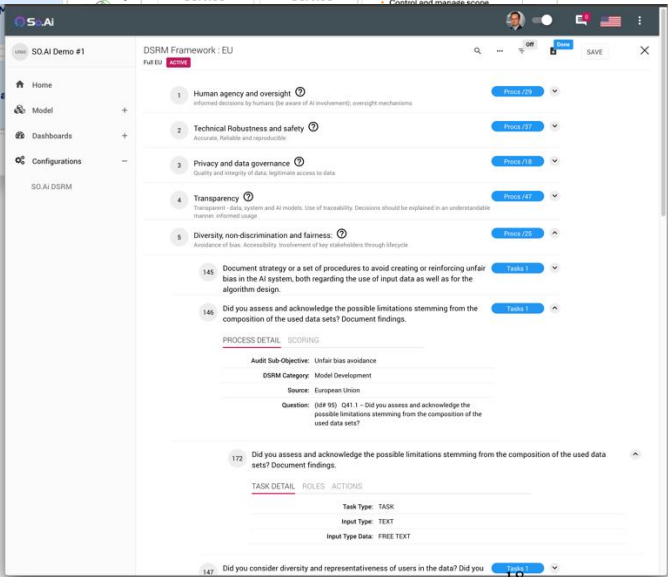
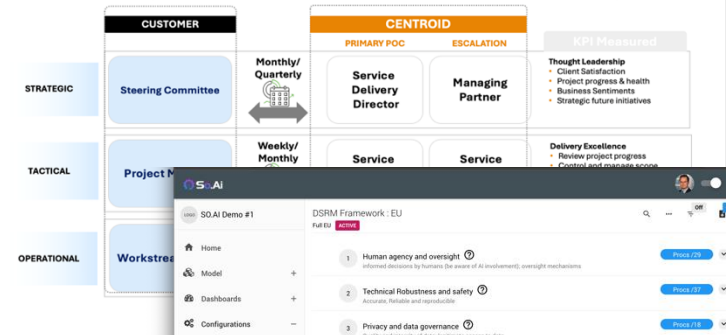
AI's nonlinear nature means that agencies can start their AI journey from any point on the AI ambition curve

Develop	Translate	Implement	Scale	Manage
Understand AI potential, set, ambition level, and prioritize applications	Design and validate AI initiatives to confirm costs and benefits and establish governance	Undertake rapid prototyping and testing of the AI applications with the highest value; evaluate overall results	Scale and roll out proven AI solutions addressing technical and organizational barriers	Manage AI-enabled solutions, updates, and expansion; monitor results, adapting as needed

centroid

### Governance & Communication Model

Governance to set strategic direction and establishes the cadence for regular monitoring of project progress



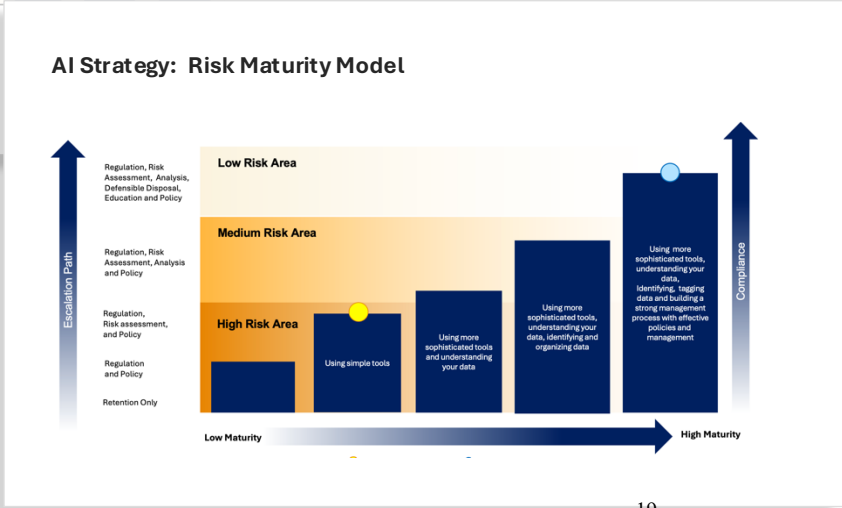
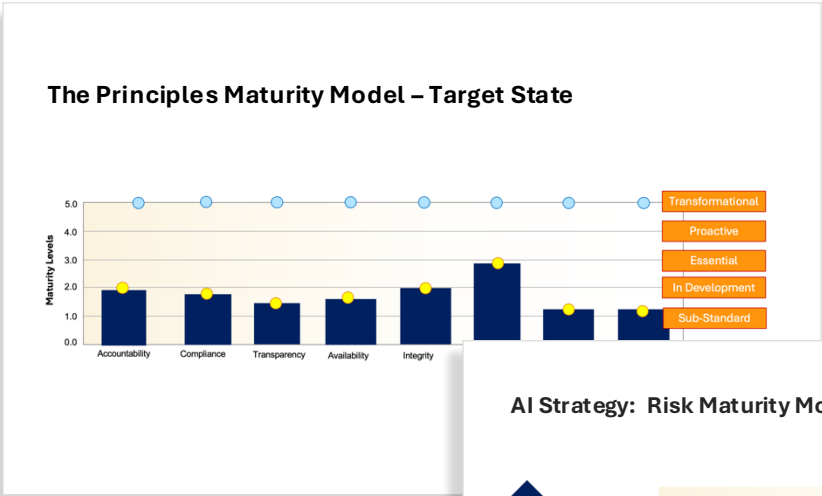
# 5.2.1 AI Strategy Development

**Phase 1 of the AI Strategy Development utilizes close collaboration with all partners:** Centroid, Guardrail Technologies, Digital Citizen Academy, internal governmental stakeholders, elected officials, and citizens.

- A full survey of all governance and data access policies will be conducted; a summary report with gaps and action items will be the main deliverable.
- Employees’ and contractors’ technological skill sets and knowledge of policies will be assessed.
- The main deliverable is a full evaluation of processes and the Governmental Entity’s technological infrastructure.

**Phase 2 is the formal assessment of the current state assessment:**

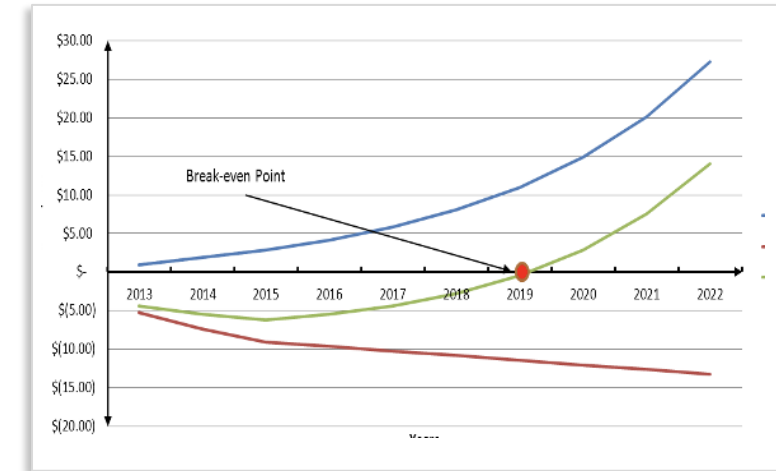
- Governance frameworks used,
- Data access policies used,
- Compliance regulations related to AI initiatives,
- Surveys and interviews with a sample of employees to assess their AI-related skillsets, knowledge of AI policies, and proficiency in relevant technologies,
- Review of current internal training,
- Human-in-the-loop (HITL) assessment,
- Map existing processes and workflows across the Governmental Entity,
- Inventory of current technology infrastructure, including hardware, software, cloud capabilities, and data storage solutions,
- Gap analysis of current state compared to the maturity of best practices,
- A roadmap to advance the Governmental Entity’s AI capabilities across governance, data access, skillsets, processes, and technology,
- Identification of areas of ongoing revisions to strategic planning protocols (i.e., AI Strategy Development, AI Maturity Plan, AI Support Model, and AI Roadmap).



## 5.2.1 AI Strategy Development: Develop Roadmap

### Phase 3 is the AI Roadmap Development and includes the following sections:

- Core technology assessment and selection criteria outlining the evaluation and selection of core technologies. Technology implementation plan for deploying core technologies and integrating them with existing systems.
- Data management framework comprehensive documentation detailing data governance, security, and compliance strategies. Centralized data repository implementation plan for establishing a central data repository, including data integration and access guidelines.
- Support model and role definition documentation detailing the description of the support model, including key roles, responsibilities, and collaboration structures. Recommendations for hiring, training, and upskilling staff to fill key data roles within the Governmental Entity.
- AI use case prioritization ranking AI use cases based on impact, feasibility, and risk.
- AI scaling plan to support the organization's strategic plan to scale AI initiatives, including deployment timelines and resource requirements.
- Responsible AI policy outlining ethical and responsible AI practices, and AI System audit reports evaluating compliance with responsible AI practices.
- AI research, development (R&D), and innovation plan outlining initiatives to promote AI research and innovation. The semi-annual roadmap will support the annual AI strategy review to assess the current AI strategy and recommend adjustments based on current and emerging trends and insights.



# 5.2.2 Feasibility Study and Use Case Identification

## A. Leveraging the AI Maturity Plan to build out a Self-Service AI Maturity Level Assessment

To build feasible and useful AI tools, we integrate with key governmental stakeholders to fully understand the organizational and citizens’ needs.

The feasibility study will include the following sections:

- Reviewing, categorizing, and prioritizing existing AI use cases (also assessed in Phase 2 of the AI Strategy Development, section 5.2.1),
- Leveraging risk/priority models with internal and external compliance requirements,
- Recommending additional foundational capabilities for long-term success,
- Outlining data management activities,
- Addressing ethical requirements,
- Developing metrics for measuring progress,
- Defining necessary tools and technologies,
- Defining testing strategies,
- Providing recommendations for increasing internal efficiency and integrating AI into daily workflows.

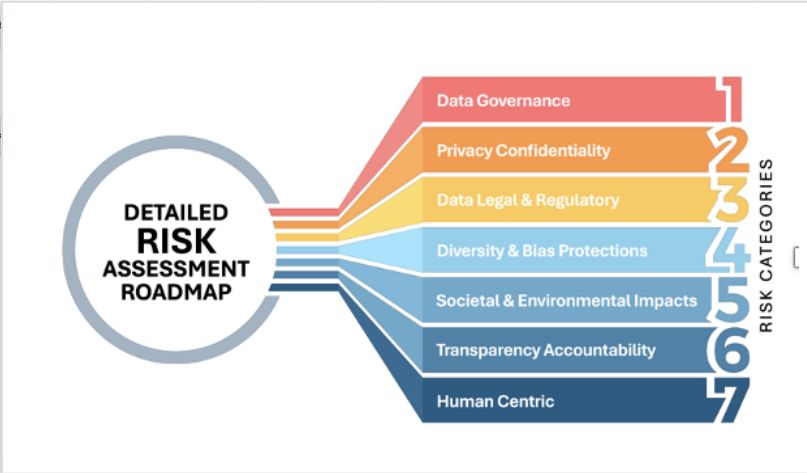
## B. Leveraging the AI Strategy to build an organizational AI Maturity Plan

Based on the AI strategy developed in the multiphase process outlined in section 5.2. 1, we will support the Government Entity to identify AI use cases that provide the best return on investment for the organization and the citizens it serves. Initially, it is not unusual for an organization to be at differing levels of IT and AI maturity. Effective AI governance requires a continuous focus. In this assessment, we will:

- Identify the gaps between the organization's current practices and the desirable level of maturity for each principle.
- Assess the risk(s) to the organization, based on the biggest gaps.
- Determine whether additional information and analysis is necessary.
- Develop priorities and assigned accountability for further development of the program.

### Process Measurement

Label	Dimension	Rating 1: No Process in Place	Rating 2: Ad Hoc and Unstructured	Rating 3: Manual, Structured	Rating 4: Semi-automated siloed	Rating 5: Automated and Fully Integrated Across Enterprise	Rating
A	Strategy	No process in place or process not up to Rating 2 Standards	No developed and/or shared strategic plan for AI implementation	Written strategic road map for AI implementation	Departmental AI strategy based on business value and regulatory requirements. Change request workflow process established to address AI implementation projects	Deviations in Responsible AI protocols generate automated alerts to IT and department delegates when AI systems, business objectives change. Executive, IT, and department delegates continuously assess Responsible AI as a result of scheduled audits and review compliance with AI strategy and assess needs for change.	2
B	People	No process in place or process not up to Rating 2 Standards	No required skill assessments or change management capacity	Defined skill requirements and change management program	Semi-automated record keeping of employee skills acquisition and upskilling plan progress. Systematic change management program with executive level support.	Enterprise wide automation of employee skills assessment and acquisition progress with cross-functional analysis of utilization and availability. Executive level position and responsibility for AI change management.	3
C	Process	No process in place or process not up to Rating 2 Standards	Processes are not formalized or communicate to appropriate stakeholders.	Formal processes have been developed and manually applied but not shared or integrated across the enterprise	Processes have been automated without the benefit of AI analytics and limited to departmental application.	Processes are mapped to AI analytics of the business operations and integrated across the enterprise.	4
D							
E							
F	Tec						



## 5.2.3 AI Solution Design

- We offer the *Data Science Reference Model™* to **research and document** compliance requirements related to any AI solution.
- We offer a complete suite of AI models and tools that address multiple AI use cases (see next slide).
- For each project, we will provide a **detailed roadmap including governance, timelines, milestones, resources, and KPIs**.
- Each NCTCOG member organization will receive a **cost analysis that covers development, cloud, and licensing**.
- As responsible technology is at the core of our mission, each solution will be aligned with **ethical and regulatory standards**.

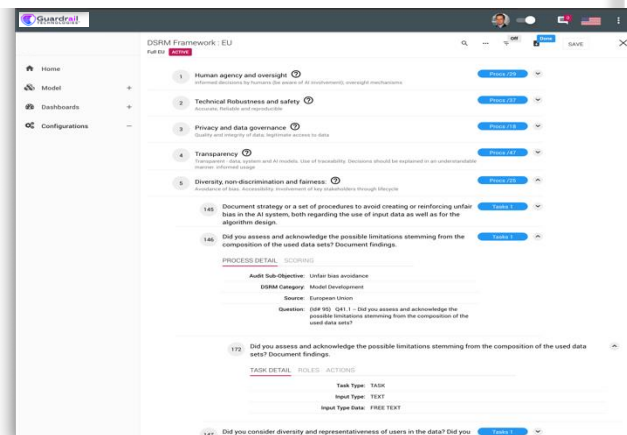
### DSRM: Building Custom Frameworks from Framework Library



**Governance team leverages the Guardrail Framework Library to create customized frameworks for their model categories.**

Guardrail is pre-configured with various regulatory frameworks containing detailed guidelines as it pertains to AI development.

Guardrail's proprietary framework – the **Data Science Reference Model™** (DSRM) – is designed to enable organizations to use out of the box or can be customized based on the organization's needs. This ensures AI development is in line with regulatory and / or organizational guidelines.



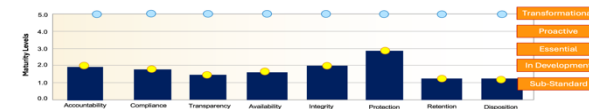
### Responsible AI Readiness deployment measured against seven categories

Your readiness for Responsible AI deployment will be measured against seven categories:

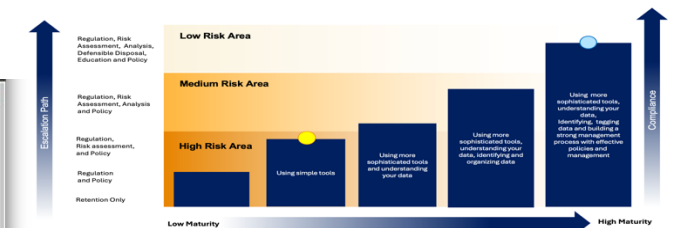
- **Data Governance** – who owns the data?
- **Privacy & Confidentiality** – who has access to the data?
- **Legal & Regulatory** – what compliance responsibilities must be satisfied?
- **Societal & Environmental** – are the energy demands and social impact acceptable?
- **Transparency & Accountability** – is the AI implementation responsible for its actions?
- **Technology** – is the current state and interoperability of relevant technology prepared?

Ensure responsible input and output?

### The Principles Maturity Model – Target State



### AI Strategy: Risk Maturity Model





# 5.2.3 AI Solution Design and Roadmap

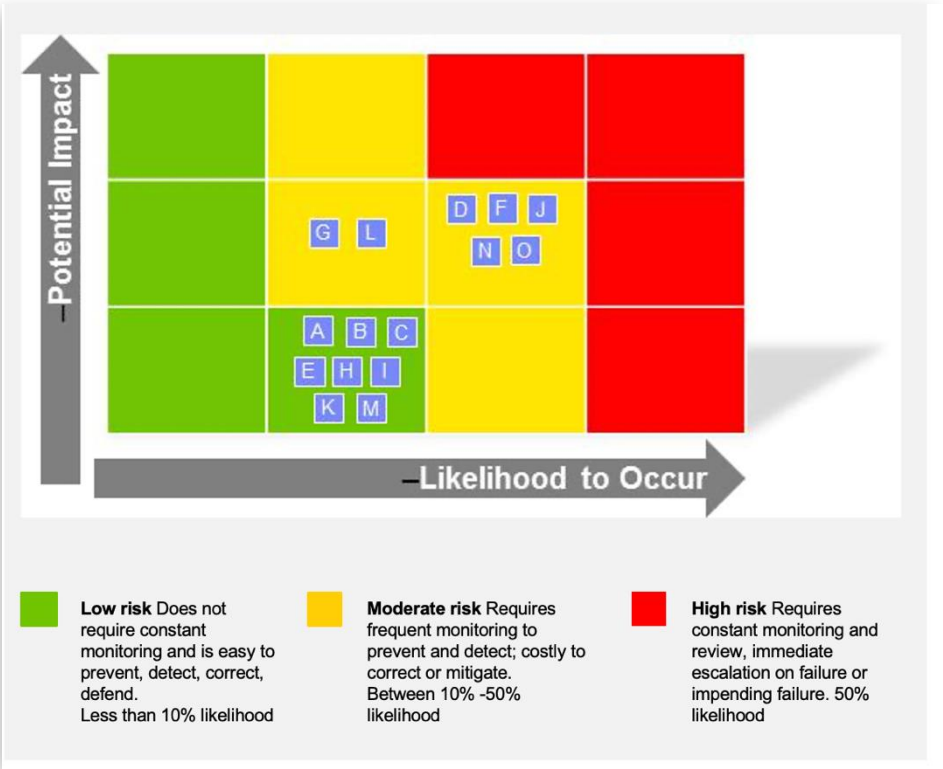
To ensure compliance with all compliance requirements, Guardrail Technologies propriety Data Science Reference Model (DSRM; outlined in Section 5.2.2) and AI Reference Model (AIRM) provide a comprehensive end-to-end method to assess all active internal models (build), vendor models (buy), and proposed user models. The DSRM and AIRM can be updated for Texas-specific compliance requirements (ex: FOIA).

The trifecta of **people**, **process**, and **technology** will review each AI model in accordance with the AI strategy identified in Section 5.2.1. Our gap analysis includes analysis of Humans in the loop (HITL) and is an important part of this process

The Guardrail Technologies propriety Data Science Reference Model (DSRM) and AI Reference Model (AIRM) provide a comprehensive end-to-end method to assess all active internal models (build), vendor models (buy), and proposed user models.

The **DSRM** and **AIRM** will provide the process, and well-trained employees will provide the people; the technology to scale the reviews will likely require an additional expansion of this RFP to include technology acquisition to manage the complexity of any use cases and AI projects.

The AI Strategy developed (section 5.2.1) combined with the proprietary DSRM and AIRM will centralize AI use case review by the governmental entity. The review will vet each use case, assess it, and make a recommendation. The internal reviewers will perform initial triaging of the use case against risks such as privacy, weighing the benefits against costs.



# 5.2.4 Pilot Testing & Implementation Support

- Building capacity with AI requires a thoughtful process of pilots (i.e., proof of concepts) to enable organizations to build capacity.
- We help organizations identify appropriate pilots that have a high return on investment.
  - We integrate the pilot into the current system and hone the.
  - After the pilot, we support the organization by scaling the pilot to production and expanding the utilization to multiple departments (ex: AI-enabled scheduling for Human Resources could be applied to the Public Works Department)

## Typical Testing Cycles Breakdown

	Functional Unit Testing	System Integration Testing	User Acceptance Testing
Scope	<ul style="list-style-type: none"><li>• Custom Technical Objects which have been retrofitted as part of the AI Use Case Implementation</li><li>• Functional testing of standard functionality</li></ul>	<ul style="list-style-type: none"><li>• Includes all integration</li><li>• Testing of Customer AI Use Case solution via unit and scenario-based testing</li><li>• Includes “end-to-end” scenarios</li><li>• Includes all objects that are required to execute defined test scenarios</li></ul>	<ul style="list-style-type: none"><li>• Includes all integration</li><li>• Testing of Customer AI Use Case solution via unit and scenario-based testing</li><li>• Includes “end-to-end” scenarios</li><li>• Includes all objects that are required to execute defined test scenarios</li></ul>
Performed By	<ul style="list-style-type: none"><li>• Customer AI Business Analysts</li></ul>	<ul style="list-style-type: none"><li>• Customer AI Business Analysts</li></ul>	<ul style="list-style-type: none"><li>• Customer Super Users</li></ul>
Timing	<ul style="list-style-type: none"><li>• Following Technical Unit Testing</li></ul>	<ul style="list-style-type: none"><li>• Following Build Phase</li></ul>	<ul style="list-style-type: none"><li>• Following System Integration Testing</li></ul>
Environment	<ul style="list-style-type: none"><li>• Development</li></ul>	<ul style="list-style-type: none"><li>• System Integration Test</li></ul>	<ul style="list-style-type: none"><li>• UAT</li></ul>
How Documented	<ul style="list-style-type: none"><li>• Test scripts</li></ul>	<ul style="list-style-type: none"><li>• Testing Scenarios</li><li>• Test scripts</li></ul>	<ul style="list-style-type: none"><li>• Testing Scenarios</li><li>• Test scripts</li></ul>



## 5.2.5 Training, Adoption & Capacity Building

Effective change management to set expectations, create change advocates and manage the change journey is essential to the success of this initiative and to create the momentum for scaling.

The Bidders to this RFP commit to:

- **Provide training on the effective use of AI tools** and best practices.
- **Facilitate workshops to build internal AI capabilities** within the organization.
- Develop a **knowledge transfer plan** to ensure long-term sustainability and management.

### Training and Support

Create and deliver training activities that are short, consistent, frequent and engaging



Incorporate various **learning methods** with imbedded feedback loop



**White-glove** approach to provide on-demand support

### Communication and Engagement

Focuses on delivering the right content to the right audience at the right time



Leverage **existing communication channels**



**Tailored communication** based on role & level of impact

### Change Network

Successful change programs activate a group of sponsors, ambassadors and business counterparts that foster support and ownership of changes



**Define Change Network** to ensure impacted parties are aware and highly impacted users feel supported and ready for change



Positioning Customer resources for **long-term sustainability plan**

Our team consists of multiple university professors and educators. We have the curriculum, tools, and experience to accomplish expansive training for NCTCOG orgs.



## **5.3 Tech Proposal - Specifications & Requirements**

- 5.3.1 Consultant Expertise & Qualifications**
- 5.3.2 Data Security and Privacy Compliance**
- 5.3.3 Project Management and Reporting**
- 5.3.4 Budget and Cost Estimates**
- 5.3.5 Data Strategy and Management**
- 5.3.6 Ethical AI Requirements**

# **5.3 Specifications & Requirements..**

## 5.3.1 Consultant Expertise & Qualifications

To assess the robust experience and education of our team, **please refer to Section 2 of this response “Key Personnel”**

Our combined team of Centroid, Guardrail & DCA has a very deep set of skill/experience to make the TXShare member achieve their business objectives

**AI Consultancy Experience:** We have a proven track record in providing AI services to government or public sector organizations.

- **AI Technologies Proficiency:** Skilled in machine learning, natural language processing, computer vision, and other AI technologies.
- **AI Ethics, Privacy, and Security:** Expertise in AI ethics, data privacy, and security.
- **Strategy and Roadmap Development:** Successful in crafting AI strategies and roadmaps, with a history of project implementation.
- **Collaboration and Communication:** Ability to work effectively with internal teams and simplify technical concepts for non-technical stakeholders.
- **Public Sector Compliance:** Deep understanding of public sector compliance and ethical standards.

## 5.3.2 Data Security & Privacy Compliance

- A. The consultant must comply with all applicable federal, state, and local data privacy laws.**  
Regulations around consumer, health, and child privacy such as GDPR, PCI, HIPAA, GLBA, COPPA, FCRA, and FERPA will all be considered to ensure compliance with state and federal regulations. See 5.3.2.b for more information.
- B. Provide documentation that AI solutions will adhere to data protection regulations such as GDPR (if applicable) or equivalent local laws.**  
While there are many overlapping privacy regulations, we can comply with all of them by adhering to several principles:
- Ensure Proper Access Controls and Audit Logs:** Ensuring that all information is only accessible on a need-to-know basis with audit logs that record each time a record is accessed by a user as well as each time an underlying IT system is accessed by an administrator.
- **Encryption Everywhere:** All data is encrypted when it is stored and transmitted in accordance with industry acceptance best practices.
  - **Personal Identifiable Information Anonymized:** all data is anonymized when used to train an AI Model or while in use by an AI System one's Guardrail Technologies' proprietary **Data Guard** product, ensuring that user's personal information is not embedded into the AI Models or accidentally exposed when monitoring records of an AI Model's usage.
  - **Providing a means to be download one’s own records:** Some newer privacy regulations, such as GDPR, now require users to be able to request a copy of their own records or even request their records be deleted. This is considered while implementing information systems, though other overlapping regulations around retention of government and financial records must also be considered.
- C. Implement security measures to ensure the protection of sensitive and personal information during data processing.**  
As described in 5.3.2.b, we leverage **Data Guard** to ensure no regulated information, such as personal details or healthcare data, is used in the training of Artificial Intelligence nor during runtime while using Artificial Intelligence.

# 5.3.3 Project Management & Reporting

In 2024, the Rand Research Institute reported that 80% of AI implementation projects fail to achieve the organization’s business goals. These objectives often are not met due to limitations on the readiness for AI project implementation on the part of the synergy between people, process, and technology.

## APPROACH

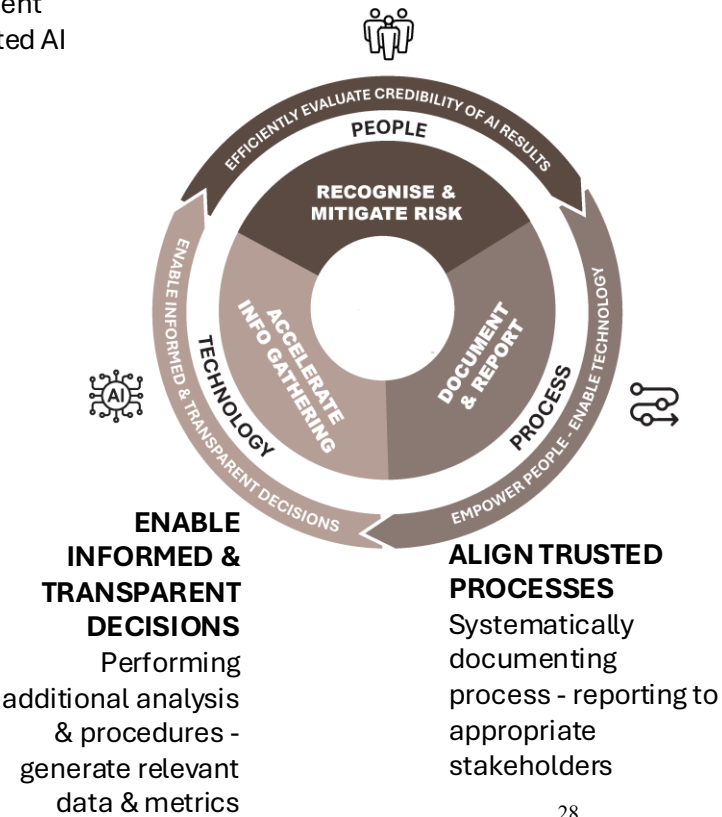
- **Interviews** – our team of AI, data science, organizational development, and compliance specialists will conduct interviews with the company’s corresponding personnel based on the AI guiding principles and risk categories.
- **Document sharing** – our team will review requested documentation related to the organization’s technology, documentation, and compliance practices.
- **Data analysis** – our team will conduct analysis of the company’s relevant data sources to identify trends, patterns, and projections for the organization’s business objectives attainment.

## METHODOLOGY

- The relative degree of maturity for each category is assessed based on the level of attainment in each of the following levels of readiness in a hypothetical assessment.
- We will then use this information to assess the current preparation in the areas of Strategy, People, Ethics, Data, Processes, and Technology.
- Accordingly, we recommend that we conduct a comprehensive AI Impact Assessment across the enterprise to reveal the specific steps to be taken to deploy the anticipated AI project more appropriately. This assessment will identify:
- **Strategy** – Does the proposed AI implementation enjoy the support and endorsement of the company’s Board, C-Suite, and Business Unit Leads due to the engagement and contributions appropriate to their roles?
  - **People** – Are those responsible for design, engineering, implementation, training, and monitoring of the success of the deployment trained in its features and functionality consistent with the Company’s business goals?
  - **Processes** – Are the workflows to be automated by the project providing superior outputs without the need to be redesigned, tested and audited for performance?
  - **Ethics** – Has the AI implementation been audited to provide assurance that applicable legal constraints and regulations as well as ethical human expectations are satisfied?
  - **Technology** – Has the impacted technology stack been audited to assure operational functionality, integration, and interoperability sufficient to achieve the company’s business goals?
  - **Data** – Have the training and operational data sets been audited for bias, human centricity, and technological adequacy for the prospective AI project?

### PUT PEOPLE BACK IN THE LOOP OF AI DECISION MAKING

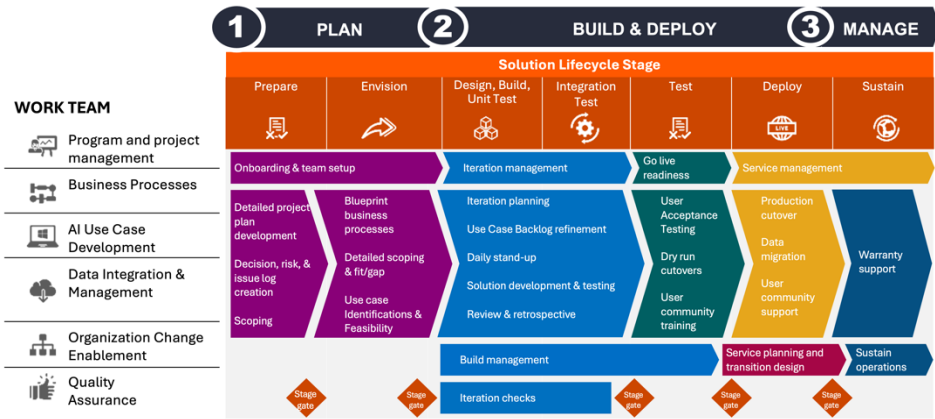
Enabling automation alerting people at the right time to the info they need so they can make better decisions



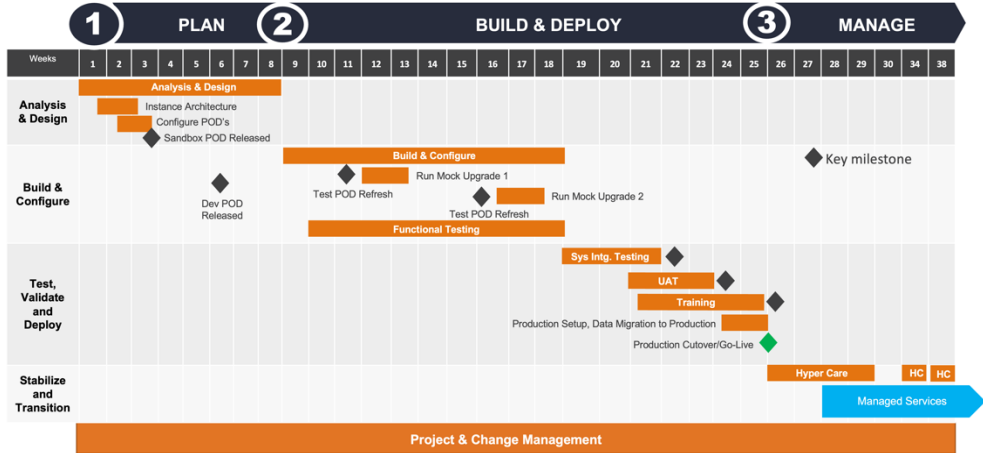
# 5.3.3 Project Management & Reporting

## Typical Project Lifecycle Approach

Centroid's proven approach for deploying AI Services combines the best elements of agile and waterfall methods. Our approach covers the full lifecycle from the initial evaluation to on-going support and improvement.



## Typical Project Plan

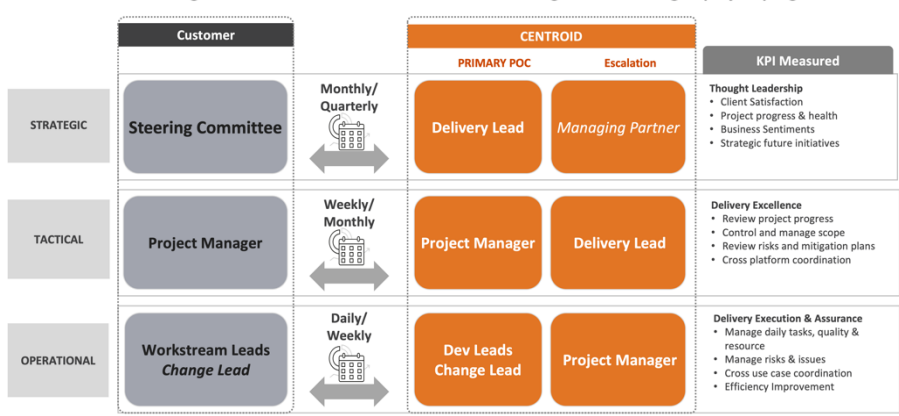


## Typical Project Status Report

Summary Status					
Status					
1. Actual Results from this week					
2. Plans for next week					
3. Key Issues and Risks					
Issue Number	Type	Brief Description	Owner	Mitigation/Resolution Plan	Due Date
2	Action/Risk	Reminder to Tech Lead: Customer team upgrading Oracle EPM Narrative Reporting	Reporting Tech Lead	Lead communicated that system will be ready for UAT Testing. Fallback for PROD Go-LIVE is using existing Oracle EPM env.	6/30
37	Action/Risk	Integrations - Coordination of pointing all integrations to SIT, identifying owners	Planning Tech Lead	BorgWarner to review list of integrations and identify owners for SIT	8/3
16	Action Item	Review EPM monthly patch updates from Oracle	Tech Leads	Open discussion on when to review monthly patch from Oracle EPM	8/30
4. Upcoming Milestones					
Milestone			Planned End Date	Status	Revised Date
Dev Environment Upgrade Release - Upgrade 1			June 1	Complete	
Complete Custom Objects Retrofit and Re-Design			July 23	Complete	
Customer - Identify Testing Scenarios			August 9	Complete	
Customer - Functional Testing (EPM Cloud Testing Started 8/16/2024)			August 9	In Progress	Complete?
Mock Cutover - SIT Environment Release			August 11	Complete	
Environment Release (Clone of SIT)			August 18	Delayed	
Complete System Integration Testing (SIT)			Sept 8	Delayed	
Perform Mock Cutover to UAT Environment			Sept 15	Complete	
Complete UAT - User Acceptance Testing			October 6	In Progress	
Prod Go Live			Oct 17	Scheduled	

## Typical Governance & Communication Model

Governance to set strategic direction and establishes the cadence for regular monitoring of project progress





## 5.3.5 Data Strategy & Management

The **Data Strategy supports the AI Strategy** developed in Section 5.2.1. The goal is to build the organization's AI skillset and processes with training and workshops so that the Data Strategy is robust and properly evaluated to ensure the internal team can update it as the data morph, models drift, and compliance requirements evolve.

- **Quality Controls** must be made to assess model drift or shifts in the data. Routine assessments of each model's accuracy for the organization and its citizens will be conducted.
- **Data Governance Frameworks** will be part of the AI Strategy and integrated directly into the development of each model via the DSRM and AIRM (see sections 5.2.2 & 5.2.3).
- **Data Privacy Assurance** requires constant vigilance. Guardrail Technologies has proprietary tools that enable models to be trained while holding all personally identifiable information (PII) or personal health information (PHI) from the model (see DoD-approved Data Masker as part of Guardrail Suite for Generative AI™ in Section 1)
- **Data Security Protocols** need to be robust and monitored. The software and hardware need to have
- In order to best support citizens, the Data Strategy needs **evaluation** and updating. This is very similar to the requirements of the AI Strategy (Section 5.2.1).

# 5.3.6 Ethical AI Requirements

Guardrail Technologies has responsible and ethical AI as part of its Mission Statement.

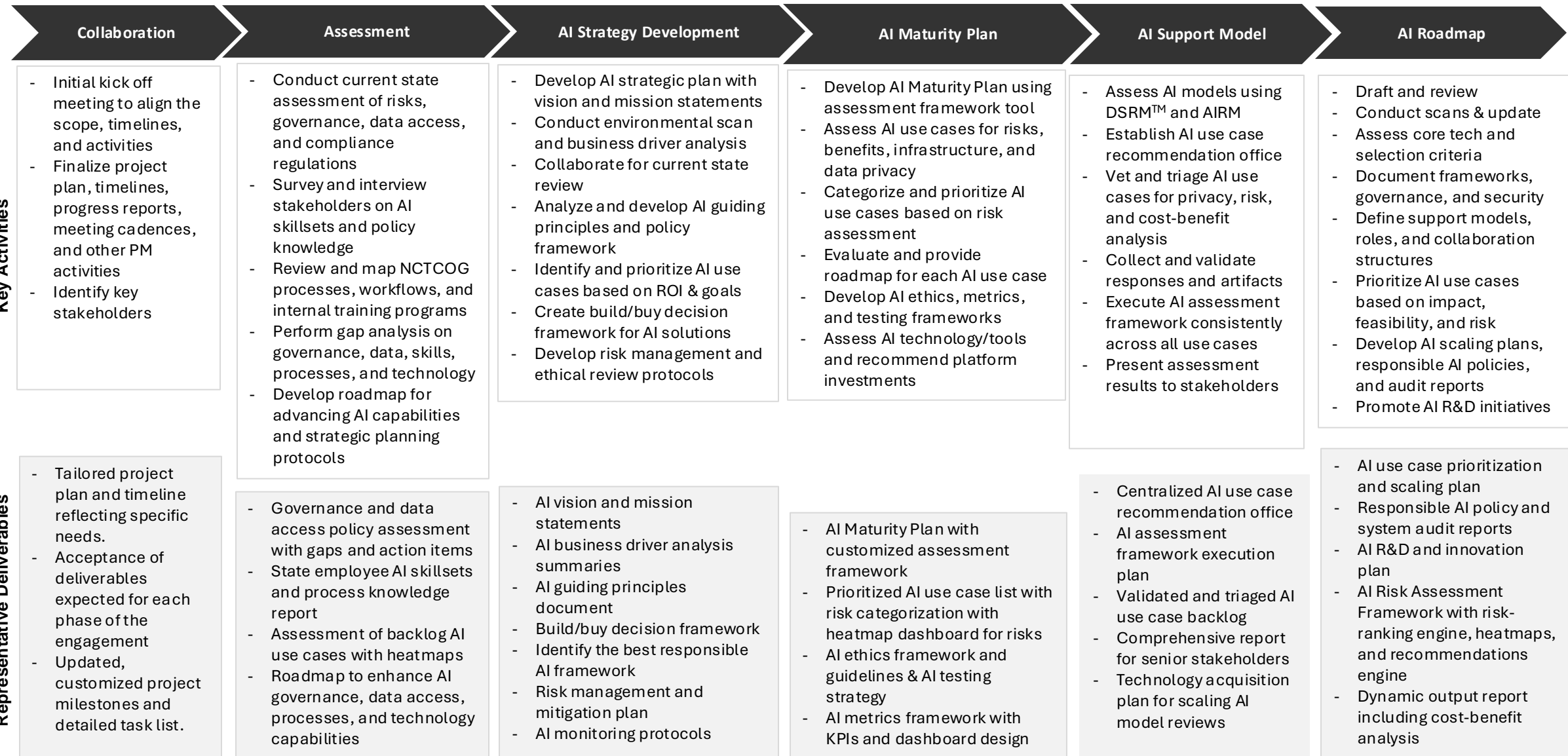
- **Ethical Framework:** The DSRM and AIRM (sections 5.2.2 & 5.2.3) enable a high level of ethical assessment and can be customized to allow any NCTCOG governmental entity to expand the ethical guidelines.
- **Bias Detection:** Bias can be inserted into AI models at many different parts of the development process. The data used to train the model could be biased. Seemingly benign decisions made by the data scientists could insert bias into the model (ex: selection bias). The model could be biased or, over time, could start revealing biased results (ex: model drift). The DSRM and AIRM are specifically made for evaluating models in development but can also be used to provide a retroactive review of models already in production and third-party models (ex: resume review AI models or chatbots).
- **Transparency:** The proprietary DSRM and AIRM tools allow organizations to develop responsible tools that provide transparency to the developers and employees as well as the citizens who use the model. The DSRM & AIRM provide a methodical process and framework to build, audit, and assess each model, both internal and third-party models. Additionally, utilizing the DSRM and AIRM enables employees to build AI knowledge to further expand the technical capacity within the governmental entity deploying the tools to its citizenry.
- **Accountability:** The DSRM & AIRM has a logging functionality that allows it to track actions, decisions, and model changes at each step of the development. The AI and Data Strategies will outline the appropriate audit cadence, but on-demand audits are possible too.
- **Impact Assessments:** The ethical impact assessments will be scheduled in accordance with the AI and Data Strategies and should coincide with the regular audits. The initial DSRM or AIRM act as the benchmarks for the tools and subsequent impact assessments using the DSRM or AIRM will be compared against the benchmark. If significant differences are found between the benchmark and the assessment, corrective actions will be taken, like building new models with updated data or providing guardrails.

**Item 59 from Addendum**

Are there any state government-wide initiatives for AI adoption or compliance requirements with regards to Texas that we must consider? (Page 12 Section 5.2.3)  
Answer: Yes, Texas has initiated several government-wide efforts to adopt and regulate artificial intelligence (AI):

1. Artificial Intelligence Advisory Council
2. Texas Responsible AI Governance Act (TRAIGA)
3. Texas Artificial Intelligence Center of Excellence (AI-CoE)
4. AI User Group (AI-UG) Keep in mind this solicitation is not specific to Texas entities only and is available to entities Nationwide. Contracts can be utilized outside of Texas. These initiatives reflect Texas's commitment to integrating AI into government operations

# 5.4 Key Deliverables





# 5.5 Other Requirements

Section	Requirements	Centroid's Response
5.5.1	Objectives	Centroid will be nimble and flexible in putting together a contract structure that either utilizes the Master Agreement or creates individual SOWs with each TXShare customer
5.5.2	Service Area	Centroid believes we can serve any and/or all the TXShare customers located in the state of TX. Exhibit 1 has been submitted along with this response
5.5.3	Service Category Offer	Centroid firmly believes that we can provide services to the entire scope of this RFP
5.6	Contract Type	Centroid recommends that the scope of the RFP is best served through a Time & Material contract. The scope/complexity/schedule drives the budget. Since the purpose of the RFP is to pre-qualify the prospective vendors and there is no tangible scope provided, Centroid will be providing a T&M rate card (Refer Section 6 of the response)
5.7	Contract Term	This is acceptable
5.8	Warranty/Guarantee	Products: Centroid does not anticipate any product to be re-sold as part of this engagement. If there are any such requirement the standard warranty provided by the product vendor shall be applicable  Services: Centroid will provide 60-90 days of post go-live support
5.9	Quality	We have knowledge of <b>all applicable industry standards, laws, and regulations</b> and possess <b>an ability to market and distribute the goods or services</b> to members of the cooperative <ul style="list-style-type: none"><li>• AI Defined in Public Act 264 (2023)</li><li>• Acceptable Use Of Information Technology Standard (Revised 2024)</li><li>• NCTCOG Procurement RFP for AI Consulting Services (September 2024)</li></ul>
5.10	New Goods & Services	This is acceptable

# 6 Pricing

## APPENDIX A.1 Pricing for TXShare Cooperative Purchase Program Participants

Because this RFP is focused on providing Professional Consulting Services, as such the pricing model will be a combination of Fixed Fee (for fixed scope) and/or Time & Material with the proposed rate card. The rate card & proposed discount is provided as part of this response. The same shall be utilized to put together a pricing based on the estimated effort for the specific scope of work required for each opportunity.

We employ estimation and pricing models that is designed to offer flexibility and transparency for our clients.

### Pricing Model Details:

- **Fixed Fee Pricing:** For programs with a well-defined scope, we may provide a fixed fee that encompasses all associated costs. This ensures that clients know the total cost upfront, eliminating any uncertainty regarding pricing.
- **Time & Material Pricing:** For consulting contracts where the scope may evolve or is less defined, we utilize a Time & Material model. This approach allows for billing based on actual hours worked and materials used, providing clients with flexibility as project needs change.
- **Discounted Rate Card:** Our rate card includes discounted hourly rates for different levels of consulting services. These rates are specifically tailored for TXShare participating entities, ensuring competitive pricing while maintaining high-quality service.

Professional Services Rate Card: (Skill/ Location/ Discounted Rate/Hr) - **PLEASE REFER TO THE PRICING EXCEL SHEET UPLOADED SEPARATELY**

Digital Citizen Academy Pricing – specifically for K-12 and Higher Education - **PLEASE REFER TO THE PRICING EXCEL SHEET UPLOADED SEPARATELY**

Proposed Pricing RFP No. 2025-023			
Pricing			
Respondent Name:			
Notes:			
1. This pricing sheet is an EXAMPLE of how pricing should be submitted for RFP 2025-023. 2. Please provide a detailed hourly rate card for all staff members who would be involved in delivering AI Consultancy Services, as required, throughout the duration of the Contract. Include roles, associated hourly rates, and any applicable conditions or additional costs. 3. Use as many lines as necessary. 4. Detail any additional information. 5. Proposers are encouraged to offer optional features and supplemental functions or services to be offered as a catalog option. Please provide any options with 'list less' or 'cost plus' percentages for pricing.			
Artificial Intelligence (AI) Consultancy Services			
Item	Description	Price (\$/hr)	Conditions
1	Program manager/ Engagement Partner – Onshore	\$ 265.00	Standard Rate
2	Project Manager / Onshore	\$ 250.00	Standard Rate
3	Project Manager / Offshore	\$ 90.00	Standard Rate
4	AI Practice Lead / Onshore	\$ 265.00	Standard Rate
5	AI Strategy Lead / Onshore	\$ 265.00	Standard Rate
6	AI Business Analysts / Onshore	\$ 225.00	Standard Rate
7	AI Business Analysts / Offshore	\$ 90.00	Standard Rate
Contractors shall provide additional related services at catalog price less:		20%	
Digital Citizen Academy Pricing – specifically for K-12 and Higher Education			
Product: Training program to teach kids about AI			
DCA Sample Pricing Data:			
Fixed Fee Services:			
	* Digital Citizen Academy Program Implementation per site:	\$ 6,500.00	SKU DCA-001
	* Student License	\$ 6.50	per student per month SKU DCA-002
Time & Material Rates (Discounted for TXShare):			
8	DCA Senior Consultant	\$ 250.00	standard rate. SKU DCA-003 is \$300/hr
9	DCA Consultant:	\$ 125.00	standard rate. SKU DCA-004 is \$175/hr
10	DCA Support Staff	\$ 75.00	standard rate. SKU DCA-005 is \$90/hr

Note: The pricing sheet is also uploaded as Excel.

# Dependencies

As part of our comprehensive generative AI assessment proposal, it is important to outline the key dependencies that may impact the successful execution of this critical endeavor. These dependencies are crucial considerations in ensuring the thoroughness and effectiveness of our risk assessment process.

- **Data & Documentation Availability:** Our scoping exercise relies on the availability of relevant data, documentation, and stakeholders. We will work closely with your team to ensure that the necessary data sources are accessible and well-prepared for analysis.
- **Access to AI Models:** To assess the risks associated with specific generative AI models, access to those models is essential. We will work with your organization to secure the necessary access permissions or agreements from relevant parties.
- **Legal and Ethical Compliance:** Compliance with legal and ethical guidelines, including data privacy regulations and anti-bias measures, is paramount. Our assessment process will work to adapt and align with any changing regulations to enable full compliance.
- **Stakeholder Engagement:** Effective collaboration and communication with your organization's stakeholders are vital for defining the assessment scope and gathering relevant information.
- **Timelines:** Dependencies on other projects or deadlines can impact the scheduling and prioritization of the risk assessment. We will work with your team to enable timely access to required information.
- **Quality Assurance and Validation Data:** Ensuring the accuracy and reliability of the risk assessment may require access to validation data or benchmark datasets. We will assist in securing access to such data sources if needed.
- **Reporting and Communication:** Our reporting mechanisms and communication channels will be established to enable transparent and effective sharing of assessment findings with your organization's stakeholders.

# Service Area Designation Forms

## EXHIBIT 1: SERVICE DESIGNATION AREAS

Texas Service Area Designation or Identification			
<b>Proposing Firm Name:</b>			
<b>Notes:</b>	<b>Indicate in the appropriate box whether you are proposing to service the entire state of Texas</b>		
	Will service the entire state of Texas	Will not service the entire state of Texas	
	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
	<b>If you are not proposing to service the entire state of Texas, designate on the form below the regions that you are proposing to provide goods and/or services to. By designating a region or regions, you are certifying that you are willing and able to provide the proposed goods and services.</b>		
<b>Item</b>	<b>Region</b>	<b>Metropolitan Statistical Areas</b>	<b>Designated Service Area</b>
1.	North Central Texas	16 counties in the Dallas-Fort Worth Metropolitan area	
2.	High Plains	Amarillo Lubbock	
3.	Northwest	Abilene Wichita Falls	
4.	Upper East	Longview Texarkana, TX-AR Metro Area Tyler	
5.	Southeast	Beaumont-Port Arthur	
6.	Gulf Coast	Houston-The Woodlands-Sugar Land	
7.	Central Texas	College Station-Bryan Killeen-Temple Waco	
8.	Capital Texas	Austin-Round Rock	
9.	Alamo	San Antonio-New Braunfels Victoria	
10.	South Texas	Brownsville-Harlingen Corpus Christi Laredo McAllen-Edinburg-Mission	
11.	West Texas	Midland Odessa San Angelo	
12.	Upper Rio Grande	El Paso	

(Exhibit 1 continued on next page)

(Exhibit 1 continued)

Nationwide Service Area Designation or Identification Form			
<b>Proposing Firm Name:</b>			
<b>Notes:</b>		<b>Indicate in the appropriate box whether you are proposing to provide service to all Fifty (50) States.</b>	
		Will service all fifty (50) states	Will not service fifty (50) states
		<input checked="checked" type="checkbox"/>	<input type="checkbox"/>
		<p><b>If you are not proposing to service to all fifty (50) states, then designate on the form below the states that you will provide service to. By designating a state or states, you are certifying that you are willing and able to provide the proposed goods and services in those states.</b></p> <p><b>If you are only proposing to service a specific region, metropolitan statistical area (MSA), or City in a State, then indicate as such in the appropriate column box.</b></p>	
<b>Item</b>	<b>State</b>	<b>Region/MSA/City (write "ALL" if proposing to service entire state)</b>	<b>Designated as a Service Area</b>
1.	Alabama		
2.	Alaska		
3.	Arizona		
4.	Arkansas		
5.	California		
6.	Colorado		
7.	Connecticut		
8.	Delaware		
9.	Florida		
10.	Georgia		
11.	Hawaii		
12.	Idaho		
13.	Illinois		
14.	Indiana		
15.	Iowa		
16.	Kansas		
17.	Kentucky		
18.	Louisiana		
19.	Maine		
20.	Maryland		

21.	Massachusetts		
22.	Michigan		
23.	Minnesota		
24.	Mississippi		
25.	Missouri		
26.	Montana		
27.	Nebraska		
28.	Nevada		
29.	New Hampshire		
30.	New Jersey		
31.	New Mexico		
32.	New York		
33.	North Carolina		
34.	North Dakota		
35.	Ohio		
36.	Oregon		
37.	Oklahoma		
38.	Pennsylvania		
39.	Rhode Island		
40.	South Carolina		
41.	South Dakota		
42.	Tennessee		
43.	Texas		
44.	Utah		
45.	Vermont		
46.	Virginia		
47.	Washington		
48.	West Virginia		
49.	Wisconsin		
50.	Wyoming		

End of Exhibit 1

## APPENDIX B

**NCTCOG FEDERAL AND STATE OF TEXAS REQUIRED PROCUREMENT PROVISIONS**  
**The following provisions are mandated by Federal and/or State of Texas law. Failure to certify to the following will result in disqualification of consideration for contract. Entities or agencies that are not able to comply with the following will be ineligible for consideration of contract award.**

**REQUIRED 2 CFR 200 CLAUSES**

**Uniform Administrative Requirements, Cost Principles & Audit Requirements for Federal Awards  
 (Contractor)**

- 1. Equal Employment Opportunity.** CONTRACTOR shall not discriminate against any employee or applicant for employment because of race, religion, color, sex, sexual orientation, gender identity, or national origin. CONTRACTOR shall take affirmative actions to ensure that applicants are employed, and that employees are treated, during their employment, without regard to their race, religion, color, sex, sexual orientation, gender identity, or national origin. Such actions shall include, but not be limited to, the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship.
- 2. Davis-Bacon Act.** CONTRACTOR agrees to comply with all applicable provisions of 40 USC § 3141 – 3148.
- 3. Contract Work Hours and Safety Standards.** CONTRACTOR agrees to comply with all applicable provisions of 40 USC § 3701 – 3708 to the extent this agreement indicates any employment of mechanics or laborers.
- 4. Rights to Invention Made Under Contract or Agreement.** CONTRACTOR agrees to comply with all applicable provisions of 37 CFR Part 401.
- 5. Clean Air Act, Federal Water Pollution Control Act, and Energy Policy Conservation Act.** CONTRACTOR agrees to comply with all applicable provisions of the Clean Air Act under 42 USC § 7401 – 7671, the Energy Federal Water Pollution Control Act 33 USC § 1251 – 1387, and the Energy Policy Conservation Act under 42 USC § 6201.
- 6. Debarment/Suspension.** CONTRACTOR is prohibited from making any award or permitting any award at any tier to any party which is debarred or suspended or otherwise excluded from or ineligible for participation in federal assistance programs under Executive Order 12549, Debarment and Suspension. CONTRACTOR and its subcontractors shall comply with the special provision “Certification Requirements for Recipients of Grants and Cooperative Agreements Regarding Debarments and Suspensions”.
- 7. Restrictions on Lobbying.** CONTRACTOR of these funds is prohibited from using monies for lobbying purposes; CONTRACTOR shall comply with the special provision “Restrictions on Lobbying”. CONTRACTOR shall include a statement of compliance with the Lobbying Certification and Disclosure of Lobbying Activities in applicable procurement solicitations. Lobbying Certification and Disclosure of Lobbying Activities shall be completed by subcontractors and included in subcontractor contracts, as applicable.
- 8. Procurement of Recovered Materials.** CONTRACTOR agrees to comply with all applicable provisions of 2 CFR §200.322.
- 9. Anti-Israeli Boycott.** By accepting this work order, CONTRACTOR hereby certifies the following:
  - 1. CONTRACTOR’s Company does not boycott Israel; and**

2. CONTRACTOR’s Company will not boycott Israel during the term of the contract.

The following definitions apply to this statute:

- (1) "Boycott Israel" means refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations specifically with Israel, or with a person or entity doing business in Israel or in an Israeli- controlled territory, but does not include an action made for ordinary business purposes; and
- (2) "Company" means an organization, association, corporation, partnership, joint venture, limited partnership, limited liability partnership, or limited liability company, including wholly owned subsidiary, majority-owned subsidiary, parent company, or affiliate of those entities or business associations that exists to make a profit.

10. Domestic Preference for Procurements

As appropriate and to the extent consistent with law, the CONTRACTOR should, to the greatest extent practicable, provide a preference for the purchase, acquisition, or use of goods, products, or materials produced in the United States (including but not limited to iron, aluminum, steel, cement, and other manufactured products). Consistent with §200.322, the following items shall be defined as: “Produced in the United States” means, for iron and steel products, that all manufacturing processes, from the initial melting stage through the application of coatings, occurred in the United States. “Manufactured products” means items and construction materials composed in whole or in part of non-ferrous metals such as aluminum; plastics and polymer-based products such as polyvinyl chloride pipe; aggregates such as concrete; glass, including optical fiber; and lumber.

11. Trafficking in Persons

Contractor agrees to comply with all applicable provisions of 2 CFR §175.15. NCTCOG, the Contractor, and its subcontractors are prohibited from (i) engaging in severe forms of trafficking in persons during the period of time that the award is in effect; (ii) procure a commercial sex act during the period of time that the award is in effect; (iii) used force labor in the performance of the award or subawards under the award. The Federal award agency may unilaterally terminate the award, without penalty, if the Contractor (i) is determined to have violated an applicable prohibition; (ii) has an employee who is determined by the agency officially authorized to terminate the award to have violated an applicable prohibition of this award term. NCTCOG must notify the Federal award agency immediately if any information received from the Contractor indicates a violation of the applicable prohibitions.

Check one of the following:

☒ The Contractor or Subrecipient hereby certifies that it *does* comply with the requirements of 2 CFR 200 as stipulated above and required by the NCTCOG.

-OR-

☐ The Contractor or Subrecipient hereby certifies that it *cannot* comply with the requirements of 2 CFR 200 as stipulated above and required by the NCTCOG.

Scott Morrell  
Signature of Authorized Person  
Scott Morrell  
Centroid Systems, LLC.  
Name of Authorized Person  
Centroid Systems, LLC.  
7/24/2025  
Name of Company  
Date



## **APPENDIX C**

### **RESTRICTIONS ON LOBBYING**

Section 319 of Public Law 101-121 prohibits recipients of federal contracts, grants, and loans exceeding \$100,000 at any tier under a federal contract from using appropriated funds for lobbying the Executive or Legislative Branches of the federal government in connection with a specific contract, grant, or loan. Section 319 also requires each person who requests or receives a federal contract or grant in excess of \$100,000 to disclose lobbying.

No appropriated funds may be expended by the recipient of a federal contract, loan, or cooperative agreement to pay any person for influencing or attempting to influence an officer or employee of any federal executive department or agency as well as any independent regulatory commission or government corporation, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with any of the following covered federal actions: the awarding of any federal contract, the making of any federal grant, the making of any federal loan the entering into of any cooperative agreement and the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement.

As a recipient of a federal grant exceeding \$100,000, NCTCOG requires its subcontractors of that grant to file a certification, set forth in Appendix B.1, that neither the agency nor its employees have made, or will make, any payment prohibited by the preceding paragraph.

Subcontractors are also required to file with NCTCOG a disclosure form, set forth in Appendix B.2, if the subcontractor or its employees have made or have agreed to make any payment using nonappropriated funds (to include profits from any federal action), which would be prohibited if paid for with appropriated funds.

**LOBBYING CERTIFICATION  
FOR CONTRACTS, GRANTS, LOANS, AND COOPERATIVE AGREEMENTS**

The undersigned certifies to the best of his or her knowledge and belief, that:

- (1) No federal appropriated funds have been paid or will be paid by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any federal agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, and the extension continuation, renewal amendment, or modification of any federal contract, grant, loan, or cooperative agreement.
- (2) If any funds other than federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form - LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
- (3) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, US Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

*Scott Morrell*

\_\_\_\_\_  
Signature

CEO

\_\_\_\_\_  
Title

Centroid Systems, LLC

\_\_\_\_\_  
Agency

7/24/2025

\_\_\_\_\_  
Date

**APPENDIX D**  
**PROHIBITED TELECOMMUNICATIONS AND VIDEO SURVEILLANCE SERVICES OR**  
**EQUIPMENT CERTIFICATION**

This Contract is subject to the Public Law 115-232, Section 889, and 2 Code of Federal Regulations (CFR) Part 200, including §200.216 and §200.471, for prohibition on certain telecommunications and video surveillance or equipment.

Public Law 115-232, Section 889, identifies that restricted telecommunications and video surveillance equipment or services (e.g. phones, internet, video surveillance, cloud servers) include the following:

- A) Telecommunications equipment that is produced by Huawei Technologies Company or ZTE Corporation (or any subsidiary or affiliates of such entities).
- B) Video surveillance and telecommunications equipment produced by Hytera Communications Corporations, Hangzhou Hikvision Digital Technology Company, or Dahua Technology Company (or any subsidiary or affiliates of such entities).
- C) Telecommunications or video surveillance services used by such entities or using such equipment.
- D) Telecommunications or video surveillance equipment or services produced or provided by an entity that the Secretary of Defense, Director of the National Intelligence, or the Director of the Federal Bureau of Investigation reasonably believes to be an entity owned or controlled by the government of a covered foreign country.

The entity identified below, through its authorized representative, hereby certifies that no funds under this Contract will be obligated or expended to procure or obtain telecommunication or video surveillance services or equipment or systems that use covered telecommunications equipment or services as a substantial or essential component of any system, or as a critical technology as part of any system prohibited by 2 CFR §200.216 and §200.471, or applicable provisions in Public Law 115-232 Section 889.

**Check one of the following:**

☒ The Contractor or Subrecipient hereby certifies that it **does** comply with the requirements of 2 CFR 200 as stipulated above and required by the NCTCOG.

**-OR-**

☐ The Contractor or Subrecipient hereby certifies that it **cannot** comply with the requirements of 2 CFR 200 as stipulated above and required by the NCTCOG.

*Scott Morrell*

\_\_\_\_\_  
Signature of Authorized Person

Scott Morrell

\_\_\_\_\_  
Name of Authorized Person

Centroid Systems, LLC

\_\_\_\_\_  
Name of Company

7/24/2025

\_\_\_\_\_  
Date

**DISCRIMINATION AGAINST FIREARMS ENTITIES OR FIREARMS TRADE  
ASSOCIATIONS**

This contract is subject to the Texas Local Government Code chapter 2274, Subtitle F, Title 10, prohibiting contracts with companies who discriminate against firearm and ammunition industries.

TLGC chapter 2274, Subtitle F, Title 10, identifies that “discrimination against a firearm entity or firearm trade association” includes the following:

- A) means, with respect to the entity or association, to:
  - I. refuse to engage in the trade of any goods or services with the entity or association based solely on its status as a firearm entity or firearm trade association; and
  - II. refrain from continuing an existing business relationship with the entity or association based solely on its status as a firearm entity or firearm trade association; or
  - III. terminate an existing business relationship with the entity or association based solely on its status as a firearm entity or firearm trade association.
- B) An exception to this provision excludes the following:
  - I. contracts with a sole-source provider; or
  - II. the government entity does not receive bids from companies who can provide written verification.

The entity identified below, through its authorized representative, hereby certifies that they have no practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association; and that they will not discriminate during the term of the contract against a firearm entity or firearm trade association as prohibited by Chapter 2274, Subtitle F, Title 10 of the Texas Local Government Code.

**Check one of the following:**

☒ The Contractor or Subrecipient hereby certifies that it does comply with the requirements of Chapter 2274, Subtitle F, Title 10.

**-OR-**

☐ The Contractor or Subrecipient hereby certifies that it cannot comply with the requirements of Chapter 2274, Subtitle F, Title 10.

*Scott Morrell*

\_\_\_\_\_  
Signature of Authorized Person

Scott Morrell

\_\_\_\_\_  
Name of Authorized Person

Centroid Systems, LLC

\_\_\_\_\_  
Name of Company

7/24/2025

\_\_\_\_\_  
Date

## BOYCOTTING OF CERTAIN ENERGY COMPANIES

This contract is subject to the Texas Local Government Code chapter 809, Subtitle A, Title 8, prohibiting contracts with companies who boycott certain energy companies.

TLGC chapter Code chapter 809, Subtitle A, Title 8, identifies that “boycott energy company” means, without an ordinary business purpose, refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations with a company because the company:

- I. engages in the exploration, production, utilization, transportation, sale, or manufacturing of fossil fuel-based energy and does not commit or pledge to meet environmental standards beyond applicable federal and state law; and
- II. does business with a company described by paragraph (I).

The entity identified below, through its authorized representative, hereby certifies that they do not boycott energy companies, and that they will not boycott energy companies during the term of the contract as prohibited by Chapter 809, Subtitle A, Title 8 of the Texas Local Government Code.

### Check one of the following:

- ☒ The Contractor or Subrecipient hereby certifies that it **does** comply with the requirements of Chapter 809, Subtitle A, Title 8.

**-OR-**

- ☐ The Contractor or Subrecipient hereby certifies that it **cannot** comply with the requirements of Chapter 809, Subtitle A, Title 8.

*Scott Morrell*

\_\_\_\_\_  
Signature of Authorized Person

Scott Morrell

\_\_\_\_\_  
Name of Authorized Person

Centroid Systems, LLC.

\_\_\_\_\_  
Name of Company

7/24/25

\_\_\_\_\_  
Date

APPENDIX E  
DEBARMENT CERTIFICATION

\_\_\_\_\_  
Scott Morrell  
(Name of certifying official)  
being duly sworn or under penalty of perjury under the laws of the United States, certifies that neither

\_\_\_\_\_  
Centroid Systems, LLC.  
(Name of lower tier participant)  
nor its principals are presently:

- debarred, suspended, proposed for debarment,
- declared ineligible,
- or voluntarily excluded from participation in this transaction by any federal department or agency

Where the above identified lower tier participant is unable to certify to any of the above statements in this certification, such prospective participant shall indicate below to whom the exception applies, the initiating agency, and dates of action.

Exceptions will not necessarily result in denial of award but will be considered in determining contractor responsibility. Providing false information may result in criminal prosecution or administrative sanctions.

EXCEPTIONS:

Scott Morrell

Signature of Certifying Official

CEO

Title

7/24/2025

Date of Certification

Form 1734  
Rev.10-91  
TPFS