

TXShare

Your Public Sector Solutions Center

MASTER SERVICES AGREEMENT #2025-018 Artificial Intelligence (AI) Solutions for Public Sector Entities

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

LSPS Solutions, LLC ("Contractor")
300 E Airline Road, Bldg. 8
Victoria, TX 77901

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) Solutions for Public Sector Entities** (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 #2025-018 (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 #2025-018.
- 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

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 elittrell@nctcog.org
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If to Contractor:

LSPS Solutions, LLC
Attn: Lynn Short_
 300 E Airline Road, BLDG. 8
 Victoria, TX 77901
Phone: 361 / 212-8243
Email: lshort@lspssolutions.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.

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.

LSPS Solutions, LLC

North Central Texas Council of Governments

 5/1/2025
 Signature Date

Signed by:
 6/1/2025
 Signature Date
 Todd Little
 Executive Director

LYNN Short
 Printed Name
President / CEO
 Title

APPENDIX A

Statement of Work

The Contractor agrees to provide AI Solutions in accordance with the scope of work outlined in Request for Proposal (RFP) No. 2025-018, and as further detailed in the Contractor's technical response, which is incorporated herein and made a part of this Statement of Work.

1. The Contractor shall be responsible for the design, development, deployment, and ongoing support of customized Artificial Intelligence (AI) solutions. These solutions must:
 - a. Address and solve specified operational and strategic challenges.
 - b. Integrate seamlessly with existing agency systems and databases.
 - c. Be intuitive, user-friendly, and accessible to a broad range of stakeholders.
 - d. Include end-user training, system documentation, and ongoing support for staff.
 - e. Provide ongoing maintenance, upgrades, and compliance assurance with applicable data security and privacy standards.
 - f. Ensure data security and privacy compliance in alignment with state and federal regulations.
2. Technical Requirements

The Contractor shall ensure that all AI solutions meet the following technical specifications:

 - a. Scalability: Must support growth in both data volume and user interaction without degradation of performance.
 - b. System Integration: Solutions must integrate with existing platforms.
 - c. Security frameworks: MDM, IAM, SIEM, and related infrastructure
 - d. Real-Time Analytics: Must provide real-time data analysis and reporting.
 - e. Data Security & Privacy Compliance: Adherence to standards such as GDPR, HIPAA, and CCPA are required.
 - f. Natural Language Processing (NLP): Advanced NLP capabilities must be embedded to support diverse and accurate user interactions.
 - g. Accuracy & Validation: Contractor must demonstrate and maintain a high level of system accuracy and describe methods for validation and quality assurance.
 - h. Algorithm Transparency: Solutions must include clear documentation of AI algorithms, approaches to mitigating bias, validation processes, and explainability.
 - i. Continuous Improvement: Solutions must include features for ongoing learning, with mechanisms to incorporate feedback and improve performance over time.
 - j. Interoperability: AI systems must comply with open standards and be capable of integrating with current and future digital infrastructure.
 - k. Quality Control: Contractor shall maintain rigorous quality control protocols to ensure consistent and reliable system performance.
3. Data Governance

The Contractor must implement the following data governance practices:

 - a. Data Integrity and Accuracy: Ensure reliable data quality through lifecycle validation checks and automated error correction.
 - b. Data Privacy Compliance: Adhere to all relevant privacy laws. Implement data anonymization and pseudonymization as needed and obtain/document user consent for data collection and use.
 - c. Access Controls: Implement role-based access controls and multi-factor authentication (MFA) for all sensitive data access.
 - d. Data Retention and Disposal: Define and adhere to policies for secure data retention and disposal.
 - e. Data Auditing and Monitoring: Regular auditing must be conducted, and access/modification logs must be maintained and made available upon request.
4. Cybersecurity Requirements

The Contractor shall maintain strong cybersecurity practices throughout the contract period:

 - a. Threat Detection & Response: Deploy AI-based threat detection tools. Define incident response plans and test them regularly.
 - b. Encryption: Utilize end-to-end encryption (AES-256, RSA-2048, etc.) for both data in transit and at rest.

- c. Vulnerability Management: Perform regular security assessments and penetration testing. Patch vulnerabilities promptly.
- d. Security Governance Framework: Establish and follow a documented governance model with defined policies, controls, and responsibilities.
- e. Risk Management: Identify risks, establish mitigation strategies, maintain a disaster recovery plan, and conduct root-cause analysis following incidents.
- f. Training & Awareness: Provide regular cybersecurity training to all relevant agency staff. Training must address both technical procedures and general awareness.

By adhering to these principles, LSPS Solutions ensures all AI implementations align with NCTCOG's values of accountability, security, and ethical governance.

Private Sector Successes with Public Sector Applications

7. Bring My Song To Life – Demonstrating AI Scalability and Cost Optimization

Chris Erhardt's leadership at *Bring My Song To Life* illustrates how AI can automate complex processes while delivering exceptional outcomes. By implementing AI tools, production costs were reduced by **80%** and workflows were streamlined, enabling **300% faster delivery times**.

This example highlights the transformative potential of AI for the public sector:

- **Cost Savings:** Automating manual workflows reduces operational costs for municipalities.
- **Scalability:** AI solutions can be expanded across departments with minimal additional investment.
- **Efficiency:** Faster service delivery improves citizen satisfaction and operational outcomes.

8. LSPS Solutions Internal Automation – Optimizing Workflow Efficiency

Our success in automating LSPS Solutions' internal operations demonstrates our ability to design and implement AI strategies that deliver measurable improvements:

- **40% Efficiency Gains:** Reduced time spent on manual tasks, improving overall productivity.
- **Scalable Solutions:** Implemented systems that can grow with organizational needs.
- **Error Reduction:** Automated processes minimized human errors, ensuring accuracy and consistency.

Similar AI solutions can be applied to public sector workflows, addressing common challenges such as staff shortages and process inefficiencies.

6. Technical Proposal

LSPS Solutions, LLC proposes a comprehensive, phased approach to identify, develop, and implement AI strategies tailored to NCTCOG's objectives and the unique needs of TXShare members. Our methodology ensures measurable results, scalability, and long-term sustainability while aligning with public sector standards for compliance, ethics, and security.

6.1 Methodology

Our technical approach consists of **five key phases**:

Phase 1: Needs Assessment and AI Opportunity Identification

- **Goal:** Conduct a comprehensive analysis of current processes and challenges to identify AI opportunities with the highest potential impact.
 - **Activities:**
 - Perform stakeholder interviews with key departments to identify pain points and process inefficiencies.
 - Analyze organizational data to understand existing workflows and resource usage.
 - Identify high-value AI use cases, such as predictive maintenance, citizen service automation, and infrastructure optimization.
 - Prioritize use cases based on **impact, cost-benefit analysis, and feasibility**.
 - **Deliverables:**
 - Needs Assessment Report detailing process challenges and AI opportunities.
 - Prioritized list of AI use cases with cost-benefit analysis.
-

Phase 2: AI Strategy Development and Roadmap

- **Goal:** Develop a comprehensive AI roadmap to guide the successful implementation of identified opportunities.
 - **Activities:**
 - Design tailored AI strategies for specific use cases, including predictive analytics, NLP bots, and automation workflows.
 - Develop an AI governance framework that ensures compliance with data privacy laws, security standards, and ethical guidelines.
 - Create an implementation roadmap with clearly defined **timelines, milestones, KPIs, and resource requirements**.
 - Prepare cost projections for AI tools, infrastructure, and integration.
 - **Deliverables:**
 - AI Strategy and Implementation Roadmap.
 - Governance Framework addressing data privacy, ethical AI, and internal controls.
 - Detailed Cost Analysis Report.
-

Phase 3: AI Solution Design and Pilot Implementation

- **Goal:** Build and deploy AI solutions on a pilot basis to validate effectiveness, refine tools, and measure performance.
 - **Activities:**
 - Develop AI tools aligned with the roadmap, including:
 - **Predictive Analytics for Maintenance:** AI models to forecast infrastructure failures, optimize maintenance schedules, and reduce costs.
 - **AI-Powered Citizen Service Bots:** NLP-based bots to automate citizen inquiries, such as billing, service requests, and FAQ responses.
 - **Enhanced O&M Manuals:** Digitized manuals integrated with AI tools for predictive analytics and search optimization.
 - Collaborate with stakeholders to deploy AI solutions within selected pilot programs.
 - Conduct performance evaluations based on pre-defined KPIs, such as time savings, cost reductions, and citizen satisfaction.
 - Gather feedback to refine tools before full-scale deployment.
 - **Deliverables:**
 - Pilot AI Solutions, such as citizen service bots and predictive maintenance systems.
 - Pilot Program Report evaluating outcomes, challenges, and refinements.
-

Phase 4: Full-Scale Implementation and Integration

- **Goal:** Scale successful pilot solutions across departments, ensuring seamless integration with existing systems.
 - **Activities:**
 - Deploy AI solutions at full scale, ensuring alignment with organizational workflows and goals.
 - Integrate tools with existing systems (e.g., asset management platforms, databases, and citizen engagement software).
 - Provide on-site and virtual technical support to address integration challenges.
 - Conduct post-implementation performance audits to measure the impact and ROI of AI solutions.
 - **Deliverables:**
 - Fully deployed AI Solutions.
 - Integration Report documenting system alignment, performance outcomes, and ongoing recommendations.
 - ROI Analysis Report.
-

Phase 5: Training, Capacity Building, and Knowledge Transfer

- **Goal:** Equip TXShare members with the knowledge and tools to sustain AI systems independently.
 - **Activities:**
 - Conduct hands-on training workshops for staff to ensure effective adoption and use of AI tools.
 - Provide comprehensive training materials, including manuals, videos, and troubleshooting guides.
 - Establish a knowledge transfer plan to ensure municipal teams can maintain, monitor, and optimize AI solutions over time.
 - Offer ongoing support and quarterly check-ins to address questions, provide updates, and gather performance feedback.
 - **Deliverables:**
 - Training Workshops and Materials.
 - Knowledge Transfer Plan.
 - Post-Implementation Support Framework.
-

6.2 Tools and Technologies

To ensure the successful implementation of AI solutions, LSPS Solutions will leverage state-of-the-art tools and technologies, including:

- **Machine Learning Platforms:** TensorFlow, PyTorch, and Scikit-learn for predictive analytics and modeling.
 - **Natural Language Processing (NLP):** AI libraries like spaCy, GPT-based models, and NLP APIs to power citizen service bots and text analysis tools.
 - **Cloud Infrastructure:** AWS, Azure, and Google Cloud for scalable and secure deployment of AI solutions.
 - **Data Integration:** Tools like Apache Spark and Snowflake to handle large datasets and integrate AI outputs with existing systems.
 - **Security and Compliance:** End-to-end encryption, anonymization methods, and governance tools to ensure data privacy and regulatory compliance.
-

6.3 Measuring Success

To ensure NCTCOG and TXShare members achieve measurable value, LSPS Solutions will define and monitor key performance indicators (KPIs) aligned with organizational goals. Examples include:

- **Operational Efficiency:** Reduction in manual workflows and task completion times.
- **Cost Savings:** Percentage reduction in operational or maintenance costs.

- **Citizen Engagement:** Improved citizen satisfaction rates through automated responses and faster resolutions.
- **Predictive Analytics Impact:** Reduction in unplanned infrastructure downtimes and maintenance costs.
- **Staff Capacity Gains:** Reallocation of staff time to high-value activities.

Reporting: LSPS Solutions will provide monthly and quarterly progress reports, ensuring transparency and accountability throughout the project lifecycle.

6.4 Risk Management

LSPS Solutions employs a robust risk management framework to ensure successful project execution:

- **Risk Identification:** Identify potential risks (e.g., technical challenges, data security concerns, and stakeholder resistance).
- **Mitigation Strategies:** Develop proactive measures, such as pilot testing, iterative feedback loops, and rigorous security controls.
- **Contingency Plans:** Establish contingency plans for any unforeseen challenges to ensure minimal project disruption.

7. Training and Capacity Building

At LSPS Solutions, we recognize that the long-term success of AI solutions depends not only on their design and implementation but also on the ability of public sector teams to effectively adopt, manage, and scale these tools independently. Our training and capacity-building programs are designed to empower TXShare members with the skills, knowledge, and confidence to maximize the value of AI initiatives while ensuring long-term sustainability.

7.1 Training Objectives

The primary objectives of our training and capacity-building program are:

1. **Knowledge Transfer:** Equip internal staff with the knowledge needed to operate, monitor, and maintain AI solutions effectively.
2. **Skill Development:** Build technical and non-technical skills to ensure teams can utilize AI tools and interpret AI outputs.
3. **Operational Independence:** Enable TXShare members to manage AI solutions without reliance on external vendors.

4. **Promote Innovation:** Foster a culture of innovation where teams actively seek new AI opportunities to improve workflows.
 5. **Sustainability:** Ensure that AI solutions remain adaptable and scalable as organizational needs evolve.
-

7.2 Training Approach

Our training framework is designed to cater to various skill levels, ensuring inclusivity for technical and non-technical stakeholders. LSPS Solutions uses a **three-tiered approach**:

Tier 1: Foundational AI Training (*For General Staff*)

- **Focus:** Building a basic understanding of AI concepts, tools, and benefits.
 - **Topics Covered:**
 - Introduction to AI and Machine Learning.
 - Overview of AI use cases in public sector operations.
 - How AI-powered tools, such as chatbots and predictive maintenance systems, work.
 - Data privacy, ethical AI principles, and security compliance.
 - **Format:** Instructor-led workshops (virtual or in-person), supported by interactive learning modules and Q&A sessions.
 - **Outcome:** Staff gain a foundational understanding of AI, its relevance, and its potential to improve organizational workflows.
-

Tier 2: Technical AI Training (*For Technical Staff and IT Teams*)

- **Focus:** Providing technical teams with the skills to maintain, troubleshoot, and optimize AI tools.
 - **Topics Covered:**
 - AI implementation fundamentals, including machine learning models, natural language processing (NLP), and predictive analytics.
 - Integration of AI tools with existing systems and workflows.
 - Data management best practices (governance, security, and quality controls).
 - Troubleshooting and performance monitoring of AI systems.
 - **Format:** Hands-on training sessions with real-time demonstrations, technical documentation, and access to test environments for practical application.
 - **Outcome:** Technical teams gain the expertise needed to manage AI tools, troubleshoot issues, and make minor adjustments to optimize performance.
-

Tier 3: Leadership and Advanced AI Training (*For Decision-Makers and Management*)

- **Focus:** Ensuring organizational leaders understand AI's strategic impact and can make informed decisions for AI adoption and scaling.
 - **Topics Covered:**
 - Identifying AI opportunities and measuring ROI.
 - Interpreting AI-driven insights for data-driven decision-making.
 - Building an AI roadmap aligned with organizational goals.
 - Ethical considerations and compliance for public sector AI adoption.
 - **Format:** Executive briefings, strategy workshops, and customized learning materials tailored to management priorities.
 - **Outcome:** Leaders are empowered to align AI strategies with organizational objectives, advocate for innovation, and drive AI adoption at scale.
-

7.3 Training Delivery Methods

We offer a **flexible, multi-format delivery model** to accommodate diverse learning styles, organizational structures, and time constraints.

1. **In-Person Workshops:** Instructor-led, interactive training sessions conducted at municipal offices or designated locations.
 2. **Virtual Training:** Live webinars and virtual workshops delivered through platforms like Microsoft Teams or Zoom.
 3. **Interactive E-Learning Modules:** Self-paced, digital learning tools with quizzes, videos, and hands-on exercises.
 4. **Practical Demonstrations:** Training in test environments where staff can practice using AI tools in real-world scenarios.
 5. **Training Manuals and Documentation:** Comprehensive resources, including user guides, technical manuals, and troubleshooting checklists.
 6. **Post-Training Support:** Follow-up sessions and access to LSPS Solutions' technical experts to address questions and provide ongoing mentorship.
-

7.4 Knowledge Transfer Plan

A robust knowledge transfer plan ensures that TXShare members can independently manage AI systems after implementation. Key components include:

- **Tailored Documentation:** Providing role-specific materials, including operations manuals, maintenance checklists, and decision-making guides.
- **Shadowing and On-the-Job Training:** Allowing staff to observe LSPS experts during pilot implementation phases.
- **Train-the-Trainer Programs:** Identifying and training internal champions to lead AI adoption and serve as organizational AI advocates.

- **Ongoing Mentorship:** Offering a 6-month post-implementation support package, including technical consultations and performance check-ins.

7.5 Building a Culture of Innovation

Beyond skill-building, LSPS Solutions prioritizes fostering a culture of innovation within public sector teams:

1. **Workshops on AI Innovation:** Encouraging staff to identify opportunities for AI in their daily workflows.
2. **Innovation Challenges:** Hosting events or competitions where teams propose new AI use cases or workflow enhancements.
3. **Leadership Advocacy:** Empowering managers to champion AI initiatives that improve efficiency and service delivery.

By fostering a mindset of continuous learning and exploration, LSPS Solutions ensures that TXShare members remain at the forefront of AI adoption.

7.6 Success Metrics

To measure the effectiveness of our training and capacity-building initiatives, LSPS Solutions will track:

- **Knowledge Retention:** Pre- and post-training assessments to evaluate knowledge gained.
- **User Adoption Rates:** Percentage of staff actively using AI tools after training.
- **Performance Improvement:** Measurable improvements in workflows (e.g., reduced task completion time, increased efficiency).
- **Staff Confidence:** Surveys to assess staff confidence in managing AI tools.

Reporting: LSPS Solutions will deliver training evaluation reports with recommendations for further skill development where needed.

8. Compliance and Ethical AI Standards

LSPS Solutions understands the unique responsibility of implementing AI solutions in the public sector, where transparency, fairness, security, and compliance are paramount. Our approach to AI development and deployment prioritizes adherence to regulatory standards, ethical

considerations, and public trust. This ensures that all solutions align with legal requirements while remaining inclusive, unbiased, and accountable.

8.1 Commitment to Compliance

LSPS Solutions ensures that all AI solutions comply with **local, state, and federal regulations** applicable to public sector entities. Our approach includes:

1. Data Privacy and Security Standards

- **FOIA Compliance:** Ensuring that AI tools operate within the guidelines of the **Freedom of Information Act** by allowing transparent access to decision-making processes and outputs where required.
 - **Data Privacy Laws:** Adhering to global privacy frameworks such as **GDPR** (if applicable), and other relevant data protection laws to safeguard citizen data.
 - **Security Controls:**
 - Implementing end-to-end encryption for data transmission and storage.
 - Role-based access controls (RBAC) to restrict unauthorized access to sensitive information.
 - Data anonymization and pseudonymization techniques to protect personally identifiable information (PII).
 - **Regular Audits:** Conducting periodic reviews of AI systems to identify and mitigate potential security vulnerabilities.
-

2. Ethical AI Development

We follow established principles for ethical AI, ensuring that all solutions are developed and deployed responsibly. Our focus areas include:

Fairness and Bias Mitigation

- AI models will undergo rigorous **bias detection and mitigation** processes to ensure fairness across diverse populations.
- Datasets will be validated to detect and address biases that could influence outcomes, particularly in citizen services and resource allocation.
- LSPS Solutions uses **iterative model testing** to ensure consistent and equitable performance across demographic groups.

Transparency and Explainability

- AI tools will include mechanisms to provide clear explanations for how decisions are made, enabling stakeholders to understand the rationale behind AI outputs.

- **Transparent Documentation:** Detailed records will be maintained on data sources, algorithms, decision-making processes, and system changes.
- **Explainable AI (XAI):** Tools such as decision trees, visualizations, and human-readable reports will accompany AI outputs to foster trust and accountability.

Accountability and Oversight

- LSPS Solutions will develop clear accountability frameworks that define roles, responsibilities, and oversight processes for AI implementation.
- Internal **AI Ethics Committees** can be established to oversee AI deployments, ensuring alignment with ethical standards and community expectations.

Human-Centric Design

- AI tools are designed to **augment human decision-making**, not replace it. LSPS Solutions ensures human oversight is maintained in critical decision workflows.
- User feedback will play a central role in refining and improving AI systems post-deployment.

8.2 Compliance Monitoring and Reporting

To ensure ongoing compliance and ethical performance, LSPS Solutions implements robust monitoring frameworks:

1. **Compliance Audits**
 - Regular internal audits to verify adherence to data privacy, security, and ethical AI standards.
 - Third-party reviews where necessary to ensure unbiased assessments of AI tools.
2. **Impact Assessments**
 - Conducting **AI Impact Assessments (AIIA)** to identify risks, ethical concerns, and unintended consequences prior to deployment.
 - Assessments will include bias detection, data security checks, and stakeholder impact evaluations.
3. **Ongoing Reporting**
 - LSPS Solutions will provide regular compliance and performance reports to TXShare members, including:
 - **AI Performance Metrics:** Accuracy, fairness, and user adoption rates.
 - **Data Privacy Compliance:** Measures implemented to ensure data security.
 - **Ethical Standards Monitoring:** Updates on bias detection, transparency improvements, and system refinements.

8.3 Key Standards and Frameworks Followed

LSPS Solutions adheres to industry-leading AI ethics and compliance standards, including:

- **IEEE Global Initiative for Ethical AI:** Ensuring AI tools meet principles of transparency, accountability, and fairness.
 - **AI Governance Principles:** Alignment with frameworks such as the OECD AI Principles and EU AI Act.
 - **NIST AI Risk Management Framework:** Applying risk management techniques to AI lifecycle processes.
 - **ISO/IEC 27001:** International standards for data security and privacy.
-

8.4 Addressing Public Sector Challenges

AI adoption in the public sector comes with unique challenges, including citizen trust, ethical use, and regulatory compliance. LSPS Solutions proactively addresses these challenges as follows:

1. **Data Governance:**
 - Establishing comprehensive data governance frameworks to ensure proper ownership, quality, and lifecycle management of data.
 - Implementing **version control and lineage tracking** to maintain auditability and transparency of AI decisions.
 2. **Bias Reduction:**
 - Using diverse, high-quality datasets to minimize bias in AI outcomes.
 - Applying algorithmic audits and fairness testing to detect and correct unintended biases.
 3. **Public Trust and Acceptance:**
 - Encouraging stakeholder engagement and feedback during AI pilot phases to build trust and address concerns.
 - Providing transparent AI documentation to demonstrate responsible and fair use of technology.
 4. **Scalability Without Compromise:**
 - Ensuring that ethical and compliance standards are upheld as AI solutions are scaled across multiple departments or municipalities.
-

8.5 Ethical AI Tools in Action

LSPS Solutions has successfully implemented AI tools with strong ethical and compliance controls in previous projects, including:

- **AI-Powered Citizen Service Bots:** Designed with clear accountability frameworks, ensuring transparency in responses and the ability to escalate complex queries to human agents.
- **Predictive Maintenance Systems:** Developed using unbiased datasets to ensure equitable resource allocation for infrastructure maintenance.
- **AI-Enhanced O&M Manuals:** Built with strict access controls and encryption protocols to safeguard sensitive operational data.

These examples demonstrate LSPS Solutions' ability to build ethical, compliant AI solutions that deliver measurable value without compromising on fairness, security, or public trust.

9. Deliverables

LSPS Solutions, LLC is committed to providing a structured, transparent, and results-driven approach to meet NCTCOG's objectives. Each deliverable is designed to ensure successful AI strategy development, implementation, and long-term adoption for TXShare members. The following deliverables are organized by project phases and highlight the outcomes at each stage.

Phase 1: Needs Assessment and Opportunity Identification

In this phase, LSPS Solutions will identify key AI opportunities by conducting comprehensive assessments of organizational processes, challenges, and data readiness.

Deliverables:

1. **Needs Assessment Report**
 - Detailed analysis of current workflows, operational pain points, and resource challenges.
 - Identification of high-impact AI use cases tailored to specific departments (e.g., citizen engagement, public safety, maintenance optimization).
2. **Feasibility Study and Prioritization Matrix**
 - Comprehensive analysis of potential AI solutions, including feasibility, value assessment, and risk-benefit analysis.
 - Prioritized AI use cases ranked by impact, cost savings, and ease of deployment.
3. **Stakeholder Engagement Summary**
 - Documentation of interviews, workshops, and feedback gathered from key stakeholders.
 - Recommendations based on stakeholder insights and organizational goals.

Phase 2: AI Strategy and Roadmap Development

This phase focuses on delivering a clear, actionable roadmap for AI implementation that aligns with NCTCOG's long-term vision.

Deliverables:

1. **Comprehensive AI Strategy Document**
 - Detailed strategies for AI use case implementation, including proposed tools, frameworks, and technologies.
 - Roadmap outlining timelines, milestones, and resource requirements.
2. **Governance and Compliance Framework**
 - AI governance guidelines addressing ethical standards, data privacy, and security.
 - Compliance requirements aligned with FOIA, GDPR, and relevant public sector regulations.
3. **Cost-Benefit and ROI Analysis**
 - Clear cost projections for AI implementation, including software, infrastructure, and training investments.
 - Quantitative and qualitative analysis of projected ROI, including time and cost savings.
4. **Risk Management Plan**
 - Identification of potential risks related to AI implementation and strategies for mitigation.
 - Contingency plans to address unexpected challenges during deployment.

Phase 3: AI Solution Design and Pilot Implementation

During this phase, LSPS Solutions will design and deploy pilot AI tools to validate their effectiveness and gather feedback for refinement.

Deliverables:

1. **AI Solution Design Specifications**
 - Technical documentation of AI models, tools, and workflows tailored to identified use cases.
 - Design specifications for predictive maintenance, citizen service bots, and other AI tools.
2. **Pilot Implementation Plan**
 - Step-by-step deployment plan for pilot AI solutions, including test environments, timelines, and responsibilities.

- Detailed KPIs to measure pilot success (e.g., cost reduction, time savings, citizen satisfaction).
 - 3. Deployed Pilot AI Solutions**
 - AI-powered tools deployed for pilot programs, such as:
 - Predictive analytics models for infrastructure maintenance.
 - NLP-powered citizen service bots for automating routine inquiries.
 - AI-enhanced O&M manuals for optimized accessibility and efficiency.
 - 4. Pilot Program Evaluation Report**
 - Analysis of pilot results, including performance against KPIs, stakeholder feedback, and lessons learned.
 - Recommendations for full-scale deployment based on pilot outcomes.
-

Phase 4: Full-Scale AI Implementation and Integration

Following the success of the pilot phase, LSPS Solutions will scale AI solutions across departments and ensure seamless integration with existing systems.

Deliverables:

- 1. Full-Scale Implementation Plan**
 - Detailed roadmap for scaling AI solutions organization-wide, including resource allocation, timelines, and technical requirements.
 - 2. Integrated AI Systems**
 - Fully deployed AI tools integrated with existing systems (e.g., databases, asset management platforms, citizen engagement software).
 - Custom integrations to ensure seamless alignment with organizational workflows.
 - 3. Performance and ROI Report**
 - Post-implementation evaluation of AI tools, including:
 - Measurable improvements in efficiency, cost savings, and resource allocation.
 - Quantitative analysis of ROI achieved from scaled solutions.
 - 4. Technical Documentation and Manuals**
 - Comprehensive technical guides for maintaining and optimizing AI solutions.
 - Troubleshooting manuals and checklists for internal technical teams.
-

Phase 5: Training, Capacity Building, and Knowledge Transfer

LSPS Solutions will ensure TXShare members can operate, manage, and scale AI tools independently through robust training and knowledge transfer initiatives.

Deliverables:

1. **Training Workshops and Sessions**

- Foundational AI training for general staff.
- Advanced technical training for IT teams and technical leads.
- Leadership training for decision-makers to identify AI opportunities and measure ROI.

2. **Customized Training Materials**

- User manuals, video tutorials, and reference guides tailored to each AI solution.
- Troubleshooting checklists and quick-start guides for seamless adoption.

3. **Knowledge Transfer Plan**

- Roadmap for ensuring internal staff can maintain AI tools without external support.
- Identification of AI champions within the organization to lead adoption efforts.

4. **Post-Training Support Framework**

- 6-month technical support package, including follow-up sessions, Q&A opportunities, and ongoing mentorship.

Ongoing Monitoring and Reporting

To ensure the continued success of AI solutions, LSPS Solutions will provide post-implementation monitoring and reporting.

Deliverables:

1. **Monthly Progress Reports**

- Regular updates on AI tool performance, adoption rates, and user feedback.
- Identification of opportunities for improvement and additional training.

2. **Quarterly Compliance and Performance Audits**

- Verification of adherence to data privacy, ethical AI standards, and regulatory compliance.
- Performance audits to ensure solutions remain aligned with organizational goals.

3. **Annual AI Impact Report**

- Comprehensive analysis of AI performance, including:
 - Cost savings achieved.
 - Operational efficiencies gained.
 - Improvements in citizen engagement and satisfaction.

10. Proposal Pricing

The detailed pricing proposal, including hourly rates, cost structures, and optional services, has been prepared in accordance with the requirements of this RFP. It has been **submitted separately** as per the instructions outlined in Section 6.0 of the solicitation document.

11. Conclusion

LSPS Solutions, LLC is uniquely positioned to help NCTCOG and TXShare members achieve their vision of leveraging Artificial Intelligence to enhance operational efficiency, improve decision-making, and foster innovation. With a proven track record of success in both the public and private sectors, we bring the perfect balance of strategic insight, technical expertise, and deep understanding of public sector challenges.

Our team, led by Chris Erhardt, Y.J. Tso, and Lynn Short, combines decades of experience in AI strategy, technical development, and municipal leadership. We understand the complexities of implementing AI solutions in the public sector—addressing compliance, ethical considerations, and resource constraints—while delivering measurable results that align with organizational goals.

Through our phased approach, LSPS Solutions will:

1. Identify high-value AI opportunities tailored to TXShare members.
2. Develop and implement robust, ethical, and compliant AI tools that streamline operations and improve citizen services.
3. Provide comprehensive training and knowledge transfer to empower internal teams, ensuring long-term sustainability and operational independence.

By partnering with LSPS Solutions, NCTCOG will gain a trusted ally dedicated to delivering innovative, practical, and scalable AI solutions that drive measurable impact across its network of member organizations.

We are excited about the opportunity to collaborate with NCTCOG and TXShare members, helping to transform operations and create smarter, more efficient organizations that benefit both employees and the communities they serve.

We thank you for considering LSPS Solutions and look forward to the opportunity to bring our expertise, commitment, and innovation to your organization.

APPENDIX A.1
Pricing for TXShare Cooperative Purchase Program Participants

Proposed Pricing RFP No. 2025-018			
Respondent Name: LSPS Solutions, LLC			
Artificial Intelligence (AI) Consultancy Services			
Item	Description	Price	Conditions
1	AI Strategy Specialist	\$200/hour	AI strategy development, roadmap creation, and implementation oversight.
2	AI/ML system design, model development, and deployment.	\$200/hour	AI/ML system design, model development, and deployment.
3	Data Analyst/AI Specialist	\$200/hour	Data preparation, cleaning, and analysis for AI systems.
4	Automation Engineer	\$200/hour	Automation of workflows and integration with existing systems.
5	Project Manager	\$150/hour	Overall project coordination, progress tracking, and reporting.
6	Training Specialist	\$200/hour	Staff training, knowledge transfer, and capacity building.
7	Technical Support Staff	\$150/hour	Ongoing support for AI solutions post-implementation.
8	Ethics and Compliance Consultant	\$200/hour	Ensures alignment with ethical AI standards and compliance.
9	AI Health Check Audit	\$3,500 per audit	Quarterly performance and compliance audits of AI tools.
10	Custom Chatbot Development	\$25,000 per bot	Tailored citizen service bots for unique requirements.
11	Data Governance Framework Design	\$8,500 fixed fee	Full framework creation for AI data strategy compliance.
12	System Integration	Cost Plus 10%	Custom integration of AI tools with legacy systems.
13	AI Solution Maintenance	\$2,000 per month	Ongoing maintenance and updates for AI tools.
Additional Information			
1. Discount for Multi-Department Engagement: A 5% discount will be applied for engagements covering more than three departments within a municipality.			
2. Volume-Based Pricing: Additional discounts can be negotiated for extended engagements exceeding 500 hours annually.			
3. Travel Expenses: If on-site support or training is required, reasonable travel and accommodation costs will be billed at cost with pre-approval.			

Service Area Designation Forms

(Exhibit 3 continued)

Nationwide Service Area Designation or Identification Form			
Proposing Firm Name:			
Notes:			
Indicate in the appropriate box whether you are proposing to provide service to all Fifty (50) States.			
Will service all fifty (50) states <input checked="checked" type="checkbox"/>		Will not service fifty (50) states <input type="checkbox"/>	
<p>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.</p> <p>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.</p>			
Item	State	Region/MSA/City (write "ALL" if proposing to service entire state)	Designated as a Service Area
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 3

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

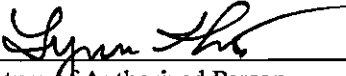
Contractor agrees to comply with all applicable provisions of 2 CFR §175.15. NCTCOG, the Contractor, and its subcontractors are prohibited from (i) engaging in severe forms of trafficking in persons during the period of time that the award is in effect; (ii) procure a commercial sex act during the period 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.



 Signature of Authorized Person
 LYNNA Short

 Name of Authorized Person
 LSPS Solutions, LLC

 Name of Company
 5/1/2025

 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.



Signature

PRESIDENT / CEO

Title

LSPS Solutions, LLC

Agency

5/1/2025

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.



Signature of Authorized Person

LYNN SHORT

Name of Authorized Person

LSPS Solutions, LLC

Name of Company

5/1/2025

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-

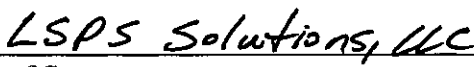
☐ The Contractor or Subrecipient hereby certifies that it cannot comply with the requirements of Chapter 2274, Subtitle F, Title 10.



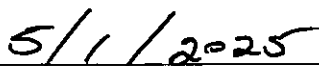
Signature of Authorized Person



Name of Authorized Person



Name of Company



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.



Signature of Authorized Person

Lynn Short

Name of Authorized Person

LSPS Solutions, LLC

Name of Company

5/1/2025

Date

**APPENDIX E
DEBARMENT CERTIFICATION**

LYNN Short being duly
(Name of certifying official)
sworn or under penalty of perjury under the laws of the United States, certifies that neither

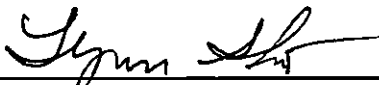
LSPS Solutions, LLC, nor its principals
(Name of lower tier participant)
are presently:

- 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:


Signature of Certifying Official
PRESIDENT / CEO
Title
5/1/2025
Date of Certification

Form 1734
Rev.10-91
TPFS