

TXShare

Your Public Sector Solutions Center

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

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

Alvarez & Marsal Public Sector Services LLC ("Contractor")
600 Madison Ave, 8th Floor
New York, NY 10022

ARTICLE I RETENTION OF THE CONTRACTOR

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

ARTICLE II SCOPE OF SERVICES

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

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

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

2.5 NCTCOG Obligations

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

2.6 Participating Entity Obligations.

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

2.7 Contractor Obligations.

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

ARTICLE III

TERM

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

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

ARTICLE IV COMPENSATION

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

Civic Marketplace, Inc.
6502 Glen Abbey
Abilene, TX 79606
Email: support@civicmarketplace.com

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:

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| 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: Alvarez & Marsal Public Sector Services LLC
 Attn: Edward Hanapole
 600 Madison Ave, 8th Floor
 New York, NY 10022
 646-881-9681
ehanapole@alvarezandmarsal.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.

Alvarez & Marsal Public Sector Services LLC


Signature Date

Edward Hanapole

Printed Name

Managing Director

Title

North Central Texas Council of Governments

Signed by:

349D83294E7946E...
Signature Date
Todd Little
Executive Director

APPENDIX A
Statement of Work

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

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| Client | Summary |
|---|--|
| Oregon Housing & Community Services Organizational Assessment & Restructuring | <p>Background: In early 2023, newly inaugurated Oregon Governor Tina Kotek declared a “state of emergency” due to homelessness and requested nearly \$1B dollars to combat it. Much of this funding has been allocated to Oregon’s Housing and Community Services (OHCS) agency, with a large percentage flowing to its Housing Stabilization Division (HSD) that supports homelessness, housing retention, and energy services.</p> <p>Role: Given the high stakes and high-profile demands of HSD’s work, OHCS contracted A&M to assess the Division and recommend improvements that would enable HSD to more effectively deliver on Governor and Legislative recent and anticipated directives and fortify ties with funding partners.</p> <p>Outcome: A&M conducted over 60 interviews, developed 39 recommendations for OHCS’s consideration, and recommended a new organizational structure aimed at aligning staff with core role and responsibilities. Following the assessment, A&M has been engaged since April 2024 to implement its recommendations, lead a project management office (PMO), and support change management and communications with the intent to transform and stabilize.</p> |
| Loudoun County Department of Finance & Procurement Process Improvement Evaluation | <p>Background: A&M was contracted to review the Loudoun County Department of Finance and Procurement (DFP) in Northern Virginia, which had recently reorganized. The goal was to enhance service delivery and streamline processes while preparing for an upgrade to a cloud version of Oracle.</p> <p>Role: A&M conducted interviews with DFP staff and stakeholders to identify improvement opportunities and reviewed procurement documents for process enhancement. They mapped and analyzed DFP processes, identifying challenges and recommending solutions, and developed observations and a SWOT analysis for each DFP division. Additionally, A&M conducted an employee survey to understand departmental challenges.</p> <p>Outcome: A&M provided 35 improvement recommendations, half of which supported the Oracle upgrade. They analyzed and reported employee survey results, designed a future state organizational chart with 16 structural change recommendations, and recommended 35 new KPIs to enhance performance measurement.</p> |
| Texas A&M University System Cybersecurity Compliance Assessment | <p>Background: Texas A&M University System needed an extensive evaluation of their data management practices to pinpoint opportunities to enhance data quality and efficiency.</p> <p>Role: A comprehensive assessment of the client's data management practices was conducted, identifying areas for improvement in data quality.</p> <p>Outcome: A&M designed a shared services function to centralize and standardize tools and processes used for DoD projects, establishing a governance framework to oversee data management and compliance activities. We developed a secure computing environment to protect sensitive DoD data/information and help ensure seamless data integration across the organization.</p> |

5. Technical Proposal

5.1 Proposed AI Approach

A&M recognizes that this solicitation is based on a hypothetical six-month, 24-week engagement to develop the specified deliverables for a TXShare member. However, our proposed timeline (see Figure 3) is significantly shorter, at just three months or 12 weeks. We believe that we can conduct these initiatives more efficiently and effectively than our competitors, thereby enhancing our value proposition to the cooperative.

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Figure 3: A&M Proposed Project Timeline

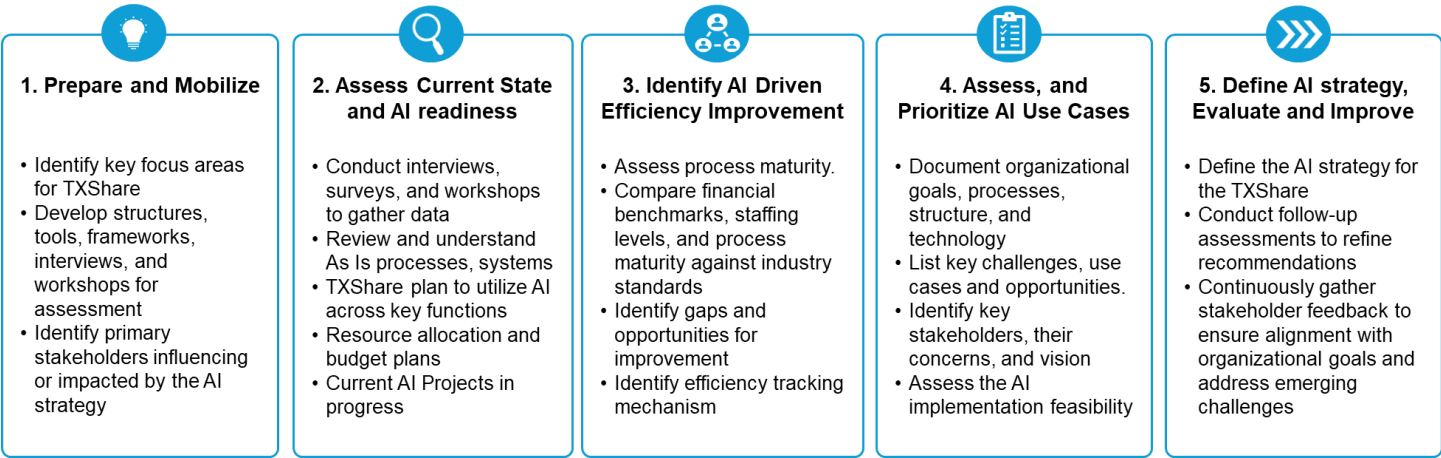
| Deliverable | Week 0 | Week 1 | Week 2 | Week 3 | Week 4 | Week 5 | Week 6 | Week 7 | Week 8 | Week 9 | Week 10 | Week 11 | Week 12 |
|------------------------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|---------|---------|---------|
| Initial TXShare AI Strategy Report | | | | | | | | | | | | | |
| AI Feasibility Study | | | | | | | | | | | | | |
| 5-Year AI Roadmap | | | | | | | | | | | | | |
| Pilot Implementation | | | | | | | | | | | | | |
| Training Plan | | | | | | | | | | | | | |
| AI Governance Plan | | | | | | | | | | | | | |

Our approach focuses on creating comprehensive solutions that identify enhanced citizen delivery and public engagement. This methodology is particularly relevant to NCTCOG's objectives of enhancing regional planning and program development through improved public delivery and engagement. By integrating AI into their operations, NCTCOG and its TXShare members can leverage enhanced data analysis capabilities, leading to more informed decision-making and efficient service delivery across the region.

When developing a prospective TXShare member's AI strategy, A&M will focus on understanding the unique context, vision, and goals of the member organization. Our approach begins with a baseline assessment of the TXShare members' overall readiness to adopt AI technology. To do so, we utilize the A&M Enterprise AI Methodology – an approach that involves a thorough analysis of organizational capacity, change management, and operational modeling to support a cohesive and scalable approach to AI adoption for TXShare members (see Figure 4).

Our Approach:

Figure 4: A&M Enterprise AI Methodology



Our AI approach for TXShare members is distinguished by A&M's unique blend of operator and consultant expertise, offering a hands-on, practical methodology tailored to the public sector. We begin by assessing AI readiness to gauge each member's preparedness to leverage AI technologies effectively. This involves identifying opportunities to drive efficiency and continuous performance improvement, while ensuring resource optimization, ethics, and compliance. Our operator experience enables us to collaborate closely with TXShare member teams, walking through processes to identify and prioritize AI use cases for a focused and effective rollout.

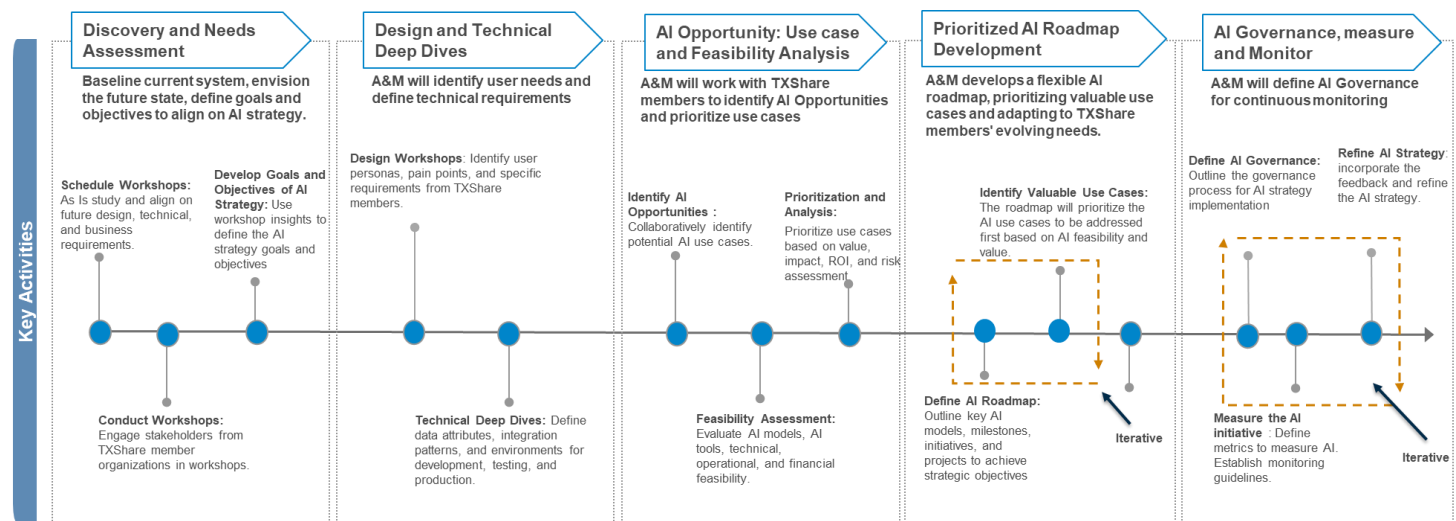
We also support the development of governance and data management practices enabling AI initiatives to be scalable, ethical, secure, and compliant with public sector regulations. By evaluating AI experience across these domains, we provide targeted recommendations to refine strategies, fostering sustainable growth, adaptability, and measurable impact.

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5.2 Proposed Methodology for AI Strategy Development

To develop and execute an AI roadmap, A&M will implement its “AI Strategy Development Methodology” (see Figure 5) in collaboration with TXShare members. This process includes conducting workshops, performing design and technical deep dives, identifying use cases, developing a prioritized roadmap through an iterative approach, and AI governance measures for continuous monitoring. This approach promotes collaboration between the TXShare member and the project team as well as alignment with TXShare members' strategic objectives.

Figure 5: A&M AI Strategy Development Methodology



Our methodology for developing an AI strategy and roadmap is customizable specifically for the needs of TXShare member. We will explore a phased rollout plan to help gradually adopt AI capabilities, mitigating risks and optimizing resources while minimizing disruption. This approach supports incremental technology adoption and continuous learning, crucial for establishing an AI Strategy and Governance Framework that aligns with requirements of TXShare's members.

Drawing from our extensive firm and operator experience in developing AI programs, we will conduct thorough discovery and deep dives to understand the size, scope, and complexity of initiatives. Recognizing that defining the strategy and installing governance structures are foundational, we aim to transform how TXShare members adopt AI capabilities and enhance services efficiently and promptly. Our comprehensive methodology enables critical stakeholder perspectives are examined, driving transparency and facilitate cohesive AI strategy adoption. The steps of our methodology include:

1. Discovering and understanding the baseline current system and future state goals.
2. Identifying user needs and defining technical requirements.
3. Collaborating with TXShare member stakeholders to identify AI opportunities and prioritize use cases.
4. Developing a flexible AI roadmap through an iterative process that adapts to evolving needs.
5. Defining a governance model for continuous monitoring and improvement.

Comprehensive Discovery and Needs Assessment for TXShare Members

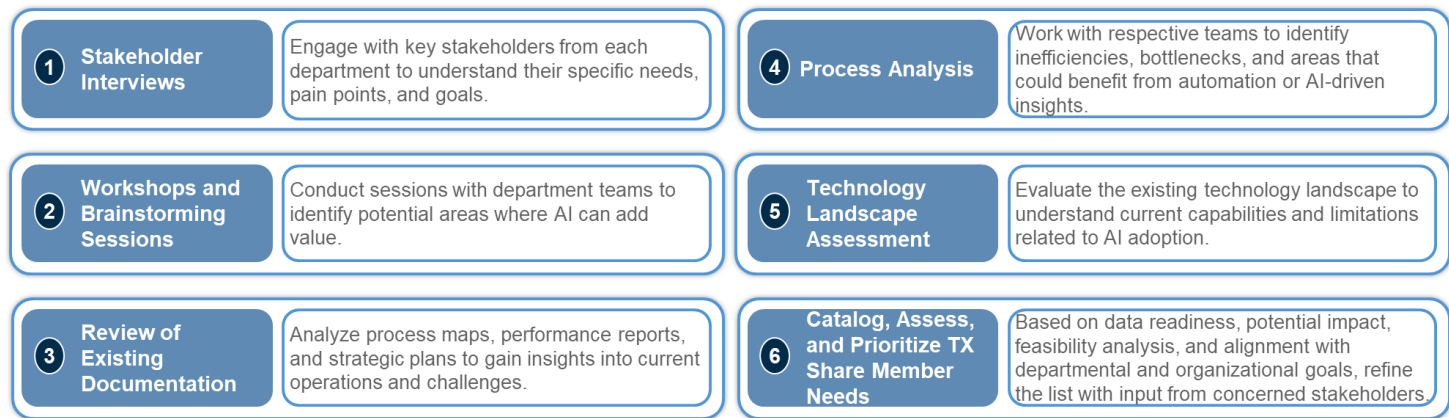
A&M will conduct a comprehensive discovery and needs assessment to understand the organizational goals, existing processes, and challenges faced by prospective TXShare members. Given the diversity of TXShare, which includes cities, towns, counties, and special districts at various stages of AI adoption, this assessment will allow us to customize our approach for optimal impact, based on the maturity of the organization (see Figure 6 for approach details).

During this phase, A&M will conduct workshops and deep dives with the technical teams of TXShare members to understand the current technology systems in place and define the needs of future technical system requirements.

During the needs assessment interaction with TXShare, A&M will collaborate closely with key stakeholders, individual departments, and specific teams to identify, assess, and prioritize AI use cases and challenges. These collaborative activities include:

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Figure 6: A&M Discovery & Needs Assessment Approach



This collaborative approach supports AI strategies that are not only aligned with organizational goals but also address specific departmental challenges, paving the way for effective AI integration and utilization.

Long-Term AI Strategy Development A&M will develop a long-term AI strategy aligned with NCTCOG’s strategic plan, tailored to TXShare members' needs. This strategy will focus on sustainability and adaptability, supporting regional collaboration and service delivery. Starting with a needs assessment, A&M will prioritize enterprise needs validated with stakeholders. Through interviews and workshops, A&M will align AI initiatives with NCTCOG’s goals, using gap analysis to evaluate current AI capabilities and identify improvement areas.

A&M will identify and evaluate AI use cases based on feasibility, technical requirements, and business value. The strategy will define a clear AI vision with measurable goals aligned with NCTCOG’s strategic plan, addressing data management, technology infrastructure, talent development, and governance. A&M will deliver a 5-year AI roadmap with phased implementation plans, detailing key milestones, resource requirements, and processes for scalability, change management, and performance monitoring. This collaborative approach will prioritize AI use cases to meet TXShare members' needs and ensure long-term success.

5.3 Use Case Identification and Feasibility Analysis

At the conclusion of the executive level discovery phase, A&M will initiate a three-step process to identify use cases at the business or operational level. Each use case will be thoroughly evaluated for feasibility, risk, and potential value-add.

5.3.1 Use Case Identification

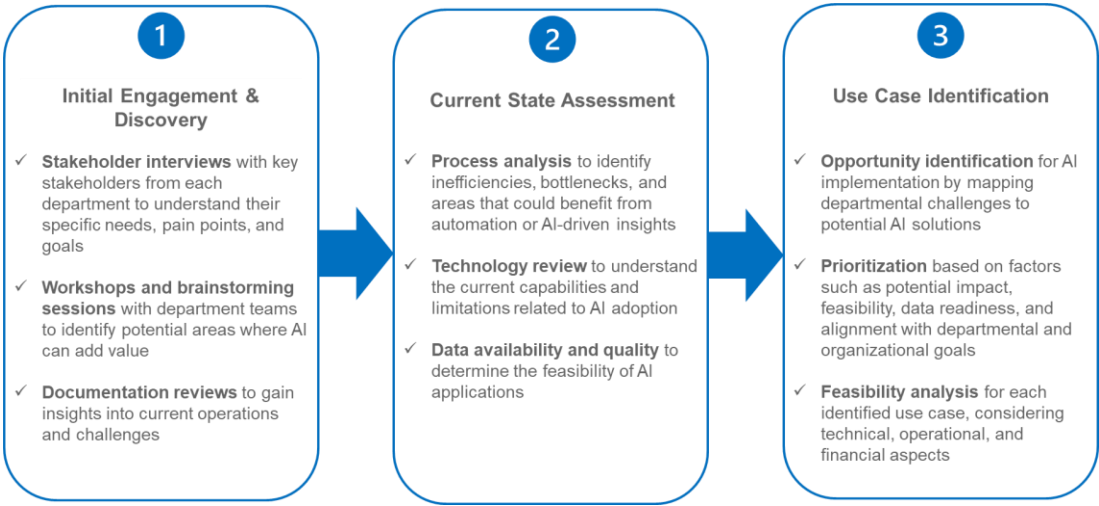
A&M will follow its three-step “Use Case Identification Process” (see Figure 7) to identify use cases appropriate for AI implementation in TXShare member organizations. Our approach will properly consider stakeholder concerns, assess potential AI use cases with respective department teams and review relevant documentation.

- 1. **Initial Engagement and Discovery:** During this phase, we conduct key stakeholder interviews to understand their needs, pain points, and goals and then organize workshops and brainstorming sessions with department teams to identify potential areas where AI can add value. We also review available and relevant documentation including process maps, performance reports, and strategic plans, to gain insights into current operations and challenges.
- 2. **Current State Assessment:** This phase involves analyzing current processes to identify inefficiencies, bottlenecks, and areas that could benefit from automation or AI-driven insights. We further assess the existing technology landscape in the TXShare member organizations to understand the current capabilities and limitations related to AI adoption. Finally, we evaluate the availability, quality, and structure of data within each department to determine the feasibility of AI applications.
- 3. **Use Case Identification:** In this last phase, we identify use cases by determining specific opportunities for AI

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implementation by mapping departmental challenges to potential AI solutions and then prioritize these use cases based on factors such as potential impact, feasibility, data readiness, and alignment with departmental and organizational goals.

Figure 7: A&M Use Case Identification Process



We will produce a catalog of prioritized use cases after completing the process of use case identification with due validation from respective stakeholders and the concerned teams of TXShare members.

5.3.2 Feasibility Study and Value Assessment

After the use case identification, we determine the suitability of use cases for AI implementation by assessing their feasibility and value proposition along with associated risks.

We conduct a feasibility study for the identified use case, considering their technical, operational, and financial aspects for implementing respective AI solutions. For analyzing technical feasibility of use cases, we will assess the technical requirements and capabilities needed to build and maintain the AI capability, including data availability, integration with existing systems, and infrastructure needs. We will evaluate the operational impact of the AI solution such as changes to workflows, staff training requirements, and potential disruption to assess the operation feasibility. Lastly, we will analyze the cost of implementing identified AI solutions, including initial investment and ongoing maintenance against potential cost saving for determining the financial feasibility of the use cases.

To evaluate the value proposition of an AI use case, we assess the potential impact of the AI solution on key performance indicators (KPIs) such as efficiency and customer satisfaction. We also calculate the return on investment (ROI) by comparing the expected benefits to the implementation and operational cost. We further identify potential risks associated with the implementation and upkeep of AI solutions, recommending mitigation strategies to address these risks.

5.4 AI Solution Design and Roadmap

Upon completing the feasibility study, A&M will work to design a flexible roadmap to design the AI features, frameworks, and tools for selected use cases. A&M proposes a comprehensive approach to AI model design that involves end-to-end lifecycle of an AI model and covers key aspects of managing and governing AI model assets in a TXShare member organization. The AI Model design follows the initial discovery and use case identification. This approach includes following key activities:

1. AI Model Design and Development

This activity involves analyzing AI use cases and data assets to recommend suitable AI algorithms based on the use case, data characteristics, and desired outcomes. We explore various AI algorithms, including machine learning, deep learning,

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natural language processing, and advanced agentic AI methodologies, potentially leveraging Generative AI capabilities like Retrieval Augmented Generation (RAG) and Function calling. The selection process considers factors such as use case scenarios, data structure, output complexity vs. precision, and model ownership costs. We develop and train AI models using selected algorithms and enterprise data, followed by testing and tuning for accuracy and reliability.

2. Framework and Tool Development

We will design a scalable and flexible framework to support AI model development, deployment, and integration within existing IT infrastructure. This framework will include capabilities for data acquisition, processing, feature and prompt engineering, model training, validation, and tuning. It will integrate with enterprise resources such as databases, business applications, and governance systems. Additionally, user-friendly tools will enable non-technical stakeholders to apply models, visualize results, and make informed decisions.

3. Ethical Guidelines and Public Sector Regulations

Adherence to privacy and ethics is crucial for successful AI adoption. A&M recommends a security and ethics by design approach to ensure compliance with relevant requirements during the design and development process. This ensures AI solutions have the necessary capabilities and tools to support compliance for the use case, enterprise, and industry. We design AI models to be fair, transparent, and responsible, continuously checking for biases and taking corrective actions to maintain high standards of fairness and equity. Governance checks and controls are implemented to monitor AI model quality and performance, validating results against ethical standards for public sector and TXShare members. Security measures and controls are applied in accordance with data privacy regulations like GDPR and CCPA, ensuring data security during storage and transit through anonymization, encryption, and access control. Regular compliance reviews are conducted to provide a compliance health check, enabling TXShare members to assess if an AI model is fit for use or needs correction.

4. Deployment and Monitoring

In collaboration with the technology team of TXShare member organization, A&M will facilitate a controlled pilot environment for validating AI models for their performance and solicit feedback from end-users. Following the successful pilot, we will help the TXShare member to roll out validated AI models for the broader organization promoting integration with other enterprise systems and workflows. We will set up a monitoring system to regularly track and evaluate the performance of deployed AI models and inform responsible stakeholders when performance of an AI model deteriorates beyond a certain threshold value.

5. Training and Change Management

Finally, we transition and transfer the system to a TXShare member through extensive training programs and a change management plan. We develop and deliver training programs to equip the technology team of a TXShare member with required AI skills and capabilities for supporting and enhancing the AI solution built. To facilitate the adoption of AI solutions, we implement a change management plan, including communication strategies, stakeholder engagement, and support mechanisms to address resistance and encourage smooth transitions.

5.4.2 AI Roadmap Development

Our “A&M AI Roadmap” aims to focus on rapidly identifying high-impact opportunities for growth and operational efficiency. We do this by prioritizing initiatives that drive operational efficiency, transparency and customer engagement, such as product acceleration, customer value creation, and sales process streamlining. By integrating these elements, the AI roadmap will enhance the strategic positioning of TXShare members, enabling them to achieve their operational and financial goals effectively. The “A&M AI Roadmap” delves deeper into the "Prioritized AI Roadmap Development" portion of our comprehensive “AI Strategy Development Methodology” (see Figure 5).

A&M will develop a comprehensive roadmap for AI projects, with the AI Transformation Office (AITO) serving as the governance structure to drive and navigate the solution design and roadmap development. This roadmap will include

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critical components such as governance, project timelines, milestones, resource requirements, and KPIs. Our detailed plan for producing such a roadmap includes following steps:

1. Define Governance Mechanism

This step involves establishing governance structure, defining roles and responsibilities, developing governance policies, and scheduling regular governance meetings. A governance committee will be formed comprising key stakeholders, including project sponsors, IT leaders, business unit representatives, and compliance officers. This committee will provide executive oversight and promote alignment with strategic objectives. They will develop policies and procedures to guide key project components such as decision-making processes, escalation paths, and communication protocols. Regular governance meetings will be set up providing guidance on documenting meeting minutes and tracking action items to review project progress, resolve issues, and make strategic decisions.

2. Organize Project Activities and Deliverables

In this step, project activities and deliverables are organized in distinct phases across detailed timeline and milestones. The project timeline will outline the project phases, start and end date for project phase, identifying key milestones and specifying the deliverables. This step also produces a contingency plan to address potential delays or issues that may require the project to accommodate unforeseen challenges.

3. Identify Resource Requirements

This step develops a resource plan and schedule for the project aligned with the timeline to provide appropriate resources when required. In this step we will work on a detailed plan including personnel, technology, and tools for the project. The resource planning will involve identifying skills gaps, and plan for training or hiring additional resources as needed. Finally, this step identifies the budgetary allocation for the project to cover resourcing costs including salaries, training, and technology expenses.

4. Setup Success Metrics

During this step, we identify key performance indicators (KPIs) to measure the success of the project, aligning them with project objectives and including metrics such as AI adoption rate, project completion rate, budget adherence, and stakeholder satisfaction. The KPIs and baseline metrics data are used to identify improvement areas and implement corrective actions to keep the project aligned to the goals.

5. Monitor, Track and Refine AI Strategy

This approach is integrated with the “A&M AI Transformation Office Structure” provided by the AI Transformation Office (AITO), which serves as the cross-functional design authority and a 'hub' to orchestrate initiatives across TXShare, focusing on value creation and strategic alignment. The AITO will ultimately be responsible for monitoring aligning with ethical guidelines and applicable regulations.

In this last step, AITO will form a mechanism to monitor, track, and refine the AI strategy and roadmap implementation, identifying gaps or deviations, and getting regular feedback from TXShare members to refine the strategy and roadmap accordingly. We will use this mechanism to update project priorities, requirements, and goals based on the project status and stakeholders' input.

5.5 Pilot Testing and Implementation Support

A&M recognizes that there are many use cases that TXShare members would be looking to implement. However, as part of AI strategy implementation, A&M recommends implementing a pilot use case to test the strategy and improve further. For the purpose of defining the pilot process, A&M identified a sample use case related to Public Transportation. The actual use case would be discussed with TXShare prior to implementing the pilot phase.

Sample Use Case: Predictive Maintenance for Public Transportation

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For a TXShare member focused on public transportation, A&M could implement a pilot AI solution for predictive maintenance (see Figure 9). This use case aims to reduce downtime and maintenance costs by predicting equipment failures before they occur.

Figure 8: Pilot Testing and Implementation Support Example



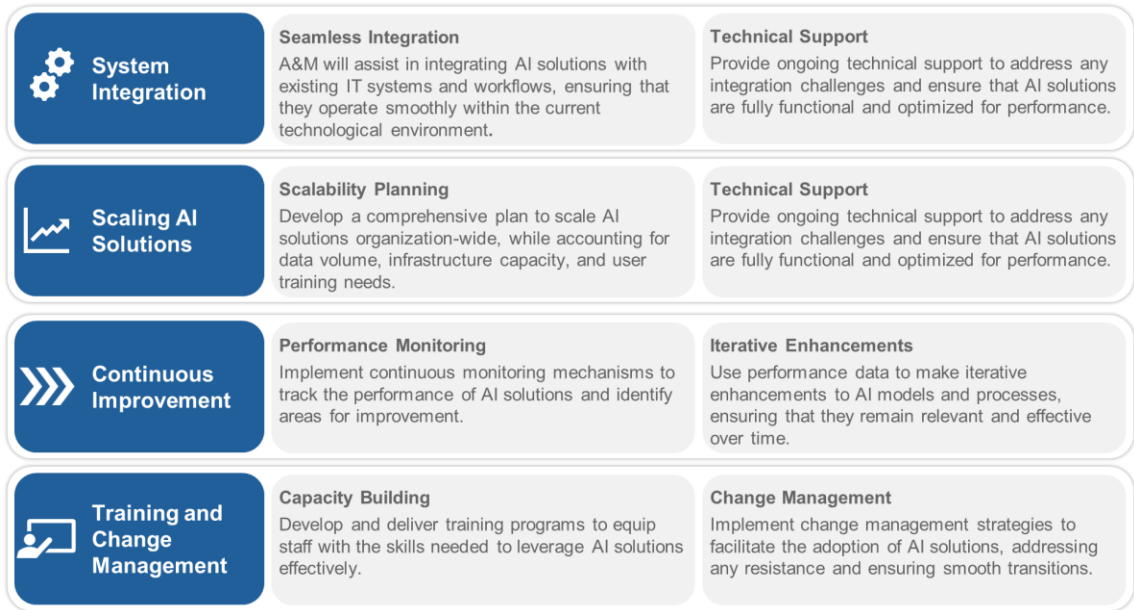
Post-Implementation Support:

Sample Use Case: Predictive Maintenance for Public Transportation

Following the successful deployment of pilot AI solutions, A&M will provide comprehensive post-implementation support (see Figure 10) to encourage seamless system integration and scalability across the organization. This support is crucial for maintaining the momentum of AI initiatives so they can deliver sustained value to TXShare members.

The AITO will continue to play a central role in this phase, leveraging its governance structure to oversee the integration and scaling processes. By maintaining a focus on strategic alignment and operational efficiency, AITO will support AI solutions that are effectively embedded into the organizational framework, driving long-term success and innovation. Our post-implementation support strategy includes:

Figure 9: Post-Implementation Support Strategy Example



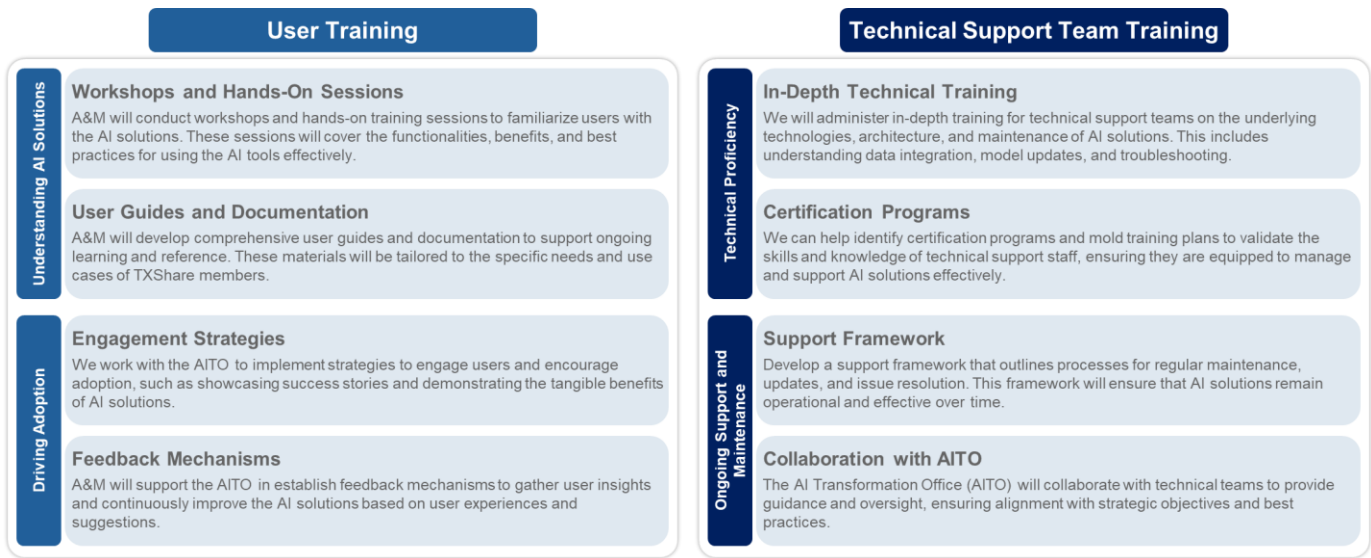
By providing robust post-implementation support, A&M helps TXShare members realize the benefits of AI, driving innovation, efficiency, and enhanced service delivery across the region. This approach not only aligns with NCTCOG's strategic objectives but also positions TXShare members for sustained success in their AI endeavors.

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5.6 Training, Adoption, and Capacity Building

A&M enables successful AI implementation by providing comprehensive training and capacity building. This includes user training for effective AI solution usage and technical support team training for technology support and maintenance. This dual approach is essential for scaling AI within participating TXShare members.

Figure 10: A&M AI Implementation Dual Training Approach



Scaling AI Across the Organization

By equipping both users and technical support teams with essential skills, A&M enables the scaling of AI solutions across TXShare members. This comprehensive training ensures AI initiatives are adopted and sustained, driving long-term innovation and efficiency. The AITO coordinates these efforts, leveraging its governance structure to seamlessly integrate and expand AI capabilities, enhancing operational agility and maximizing AI impact across the region.

5.7 Data Strategy and Management

A&M employs a comprehensive and structured approach to data strategy and management, so AI solutions for TXShare members are built on a foundation of high-quality, governed, private, and secure data. By leveraging a unified data architecture, we promote seamless integration and management of data across various services, enhancing the capabilities of AI solutions and driving strategic outcomes.

5.7.1 Data Quality Management

To support the integrity and reliability of data used in AI solutions, A&M focuses on several key aspects:

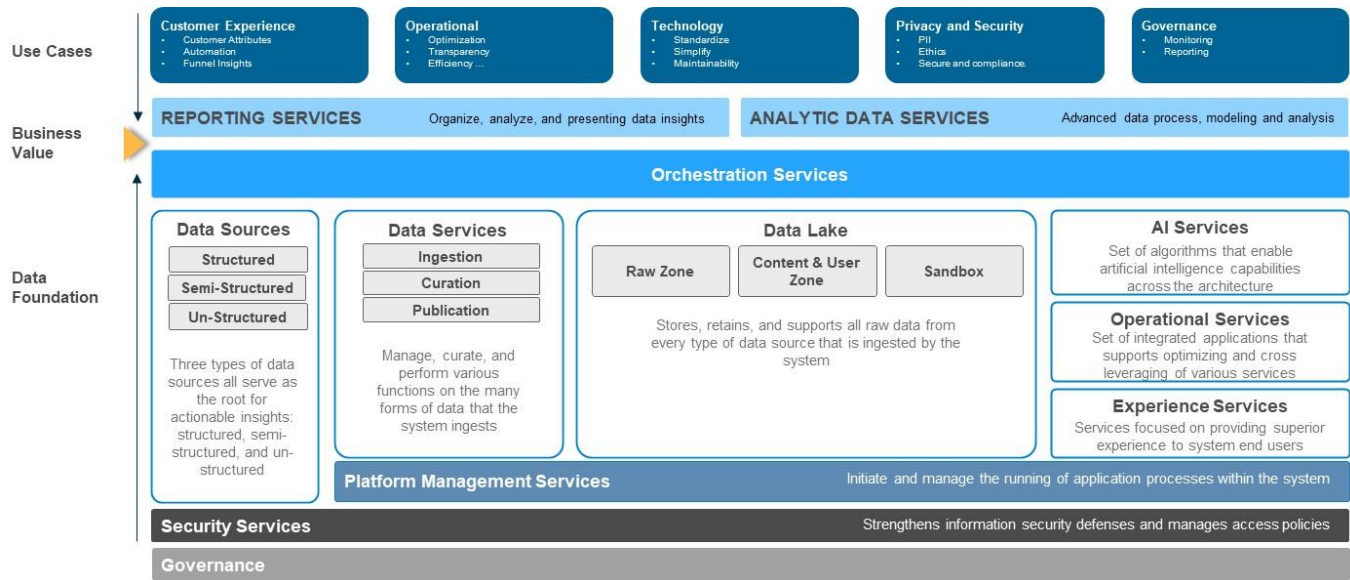
- **Accuracy and Completeness:** A&M strives to keep data accurate and free from errors through regular data cleaning and validation processes. We also make sure that necessary data is collected, with no missing values that could affect AI model performance.
- **Consistency and Timeliness:** We standardize and normalize data across different sources to maintain consistency. Additionally, A&M works to keep data up-to-date and relevant to the AI application's current context, supporting timely decision-making.

5.7.2 Data Governance

A&M uses its “Data and Analytics Governance Framework” (see Figure 12) to manage data effectively throughout its lifecycle:

Proposal for RFP #2025-023 - AI Consultancy Services

Figure 11: A&M Data and Analytics Governance Framework



- **Policies and Procedures:** We develop clear data governance policies to guide data collection, storage, processing, and disposal. This includes defining roles and responsibilities for data stewards and custodians.
- **Compliance and Monitoring:** A&M works towards compliance with data protection laws such as GDPR and CCPA through continuous monitoring and auditing processes, guaranteeing adherence to governance policies and standards.

5.7.3 Data Privacy

Protecting individual privacy is a priority in A&M's data strategy:

- **Data Minimization and Anonymization:** We collect only the data necessary for AI solutions and employ techniques like anonymization and pseudonymization to protect individual privacy, reducing the risk of data breaches.
- **Access Controls and Consent Management:** A&M implements strict access controls to verify that only authorized personnel can access sensitive data. We also manage consent to help confirm data subjects are informed about data collection and usage.

5.7.4 Data Security

A&M employs advanced security measures to protect data integrity:

- **Encryption and Security Measures:** We use encryption to protect data both at rest and in transit. Additionally, A&M implements firewalls and intrusion detection systems to safeguard against unauthorized access and cyber threats.
- **Regular Audits and Incident Response:** Conducting regular security audits and maintaining an incident response plan allows A&M to quickly address data breaches or security incidents.

5.7.5 AI Governance

A&M integrates AI governance into the data strategy by arming them as responsible ethical AI deployment:

The “A&M Enterprise AI Governance Methodology” (see Figure 13) is introduced to bring the governance from TXShare members covering both perspectives solution development and implementation. Figure 13 represents the key areas to be considered while implementing AI governance.

Proposal for RFP #2025-023 - AI Consultancy Services

Figure 12: A&M Enterprise AI Governance Methodology



- **Ethical Guidelines and Transparency:** We support AITO’s in the ideation of ethical guidelines for AI development and deployment, to promote responsible use. A&M promotes transparency in AI algorithms and decision-making processes, providing explanations for AI-driven decisions.
- **Bias Mitigation and Continuous Monitoring:** A&M supports the implementation of strategies to identify and mitigate biases in AI models, and to promote fairness and equity. We regularly monitor AI models for performance and compliance with governance policies.

5.7.6 Data Validation and Enrichment

A&M proposes data quality and usability through rigorous validation and enrichment processes:

- **Data Validation Processes:** We will define validation rules for accuracy, completeness, consistency, and timeliness. A&M uses automated tools and manual reviews to promote data quality at key stages of processing.
- **Data Enrichment Procedures:** A&M identifies enrichment needs through gap analysis and aligns efforts with business objectives. We use internal and external data sources to enhance datasets, employing techniques like data merging and transformation.

5.7.7 Data Privacy and Security Compliance

A&M will conduct a comprehensive compliance and risk analysis as part of the feasibility study and use case identification for TXShare members. This process will promote AI initiatives that align with regulatory standards, protect sensitive information, and address potential risks. Our approach consists of three key steps: documenting compliance requirements, conducting risk-benefit analysis, and addressing data strategy considerations to support effective AI implementation.

- 1. Documenting Compliance Requirements:** A&M will review relevant regulations, develop compliance checklists, and create documentation outlining data handling, storage, and reporting obligations. We will consult legal and compliance teams to confirm requirements and establish oversight processes.
- 2. Conducting Risk-Benefit Analysis:** We will identify and evaluate risks, assess benefits such as efficiency and cost savings, and develop mitigation strategies using technical safeguards, process controls, and training programs. A decision framework will guide prioritization based on compliance and strategic goals.
- 3. Addressing Data Strategy Considerations:** A&M will assess data quality, implement data governance frameworks, and develop strategies for data integration. These steps will enhance data readiness, support AI use cases, and improve overall data management practices.

This structured approach incorporates compliance, risk management, and data strategy to enable the effective, secure, and compliant deployment of AI solutions for TXShare members. It also establishes a robust foundation for scalability and sustainability, fostering innovation and efficiency across the organization.

5.8 Project Management and Reporting

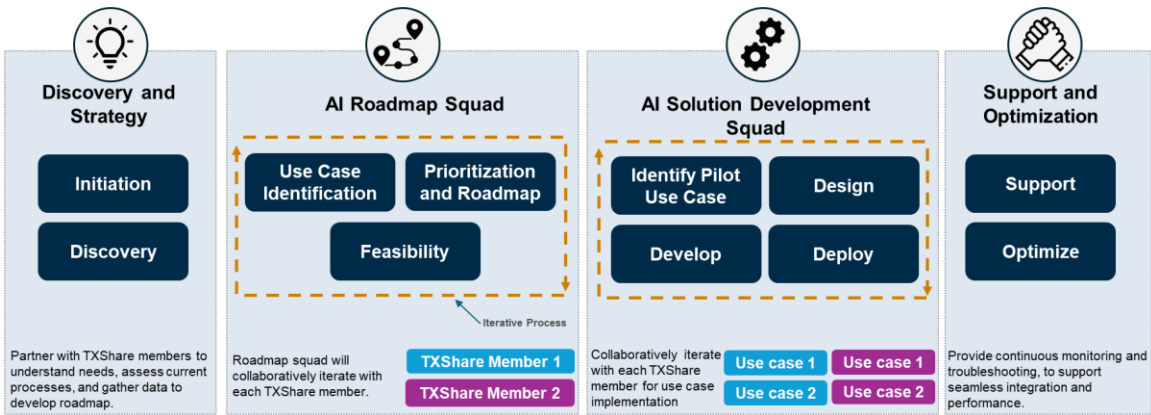
A&M employs a robust project management and reporting framework to support the successful execution and oversight of AI strategy engagements for TXShare members. This framework is designed to facilitate clear communication, accountability, and strategic alignment across the organization, leveraging the AI Transformation Office (AITO) as a central governance structure.

For this project, A&M will utilize its “Agile Squad Approach” (see Figure 14), featuring small, cross-functional teams dedicated to specific project segments. The below graphic illustrates our project management methodology, with squads

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assigned to four key areas: discovery and strategy, AI roadmap, AI solution development, support and optimization. Additionally, project management will include scrum calls to support team alignment and progress tracking, complemented by the reporting structures outlined in the "A&M PMO and Reporting" section.

Figure 13: A&M Agile Squad Approach



To accomplish the proposed tasks described throughout this response, the A&M team has identified the following project roles:

- Program Sponsor
- Engagement Director
- AI Strategist
- Technology Architect
- Business Analyst
- Technology Consultant
- Data Architect
- Front End Engineer
- Back End Engineer
- AI Engineer
- Security and Compliance Engineer
- Project Manager
- AI Ethics and Governance
- Subject Matter Expert

A&M PMO and Reporting

A&M PMO team collaborates with the TXShare PMO team on an ongoing basis to align both functional and technical teams on project execution. A&M will maintain a regular reporting cadence to the AITO including TXShare PMO, providing status of project activities and progress (see Figure 15). This reporting will be tailored to the specific needs of the project and can be adjusted to a weekly or monthly schedule based on client requirements.

Task forces deployed within TXShare member organizations, either under A&M's guidance or independently, will report into the AITO to promote cohesive project management and execution. This reporting structure is designed to support the unique needs of the projects and facilitate effective collaboration.

Figure 14: A&M PMO Reporting Structure



By implementing this structured project management and reporting structure, A&M promotes AI strategy engagements for TXShare members that are executed with precision and transparency. This approach not only supports effective project delivery but also enhances the strategic alignment and operational efficiency of AI initiatives across the organization.

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5.9 Ethical AI Requirements

Ethical Framework and Compliance Alignment: In collaboration with A&M, the NCTCOG is dedicated to developing AI solutions that adhere to both industry-standard ethical guidelines and specific regional principles. This enables AI technologies are implemented responsibly, ethically, and beneficially for the community.

Alignment with Ethical AI Principles

- **Transparency and Accountability:** AI systems must be transparent, providing clear explanations of decision-making processes. A&M emphasizes accountability mechanisms, ensuring well-defined roles and responsibilities for AI oversight.
- **Fairness and Inclusiveness:** A&M's approach includes bias detection and mitigation strategies, promoting fair AI models that do not discriminate against specific groups. This involves using diverse data sources and conducting regular audits to identify and address biases.
- **Privacy and Security:** Protecting individual privacy is paramount. A&M advocates for robust data protection measures, including anonymization, encryption, and strict access controls to safeguard sensitive information.

Compliance with NCTCOG's Principles

- **Regional Collaboration and Sustainability:** AI solutions should promote collaboration among local governments and contribute to sustainable development goals. A&M's workshops facilitate regional collaboration, aligning AI initiatives with broader goals like reducing emissions and promoting resource efficiency.
- **Innovation and Public Engagement:** Encouraging the use of innovative technologies to address regional challenges is a key focus. A&M supports public engagement by providing opportunities for feedback and participation in AI development, ensuring solutions meet community needs.

Data Governance and Quality Assurance

- **Data Quality and Governance:** A&M's strategy includes establishing clear data governance policies and procedures, promoting data accuracy, completeness, and consistency. Regular monitoring and auditing processes maintain high data quality standards.
- **Data Privacy and Security:** A&M emphasizes data minimization, anonymization, and consent management to protect individual privacy. Security measures such as encryption and regular security audits are critical to safeguarding data integrity.

By integrating these practices, AI solutions align with both ethical guidelines and NCTCOG's specific principles. This promotes responsible, ethical, and effective AI technologies that benefit the North Central Texas region. A&M's expertise in AI strategy and compliance provides a robust framework for achieving these goals, fostering trust and accountability in AI deployments.

5.10 Key Deliverables

A&M will provide a suite of deliverables to support the AI strategy and implementation for TXShare members. These deliverables are designed to guide the organization through the multiple phases of the AI journey, from initial strategy development to full-scale implementation and training. Below is a list of key deliverables, including timelines and milestones for each deliverable.

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| Deliverable | Description | Milestones | Duration (weeks) |
|--|---|---|------------------|
| Initial TX Share AI Strategy Report | Outlines the strategic vision for AI integration, assessing current capabilities and opportunities for deployment across TXShare members. | Completion of stakeholder interviews, data collection, and initial strategy workshops. | 4 |
| AI Feasibility Study | Analysis of the AI Models, technical, operational, and financial feasibility of proposed AI initiatives, identifying potential risks and benefits. | Data analysis, risk assessment, and feasibility workshops. | 2 |
| 5-Year AI Roadmap | Detailed roadmap outlining phased implementation of AI solutions across TXShare members over five years, including prioritization of use cases and resource allocation. | Roadmap workshops, alignment on strategic priorities, and resource planning. | 2 |
| Pilot Implementation | Plan for the deployment of pilot AI solutions, including objectives, timelines, and evaluation criteria to guide initial rollout and testing. | Selection of pilot use cases, development of implementation strategies, and stakeholder engagement. | 4 |
| Training Plan | Identified materials to support user training and technical support team training, preparing staff to use and maintain AI solutions. | Completion of training needs assessment, development of training plans, knowledge transfer plans. | 2 |
| AI Governance Plan | Agreed-upon metrics to measure the AI implementations and monitoring and ethical AI guidelines. | Governance metrics definition and ethical assessment workshops. | 2 |

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

A&M recognizes that this solicitation is based on a hypothetical six-month, 24-week engagement to develop the specified deliverables. However, our proposed timeline is significantly shorter, at three months or 12 weeks. Within this timeline, we believe that we can conduct these initiatives more efficiently and effectively for one of the TX Share members covering the following phases of the project: **AI Strategy Report, Use Case Identification and Feasibility Assessment Report for an Applicable TXShare Members, 5-Year AI Roadmap Plan, Pilot Implementation Plan for an Applicable TXShare Member Use Case, AI Training Plan, and AI Governance Plan.**

A&M offers competitive rates that reflect the expertise and experience necessary for a successful AI strategy and governance framework. Our pricing is based on a fixed fee model, which is impacted by the potential roles required for the scope of services. It is important to note that the actual contracted rates may optimize further from this blended rate, depending on the specific scope requirements of the soliciting TXShare member.

Our approach involves a combination of A&M resources from the US and India, with subcontractors potentially leveraged as needed to support project requirements. **Based on our proposed methodology and anticipated level of effort, we estimate the total professional fees for the three months of the project could be up to \$1,350,000. These proposed fees are indicative and will likely be refined as more detailed project scoping information becomes available.**

However, we did recognize that the request in the RFP is to cover 6-month fixed fee pricing. A&M is confidently capable of implementing an AI strategy and roadmap covering multiple use cases (3 to 5) for a TX Share member within this timeframe. **We estimate the professional fee for the 6 months project could be up to \$2,550,000.** The project specific scope will dictate staffing needs, which may positively or negatively impact the rate card.

Expenses. We are committed to minimizing project expenses by working remotely and utilizing local office resources. For any anticipated travel-related expenses, we will seek approval from NCTCOG's project executive prior to booking. We anticipate that expenses **will not exceed more than 5% of the total project fees.**

Pricing Assumptions

The following assumptions have been made, and any changes could impact the project's cost and/or schedule:

Proposal for RFP #2025-023 - AI Consultancy Services

- The three-month scope is based on one TX Share member AI strategy and roadmap project.
- Applicable TXShare member will ensure the availability of key staff members from functional, technical, and leadership teams throughout the project duration.
- The schedule assumes that the applicable TXShare member team will be available and respond to requests and review deliverables within five days.
- We anticipate engaging in further discussions and negotiations to finalize the statement of work.
- The team can work remotely from locations within and outside the US and does not need to be physically present at the applicable TXShare member facilities to perform tasks, upon agreement.
- Production infrastructure and software licenses will be provided by the applicable TXShare member team.
- The costs mentioned do not include any travel expenses that may be requested by the applicable TXShare team. Any such travel requested will be billed to the applicable TXShare member organization.

Rate Card

Below is the indicative rate card for the roles proposed, which considers the potential roles required for the scope of services.

As individual work orders are identified with TXShare members during the term of the agreement, A&M will prepare a fixed-fee bid for the specific scope of work and level of effort agreed upon. The rate card below will be used as necessary for time and materials-based work.

| Proposed Role | Country of Location | Hourly Rate |
|--|---------------------|-------------|
| Program Sponsor | United States | \$680 |
| Engagement Lead | United States | \$615 |
| Technical Architect Lead | United States | \$545 |
| AI Strategist | United States | \$545 |
| Data Architect | United States | \$545 |
| AI Ethics and Compliance Subject Matter Expert | United States | \$585 |
| Domain Subject Matter Expert | United States | \$545 |
| Project Manager | United States | \$445 |
| Business Analyst | United States | \$390 |
| Security and Compliance engineer | United States | \$340 |
| AI Engineer | India | \$120 |
| User Experience Designer | India | \$125 |
| Frontend engineer | India | \$85 |
| Backend engineer | India | \$90 |

Proposal for RFP #2025-023 - AI Consultancy Services

Exhibit 1: Service Designation Areas

EXHIBIT 1: SERVICE DESIGNATION AREAS

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

| | | | |
|---|--|---|------------------------------|
| | 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 | Will not service fifty (50) states | |
| | <input checked="" type="checkbox"/> | <input type="checkbox"/> | |
| | 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. | | |
| 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. | | | |
| 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 1

APPENDIX B

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

REQUIRED 2 CFR 200 CLAUSES

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

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

The following definitions apply to this statute:

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

10. Domestic Preference for Procurements

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

11. Trafficking in Persons

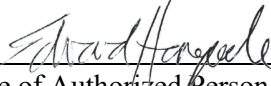
Contractor agrees to comply with all applicable provisions of 2 CFR §175.15. NCTCOG, the Contractor, and its subcontractors are prohibited from (i) engaging in severe forms of trafficking in persons during the period of time that the award is in effect; (ii) procure a commercial sex act during the period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

Check one of the following:

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

-OR-

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



 Signature of Authorized Person
 Edward Hanapole

 Name of Authorized Person
 Alvarez & Marsal Public Sector Services LLC

 Name of Company
 7/8/2025

 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

Managing Director

Title

Alvarez & Marsal Public Sector Services LLC

Agency

7/8/2025

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

Edward Hanapole

Name of Authorized Person

Alvarez & Marsal Public Sector Services LLC

Name of Company

7/8/2025

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

Edward Hanapole

Name of Authorized Person

Alvarez & Marsal Public Sector Services LLC

Name of Company

7/8/2025

Date

BOYCOTTING OF CERTAIN ENERGY COMPANIES

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

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

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

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

Check one of the following:



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

-OR-



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



Signature of Authorized Person

Edward Hanapole

Name of Authorized Person

Alvarez & Marsal Public Sector Services LLC

Name of Company

7/8/2025

Date

APPENDIX E
DEBARMENT CERTIFICATION

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


Alvarez & Marsal Public Sector Services 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
Managing Director

Title
7/8/2025

Date of Certification
Form 1734
Rev.10-91
TPFS