

**INTERAGENCY COOPERATION
CONTRACT BETWEEN
RAILROAD COMMISSION
OF TEXAS AND
THE UNIVERSITY OF NORTH
TEXAS**

This Interagency Cooperation Contract ("Contract") is entered into by and between the **Railroad Commission of Texas** ("RRC"), a state agency located at 1701 N. Congress Avenue, Austin, Texas 78701, and **The University of North Texas** ("UNT"), a Texas State Agency and Public Institution of Higher Education located at 1155 Union Circle #311586 Denton, TX 76203-0919 (individually "Party"; collectively "Parties"), pursuant to the authority granted by and in compliance with the provisions of "The Interagency Cooperation Act," Texas Government Code, Ch. 771.

WHEREAS, the RRC is the state agency that regulates the oil and gas industry, natural gas utilities, pipeline safety, the natural gas and hazardous liquid pipeline industry, and surface coal and uranium mining in Texas;

WHEREAS, UNT is a Texas State Public Institution of Higher Education that provides various educational and business studies;

WHEREAS, the RRC and UNT find that it would be in their mutual best interest if they enter into this Contract whereby UNT agrees to provide Upstream (exploration/extracting of Oil and Natural Gas) and Midstream training (transport and storage of crude Oil and Natural Gas) to the RRC on an as-needed basis;

WHEREAS, RRC finds that the foregoing trainings are necessary for carrying out its statutory mission and meeting the goals set by the Texas Legislature;

WHEREAS, the RRC has determined that UNT, through its Division of Digital Strategy and Innovation PDX ("DSI PDX"), is qualified to provide training services; and,

NOW THEREFORE, in consideration of the mutual covenants and agreements herein contained, the RRC and UNT agree as follows:

I. CONTRACTING AGENCIES.

- 1.01.** The Railroad Commission of Texas (Receiving Agency)
1.02. The University of North Texas (Performing Agency)

II. SCOPE OF SERVICES TO BE PERFORMED.

2.01. SCOPE OF SERVICES. UNT shall provide the services ("Upstream and Midstream" Trainings) to the Railroad Commission (RRC). Services and responsibilities under the Division of Digital Strategy and Innovation PDX ("DSI PDX") include the following:

- i. provide all labor, materials, equipment, tools, incidentals and services necessary to deliver all RRC (Oil and Gas Upstream and Midstream in-person or virtual trainings);
- ii. shall perform in-person or virtual lecture based, instructor-led training workshops on Upstream and Midstream for up to thirty-five (35) RRC students for each in-person or virtual workshop training sessions.
- iii. provide certificates of completion to all RRC students who attend and complete each training session;
- iv. provide a PDF of the course materials for each student;
- v. shall coordinate with RRC staff to schedule all in-person or virtual workshop training sessions; and
- vi. shall commence workshops no earlier than 8:00 a.m. and conclude no later than 5:00 p.m.

2.02. RRC understands that UNT's primary mission is education and advancement of knowledge and the services provided under this Contract will be designed to carry out that mission. The manner of performance of the UNT does not guarantee specific results.

2.03. In providing the Upstream and Midstream trainings, UNT makes no representations, either express or implied as to the adequacy, accuracy, sufficiency, or freedom from defect of any kind, that may result from the use of or reliance on the **DSI PDX**, nor shall UNT incur any liability or obligation whatsoever by reason of providing such **DSI PDX** and services. UNT does not make any representations with respect to and does not warrant any information or services provided under this Agreement, but shall furnish such in good faith. RRC at its sole and absolute discretion, may utilize the information and services provided in the Division of Digital Strategy and Innovation PDX ("DSI PDX") and arising out of this Agreement, and agrees that RRC is solely responsible for reliance on any and all information or services obtained through this Agreement.

2.04. RRC understands UNT may be involved in similar **research** through other researchers on behalf of itself and others. UNT shall be free to continue such research provided that it is conducted separately and by different investigators from the Division of Digital Strategy and Innovation PDX ("DSI PDX") and RRC shall not gain any rights via this Contract to other research.

III. CONSIDERATION.

3.01. CONTRACT AMOUNT. As consideration for UNT's performance, RRC agrees to pay UNT an amount not-to-exceed the sum of **SEVENTY-NINE THOUSAND DOLLARS AND ZERO CENTS (\$79,000.00)** per year for providing the services required to fulfil the initial term of this Contract.

IV. BASIS FOR COMPUTING REIMBURSABLE COSTS.

4.01. REIMBURSABLE COSTS. The basis for computing payment for reimbursable costs under this Contract may include travel expenses which shall be paid on a cost reimbursable basis. Travel expenses shall be reimbursed in accordance with state travel and per diem requirements as administered by the Comptroller of Public Accounts in accordance with Chapter 660 of the Texas Government Code and other state law for actual costs incurred. The parties, through their duly authorized representatives and through written amendment, shall jointly determine escalation percentage in accordance with performance of services.

V. PAYMENT FOR SERVICES.

5.01 PAYMENT. Receiving Agency will pay the advance sum of \$79,000.00 in increments to the Performing Agency within 30 days of execution of this IAC or within thirty (30) days from receipt of invoice through the Interagency Transaction Voucher (ITV) process, in accordance with § 771.008 of the Texas Government Code. This advance sum will be used to pay for the actual costs of providing applicable goods and services to RRC. Any outstanding amount of this advance sum that has not been expended on actual costs by the time this Contract term and applicable renewals expires shall be returned to RRC. In addition, from time to time, UNT will issue an invoice for cost reimbursable expenses as established in section 4.01 above RRC shall pay for services received and cost reimbursable expenses from appropriation items or accounts of the RRC from which like expenditures would normally be paid, based upon vouchers drawn by the RRC payable to UNT.

5.02. PAYMENT METHOD. ITV INFORMATION. The FY23 RTI is 233842. The Vendor Number is 37527527529, The Mail Code is 010.

VI. TERM OF CONTRACT.

6.01. TERM. This Contract shall be effective upon September 1, 2022, and shall terminate on August 31, 2023 unless terminated earlier by either party, as provided in Section 6.02. The term of this Contract shall have the option to be renewed by the written approval of both parties for up to three (3) optional successive one-year periods.

1st Renewal: September 1, 2023 – August 31, 2024
2nd Renewal: September 1, 2024 – August 31, 2025
3rd Renewal: September 1, 2025 – August 31, 2026

6.02. EARLY TERMINATION. Either party may terminate this Contract, with or without cause at their sole discretion, upon thirty (30) days prior written notice to the other. Upon receipt of notice of early termination, RRC shall cancel, withdraw, or otherwise terminate outstanding orders which relate to the performance of this Contract and shall otherwise cease to incur any future costs under this Contract. Early termination will be subject to an equitable settlement of the respective interests of the parties accrued up to the date of termination, including but not limited to a pro rata reimbursement of the annual payment described in section 5.01. If this Contract is terminated for any reason, neither party shall be liable for any damages, claims, or losses, or any other amounts arising from or related to any such termination.

6.03. AMENDMENT. Performing Agency shall maintain an ongoing relationship with the RRC during the Contract Term and will collaborate with the RRC on any modifications that may be necessary to the Services to meet the objectives of the IAC. A change may not be made to the Services except by written request signed by the RRC and Performing Agency (an "Amendment"). Each Amendment shall be sequentially numbered and deemed to automatically incorporate the terms of this IAC. Any alterations, additions, or deletions to the terms of this Contract shall be by an Amendment, in writing and executed by both Parties to this Contract. Costs not included and pre-approved by the RRC shall not be eligible for reimbursement.

VII. FUNDING.

7.01. NO DEBT. This Contract shall not be construed as creating any debt on behalf of the State of Texas and/or RRC and/or UNT in violation of TEX. CONST. art. III, § 49. In compliance with TEX. CONST. art. VIII, § 6, it is understood that all obligations of RRC hereunder are subject to the availability of state funds. If such funds are not appropriated or become unavailable, this Contract may be terminated. In that event, the parties shall be discharged from further obligations, subject to the equitable settlement of their respective interests accrued up to the date of termination.

VIII. LIABILITY

8.01. To the extent authorized under the Constitution and laws of the State of Texas, RRC agrees to indemnify and hold harmless UNT, its governing Board (University of North Texas System Board of Regents), officers, agents and employees from any liability, loss or damage they may suffer as a result of claims, demands, costs or judgments against them arising out of the activities to be carried out pursuant to the obligations of this Contract, including but not limited to the use and reliance by RRC of the Division of Digital Strategy and Innovation PDX ("DSI PDX") obtained from the activities performed by UNT under this Contract.

8.02. Both parties agree that upon receipt of a notice of claim or action arising out of the DSI PDX, the party receiving such notice will notify the other party promptly. RRC agrees, to jointly coordinate any defense against any actions brought or filed against UNT, System, their Regents, officers, agents and/or employees with respect to the services provided to RRC under this Contract, whether such claims or actions are rightfully brought or filed; and subject to the statutory duty of The Texas Attorney General.

IV. FORCE MAJEURE.

9.01. FORCE MAJEURE. Except as otherwise provided, neither RRC nor UNT is liable to the other for any delay in, or failure of performance, of a requirement contained in this Contract caused by force majeure. The existence of such causes of delay or failure shall extend the period of performance until after the causes of delay or failure have been removed, provided the non-performing party exercises all reasonable due diligence to perform. Force majeure is defined as acts of God, war, strike, fires, explosions, or other causes that are beyond the reasonable control of either party and that by exercise or due foresight, such party could not reasonably have been expected to avoid, and which, by the exercise of all reasonable due diligence, such party is unable to overcome. Each party must inform the other in writing with proof of receipt within three (3) business days of the existence of such force majeure.

X. MISCELLANEOUS PROVISIONS.

10.01. INCORPORATION BY REFERENCE. Incorporated by reference the same as if specifically written herein are the rules, regulations, and all other requirements imposed by law, including but not limited to compliance with those applicable rules and regulations of the State of Texas and the federal government, all of which shall apply to the performance of the services under this Contract.

10.02. GOVERNING LAW AND VENUE. This Contract shall be governed and construed in accordance with the laws of the State of Texas. **VENUE OF ANY SUIT BROUGHT FOR BREACH OF THIS CONTRACT SHALL BE FIXED IN ANY COURT OF COMPETENT JURISDICTION IN TRAVIS COUNTY, TEXAS; provided, however, the foregoing shall not be construed as a waiver of sovereign immunity by either party.**

10.03. DISPUTE RESOLUTION. The parties agree to use good-faith efforts to decide all questions, difficulties, or disputes of any nature that may arise under or by this Contract; provided however, nothing in this paragraph shall preclude either party from pursuing any remedies as may be available under Texas law.

10.04. SEVERANCE. Should any one or more provisions of this Contract be held to be void, voidable, or for any reason whatsoever of no force and effect, such provision(s) shall be construed as severable from the remainder of this Contract and shall not affect the validity of all other provisions of this Contract, which shall remain of full force and effect.

10.05. HEADINGS. The headings contained in this Contract are for reference purposes only and shall not in any way affect the meaning or interpretation of this Contract.

10.06. NOTICES. Any notice required or permitted to be delivered under this Contract shall be deemed delivered when deposited in the United States mail, postage prepaid, certified mail, return receipt requested, addressed to RRC or UNT, as the case may be, at the addresses set forth below:

RRC:

The Railroad Commission of Texas
Attention: Office of General Counsel
1701 North Congress Ave
Austin, TX 78701

UNT:

University of North Texas
Attention: DSI PDX Hurley 202
1155 Union Circle
Denton, TX 76203-0919

Notice given in any other manner shall be deemed effective only if and when received by the party to

be notified. Either party may change its address for notice by written notice to the other party as herein provided.

XI. ACCESS TO PUBLIC INFORMATION.

11.01. UNT is required to make any information created or exchanged with RRC pursuant to this Contract, and not otherwise excepted from disclosure under the Texas Public Information Act, available in PDF or other format that is accessible by the public at no additional charge to RRC.

11.02. During the course of the work and/or services to be provided under this Contract, UNT may come in contact with confidential information of RRC. UNT agrees to, subject to applicable law and limitation, treat as confidential the information or knowledge that becomes known to UNT during performance of this Contract and not to use, copy, or disclose such information to any third party unless authorized in writing by RRC or in accordance with applicable law. This provision does not restrict the disclosure of any information that is required to be disclosed under applicable law. UNT shall promptly notify RRC of any misuse or unauthorized disclosure of its confidential information and upon expiration of this Contract shall return to RRC all confidential information in UNT's possession or control. UNT shall further comply with all the RRC's applicable information security policies.

XII. GENERAL PROVISIONS.

12.01. Both Parties are state agencies whose authority and appropriations are subject to actions of the Texas Legislature. If either Party becomes subject to a legislative change, revocation of statutory authority, or lack of appropriated funds which would render either Party's delivery or performance under the Contract impossible or unnecessary, the Contract will be terminated or cancelled and be deemed null and void. In the event of a termination or cancellation under this section, neither party will be liable to the other party for any damages, which are caused or associated with such termination or cancellation. The party terminating or cancelling under this section shall not be required to provide advance notice.

12.02. The Parties do hereby certify that (1) the services specified above are necessary and essential for activities that are properly within the statutory functions and programs of the effected agencies of State Government, (2) the proposed arrangements serve the interest of efficient and economical administration of the State Government, and (3) the services, supplies or materials contracted for are not required by Section 21 of Article 16 of the Constitution of Texas to be supplied under contract given to the lowest responsible bidder.

12.03. The laws of the State of Texas and the United States govern the validity and interpretation of this Contract and the legal relation of the parties.

12.04. RRC certifies that it has the authority to contract for the above services by authority granted in Tex. Gov. Code Ann., Chapter 771.

12.05. UNT certifies that it has the authority to perform the services contracted for by authority granted in Tex. Gov. Code Ann., Chapter 771.

12.06. Neither party may assign its rights or obligations under this Contract without the prior written consent of the other party hereto.

12.07. This Contract contains all of the agreements of the parties hereto, and no verbal or written agreement shall have any force or effect if not contained herein.

IN WITNESS WHEREOF, the parties have executed this Contract to be effective on the date established in 6.01 above.

RAILROAD COMMISSION OF TEXAS

By: Wei Wang
Wei Wang,
Executive Director

Date of Execution: 8/15/2022

UNIVERSITY OF NORTH TEXAS

By: [Signature]
Clayton Gibson
Vice President for Finance &
Administration, CFO

Date of Execution: 8/15/2022

RRC use only below this line.

Division Director: NA
Chief Operating Officer: [Signature]
Director of Operations: [Signature]
Office of General Counsel: _____