Request for Offer
Grant and Contract management Solution

Solicitation No.: 601440000054447

NIGP Class-Item: 920-56

Purchaser: Steven Schoenthal, CTCD, CTCM

1. SOLICITATION

TxDOT is issuing this Request for Offer ("Solicitation") to establish a contract for the purchase of the goods ("Goods") and/or services ("Services") described in the Statement of Work. TxDOT invites any qualified party to submit a Response. If the Statement of Work describes only Goods, references to Services will be disregarded, and vice versa. The provision of Goods and Services in accordance with the Statement of Work and performance of all other obligations of Vendor described in the Solicitation, including without limitation in the Form of Contract and the Contract Terms and Conditions, is collectively referred to as the "Work." The SOW and the Contract Terms and Conditions will be exhibits to the Contract. For purposes of the Solicitation, terms used but not defined in the Statement of Work will have the meaning assigned to them in the Form of Contract and the Contract Terms and Conditions. This is a re-advertisement of Solicitation No. 601440000053646.

2. EXHIBITS AND ORDER OF PRECEDENCE

The following exhibits are attached to and incorporated into this Solicitation (collectively, the "Exhibits"). The title of each Exhibit as listed below is a defined term and may be used throughout this Solicitation to refer to the corresponding Exhibit. In the event of a conflict between terms of an Exhibit and another part of the Solicitation, the terms shall prevail in the following order (Order of Precedence): (1) the main body of this Solicitation, (2) the Exhibits in the order listed below:

Exhibit A: Solicitation Calendar of Events

Exhibit B: Solicitation Terms and Conditions

Exhibit C: Statement of Work

Exhibit D: Execution of Response

Exhibit E: Form of Contract

Exhibit F: Contract Terms and Conditions

3. SCHEDULES

The following schedules are attached to and incorporated into this Solicitation (collectively, the "Schedules"). The Schedules are forms which must be fully completed by Respondent without alteration and submitted as part of its Response in accordance with the instructions set forth in this Solicitation. The title of each Schedule as listed below is a defined term and may be used throughout this Solicitation to refer to the corresponding Schedule.

Schedule 1: Preferences Schedule

Schedule 2: Price Schedule

Schedule 3: Qualifications, Experience and References Schedule

Schedule 4: Child Support Obligation Schedule

Schedule 5: Assumptions Schedule

Schedule 6: Exceptions Schedule

Schedule 7: Functional and Technical Requirements Schedule

4. DEFINED TERMS

In this Solicitation, the following terms have the meaning set forth below:

a. Addendum: A written amendment to the Solicitation issued by TxDOT through publication on the Procurement Website.

b. CMBL: The Centralized Master Bidders List for the state of Texas.

c. Contract: An agreement between TxDOT and Vendor for the performance of the Work resulting from this Solicitation.

d. CPA: The Texas Comptroller of Public Accounts.

e. ESBD: The Electronic State Business Daily, which is available online at https://www.txsmartbuy.com/esbd.

f. Exception: Any proposed deviation from, or addition to, the Solicitation Terms and Conditions.

g. Procurement Website: The procurement website for TxDOT available at https://txdot.bonfirehub.com/.

h. Purchaser: The TxDOT purchaser identified on the cover page of this Solicitation.

i. Respondent: Any person or company that submits a Response to this Solicitation.

j. Response: A quote, bid, offer, quote, proposal, or submission to TxDOT in compliance with the terms of this Solicitation.

k. Response Deadline: The deadline for submission of Responses set forth in the Solicitation Calendar of Events.

l. TAC: Texas Administrative Code.

m. TxDOT: The Texas Department of Transportation.

n. Vendor: A Respondent that is awarded a Contract.

5. CONTRACT TERM

The initial term of the Contract shall be one year from the date the Contract has been signed by both TxDOT and Vendor (such period and any renewal terms, the "Contract Term"). TxDOT may unilaterally renew the Contract for up to four successive one-year period(s) on the same terms and conditions as the then-current Contract. TxDOT reserves the

right to unilaterally extend the Contract Term for a period not to exceed one year.

6. POSTING OF THE SOLICITATION

A notification of this Solicitation and of any addenda are posted to the ESBD. The Solicitation, Addenda, and any additional information are posted to the Procurement Website. It is the responsibility of a potential Respondent to periodically check the ESBD and the Procurement Website for updates to the Solicitation prior to submitting a Response.

7. SOLICITATION TERMS AND CONDITIONS

By submitting a Response, Respondent agrees to comply with the Solicitation Terms and Conditions, which it acknowledges apply to the Solicitation and the Response.

8. QUESTIONS AND COMMUNICATIONS

a. Respondent must send all questions and communications regarding this Solicitation to the TxDOT contacts listed below (the "Purchasing Contacts") or through the Procurement Website. The Purchasing Contacts are the only authorized TxDOT representatives for communications related to this Solicitation. Respondent must not contact any other TxDOT agent or employee regarding this Solicitation. If Respondent communicates with any other TxDOT employee or agent regarding this Solicitation prior to award, TxDOT may disqualify Respondent and remove the Response from consideration.

Primary Contact: Steven Schoenthal, CTCD, CTCM

Phone: (210) 323-1651

Email: steven.schoenthal@txdot.gov

Secondary Contact: Sara Marquez, CTCD, CTCM

Phone: (806) 748-4441

Email: Sara.Summers@txdot.gov

b. Respondent must include the name of the relevant Solicitation document and paragraph number in each question.

NOTE: For assistance in submitting questions and communications through the Procurement Website use the following link: https://customer.eunasolutions.com/public/s/article/how-do-i-contact-the-project-owner

c. Respondent must submit all questions prior to the deadline set forth on the Solicitation Calendar of Events.

d. TxDOT's responses to Respondent questions will be posted to the Procurement Website. Only answers TxDOT provides in this manner are official.

e. Minor questions for which the answer will not affect the interpretation of the Solicitation or change the contents of a Response may be answered orally or by email by a Purchasing Contact

9. MULTIPLE AWARDS

Multiple contracts may be awarded from this Solicitation in accordance with Government Code §2156.

10. ASSUMPTIONS

a. If Respondent is making any Assumptions regarding the Work, such items must be clearly identified and submitted as Assumptions in the Response. An "Assumption" is an understanding held by Respondent that interprets, clarifies, or supplements the Solicitation and which Respondent is relying on in its Response.

b. Respondent should attempt to verify its Assumptions where possible by submitting questions to TxDOT prior to submitting a Response.

c. All Assumptions must be listed in the Assumptions Schedule included with the Response in accordance with the instructions provided in this Solicitation. TxDOT will review all Assumptions and may, in its sole discretion, reject the Response if the Assumptions are incorrect, inaccurate, or in conflict with the Solicitation. TxDOT will reject any Response which contains Assumptions that materially change the Solicitation.

11. EXCEPTIONS

a. All Exceptions must be listed in the Exceptions Schedule included with the Response in accordance with the instructions provided in this Solicitation. TxDOT will review all Exceptions and may, in its sole discretion, reject the Response or elect to negotiate based on the nature and extent of the Exceptions. TxDOT will not accept any Exceptions that materially change the Solicitation.

b. Any additional terms, conditions, or ancillary documents related to the Work that Respondent wishes to propose shall be considered Exceptions and must be clearly identified and submitted as Exceptions in the Response.

12. RESPONSE SUBMISSION

a. Respondent must submit one signed and dated Response through the Procurement Website on or before the Response Deadline.

b. Any Response sent to TxDOT personnel via email - whether directly, courtesy copy (cc), or blind copy (bcc) - will be invalid and will not be considered.

c. If Respondent elects not to submit the Response through the Procurement Website, Respondent must contact a Purchasing Contact for assistance no later than three business days prior to the Response Deadline. If submitting a physical copy of its Response instead of submitting through the Procurement Website, the Response must be received and time stamped by TxDOT at the address provided by the Purchasing Contact on or before the Response Deadline.

13. ORGANIZATION OF RESPONSE

The Response must include all the following documentation (the "Required Documentation"). Respondent must submit a separate document for each section below. Each document must contain a header with the section number and title as shown below. Respondent shall not encrypt or password protect the Response or embed documents within the Response.

Section 1 - Execution of Response: Respondent must submit a completed and signed Execution of Response.

Section 2 - Preferences Schedule: Respondent must submit a completed Preferences Schedule.

Section 3 - Price Schedule: Respondent must submit a completed Price Schedule with its proposed unit prices for each line item. The submitted Price Schedule will be an Exhibit to the Contract if Respondent receives an award.

Section 4 - Qualifications, Experience and References Schedule: Respondent must submit a completed Questionnaire, Experience and Reference Schedules which demonstrates Respondent's capability to perform the Work.

Section 5 - Personnel: Respondent must submit resumes or brief profiles of the individuals, including any subcontractors, who will be involved in performance of any portion of the Work on behalf of Respondent. The submission shall include the following information for each individual:

i. Name and title.

ii. Education, certifications and/or licenses.

iii. Description of qualifications and number of years' experience as stated in the Statement of Work.

Section 6 - Child Support Obligation Schedule: Respondent must submit a completed Child Support Obligation Schedule.

Section 7 - Approach to Work: Respondent must submit a description of its proposed approach to performance of the Work. The description must clearly demonstrate how Respondent will meet each requirement set forth in the Statement of Work, addressing the requirements in the order in which they appear in the Statement of Work.

Section 8 - Assumptions Schedule: Respondent must submit a completed Assumptions Schedule. The Assumptions Schedule must provide a comprehensive list of all Assumptions underlying its Response. The Assumption Schedule must identify the specific Solicitation document to which each Assumption pertains, as well as the corresponding section name and number within that document. No price information may be included in the Assumptions Schedule. If no Assumptions are made, Respondent must indicate this on the Assumptions Schedule.

Section 9 - Exceptions Schedule: Respondent must submit a completed Exceptions Schedule. If Respondent takes Exception to any

portion of the Solicitation, each Exception must be specifically and clearly described on the Exceptions Schedule. The Exceptions Schedule must identify the specific Solicitation document to which each Exception pertains, as well as the corresponding section name and number within that document. Any proposed alternative language or document must also be included on the Exceptions Schedule for consideration. If Respondent does not have Exceptions to the Solicitation, Respondent must indicate this on the Exceptions Schedule. Blanket Exceptions to the entire Solicitation are not permitted.

Section 10 - Addenda: Respondent must submit a signed copy of each Addendum (if any).

Section 11 - Artificial Intelligence Explanation: Respondent must submit a detailed explanation of all Artificial Intelligence, whether proprietary or publicly available, that Respondent may use in the delivery of the Work (the "AI Explanation"). The terms "Artificial Intelligence," "AI," "AI System," and "Human-in-the-Loop" shall have the meanings assigned to them in the Information Resources and Security Requirements, which is an Exhibit to the Statement of Work. If no Artificial Intelligence will be used in connection with the Work, Respondent must state that in the AI Explanation. The AI Explanation will be an Exhibit to the Contract if Respondent receives an award. If any Artificial Intelligence will be used in connection with the Work, the AI Explanation must contain the following information:

i. The specific actions and outputs generated by the AI (decisions/output).

ii. A description of what the AI functionality recommends, decides, documents, reports, or affects when deployed.

iii. An overview of how the AI functionality is utilized within the solution.

iv. Clarification on whether the AI functionality is optional or mandatory.

v. Information on the presence of Human-in-the-Loop (HITL) involvement.

vi. The types of data being utilized by the AI.

vii. The classification and categorization of the data being used.

viii. Details on the handling of data, including if it is being transferred outside of TxDOT, used to train an AI model, etc.

ix. Measures taken to mitigate biases and hallucinations within the AI model.

x. An assessment of the reliability of the AI algorithms and models deployed.

xi. Strategies for handling unexpected inputs and edge cases.

xii. Information regarding any AI System used or developed in connection with or incorporated into the Work.

14. EVALUATION

a. Pass/Fail Evaluation. TxDOT will conduct a review of each Response on the following pass/fail criteria. If a Response does not receive a "pass" on all criteria, the Response will be rejected and removed from further consideration for award.

i. Documentation Review: The Response will receive a "pass" if it includes all Required Documentation in accordance with the requirements of the Solicitation.

ii. Vendor Performance: The Response will receive a "pass" if Respondent's vendor performance rating in the CPA Vendor Performance Tracking System is an A, B, or C.

b. Evaluation of Response.

i. A TxDOT evaluation committee will evaluate and score each Response that passes the Pass/Fail evaluation based on the established criteria described in this Solicitation. Respondents must not contact members of the evaluation team. Responses will be evaluated according to the Respondent's ability to best satisfy TxDOT requirements. Submissions will be evaluated and scored on a weighted system to determine the Response offering the best value.

ii. TxDOT will use the criteria set forth in Section 2156.125 of the Government Code to evaluate Responses. As applicable, the factors listed in Sections 2155.074, 2155.075, 2156.007, and 2157.003 of the Texas Government Code shall also be considered in making an award. A Respondent is not automatically awarded a Contract if they submit the lowest priced Response. TxDOT will be the sole judge as to which Response is the most advantageous and in the best interest of TxDOT.

iii. Responses will be evaluated as follows:

Table 1 – Evaluation Point Values

Respondent qualifications and experience	8 Points
Respondent's approach to meeting requirements detailed in the SOW	125 Points

Pricing from Respondent's original written proposal	20 Points

iv. If TxDOT determines that clarification of a Response is necessary prior to scoring the Response, TxDOT may pose clarifying questions to a Respondent to resolve conflicting information, apparent ambiguities, or minor clerical errors in the Response. Respondent's clarifications must be in writing and signed by an authorized representative.

c. Additional Information.

i. TxDOT reserves the right to conduct studies and other investigations as necessary to evaluate any Response.

ii. TxDOT reserves the right to conduct reference checks on Respondent's references at any time prior to the award of a Contract. If, in TxDOT's sole discretion, information obtained through a reference check indicates that awarding a Contract to Respondent presents an unacceptable risk to TxDOT, TxDOT may disqualify the Response and remove it from further consideration.

iii. Respondent must provide a completed TxDOT Security Questionnaire (as that term is defined in the Information Resources and Security Requirements attached to the Statement of Work) to TxDOT within five business days of request.

d. Presentations and Discussions. After reviewing the Responses, TxDOT reserves the right to conduct presentations or discussions as part of the evaluation process. Any Assumptions made by a Respondent may be selected and addressed during presentations

or discussions. Attendance is mandatory; if an invited Respondent fails to attend a presentation or discussion, its Response will be disqualified and will not be considered for award. Negotiations will not be conducted during presentations or discussions.

i. Presentations. TxDOT may invite each Respondent that TxDOT determines is competitive for award to present its Response and address clarifications. Presentations may include a site visit or demonstration. TxDOT may request that each Respondent submit a revised Response based upon clarifications provided in the presentation. After all presentations are completed, the evaluation committee will adjust the score for each Response upward or downward based on information and clarifications obtained in the presentation process, including any revised Response.

ii. Discussions. TxDOT may invite each Respondent, that TxDOT determines is competitive for award, to meet with TxDOT to discuss and clarify its Response. TxDOT may request that each Respondent submit a revised Response based upon clarifications provided in the discussion. After all discussions are completed, the evaluation committee will adjust the score for each Response upward or downward based on information and clarifications obtained in the discussion process, including any revised Response.

iii. Revised Responses. If TxDOT requests a revised Response, Respondent must provide one clean version of the revised Response and one red-lined version showing all changes made from the previously submitted Response.

15. NEGOTIATIONS

TxDOT reserves the right to invite one or more Respondents to participate in negotiations based on the final scores. Any Assumptions or Exceptions taken by a Respondent selected for negotiations will be addressed during negotiations.

16. BEST AND FINAL OFFER

After negotiations are completed, TxDOT may request that Respondent submit a revised Response that constitutes their best and final offer ("BAFO"). When a BAFO is requested, Respondent must submit one clean and one red-lined version showing all changes made from the previously submitted Response.

17. CONTRACT

The Contract shall be in the format of the Form of Contract. TxDOT reserves the right, in its sole discretion, to make an award without negotiation of the terms of the Form of Contract or the Exhibits to the Contract. In the event TxDOT conducts negotiations with a Respondent, any modifications or clarifications agreed to with the successful Respondent during negotiations will be incorporated into the final executed Contract. TxDOT reserves the right to make minor changes to the Form of Contract in the best interest of the state prior to execution of the Contract if agreed to in writing by the successful Respondent.

18. POST AWARD MEETING

If Respondent is awarded a Contract, Respondent may be required to attend a post award meeting with TxDOT at the time and location specified by TxDOT. The purpose of the meeting is to discuss the requirements of the Contract and to identify specific goals, strategies, and activities necessary to perform the Work.

19. DEBRIEFING MEETING

A Respondent who was not awarded a Contract may request a debriefing meeting within 30 calendar days of the date the award was posted to the ESBD. Respondent must request this meeting in writing.

Solicitation Calendar of Events	
Solicitation Open Date:	**September 15, 2026**
Deadline for Submission of Questions: **Reference Paragraph 7 – Contact Information**	**September 18, 2026**
TxDOT Response to Questions to be posted by Date:	**September 25, 2026**
Solicitation Close Date:	**October 14, 2026, 3:00 PM Central Time**
Tentative Date for Contract Award:	**June 9, 2027**

Texas Department of Transportation

Procurement Division

Solicitation Terms and Conditions

Revised: 09/07/2026

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SOLICITATION TERMS AND CONDITIONS

ARTICLE I. GENERAL

Section I.01 REVIEW OF SOLICITATION.

Respondent must carefully examine the Solicitation. Respondent is responsible for securing any additional information needed to gain a clear and full understanding of TxDOT's requirements from the Purchasing Contacts.

Section I.02 ADA CONSIDERATIONS AND NOTIFICATION.

Persons with special needs or disabilities who plan to attend any pre-response conference and who require auxiliary aids or service should contact a Purchasing Contact a minimum of three (3) Business Days prior to the meeting so arrangements may be made.

Section I.03 CHANGES TO THE SOLICITATION.

(a) Any revision, clarification, or interpretation of the Solicitation must be made in an Addendum. Any change to or interpretation of the Solicitation which is not included in an Addendum will have no legal effect, including a change or interpretation made by a TxDOT employee or agent.

(b) TxDOT will not be bound by any statement or representation contrary to the written specifications of the Solicitation.

Section I.04 NO MINIMUM.

TxDOT will order only the Goods and Services necessary to satisfy operating requirements up to the total Contract amount. TxDOT makes no express or implied warranty whatsoever that any minimum compensation or minimum quantity will be guaranteed under the Contract.

ARTICLE II. SPECIFICATIONS

Section II.01 COMPLIANCE.

Respondent must perform the Work in accordance with the Statement of Work and the Contract. TxDOT will provide clarification of the specifications and determine the quality and acceptability of Goods furnished or Services performed. If the Solicitation is for a

Service, TxDOT will determine the manner of performance, the rate of progress of the Work, and whether performance of the Service is acceptable.

Section II.02 BRANDS AND MANUFACTURERS.

Except for purchases advertised as proprietary or sole source under Government Code §2155.067 ("Proprietary Purchases"), any catalog, product number, brand name, or manufacturer referenced in the Solicitation is descriptive only and is used solely to indicate the type and quality of the product desired. Responses offering brands of like nature and quality will be considered unless the purchase is a Proprietary Purchase. Respondent must include the manufacturer, brand or trade name, product number, and other identifying information for any product offered in the Response. If the Response proposes a product other than the examples shown in the Solicitation, the Response must include illustrations and a complete description of the product. If the Response does not propose an alternative product, Respondent will be required to furnish the product exactly as specified.

Section II.03 NEW GOODS.

Unless otherwise specified, offered Goods must be new, the latest model in current production, and in first-class condition, including shipping and storage containers.

Section II.04 WARRANTY.

Any manufacturer's standard warranty applicable to the Goods must extend to TxDOT, unless otherwise stated in this Solicitation.

Section II.05 PERSONNEL.

Personnel (as that term is defined in the Statement of Work) must be competent, knowledgeable, and experienced in the types of Services to be provided and perform such Services in a professional and workmanlike manner consistent with industry standards.

ARTICLE III. RESPONSE

Section III.01 OFFER TO CONTRACT.

(a) A Response is an irrevocable offer to enter into a Contract with TxDOT in the format of the Form of Contract (including all Exhibits to the Contract) under

the terms, conditions, and specifications set forth in the Solicitation. Upon receipt of the Contract from TxDOT, Respondent shall promptly sign and return the Contract to TxDOT. No Response shall be deemed accepted until a Contract has been signed by a duly authorized representative of TxDOT and transmitted to Respondent.

(a) By submitting the Response, Respondent binds itself, its successors, and assignees to the faithful performance of the Contract including, without limitation, the Contract Terms and Conditions.

(b) The Response, including price, is irrevocable for 120 calendar days following the date and time specified for the Response Due Date. TxDOT may extend this period with Respondent's written consent.

Section III.02 SUBMITTAL OF RESPONSE.

(a) The Response must be submitted in accordance with the requirements of the Solicitation.

(b) Documentation provided with the Response should be complete and comprehensive. TxDOT will not be responsible for locating or securing information not included in the Response. Failure to furnish required documentation with the Response may result in the Response being deemed incomplete and non-responsive, resulting in rejection. TxDOT will not be responsible for any expenses relating to Responses or development of documentation that may result from the Solicitation.

(c) Failure to sign the Execution of Response will disqualify the Response. The person signing the Execution of Response must have authorization to contractually bind the company. By submitting the Response, Respondent represents and warrants that the individual submitting the Execution of Response is authorized to sign such document on behalf of the Respondent and to bind the Respondent under any Contract that may result from the submission of the Response.

(d) The Response must include an Employer Identification Number (EIN) and full firm name and address. The EIN should be entered in the Execution of Response.

(e) Respondent certifies that if a Texas address is shown as the address of Respondent in the Execution of Response, Respondent qualifies as a Texas Bidder as defined in Government Code 2155.444(c).

(f) The Response must be submitted in accordance with the Solicitation. Late Responses will not be considered under any circumstances.

(g) Samples must not be enclosed or attached to a Response unless specified in the Solicitation. Samples, when requested, must be furnished at no cost to TxDOT. TxDOT may perform tests on samples. If not destroyed in testing, samples will be returned upon request at Respondent's expense. Each sample must be marked with Respondent's name and address and the TxDOT Solicitation number.

Section III.03 PRICING.

(a) All prices included in the Price Schedule (the "Response Prices") must be firm, all-inclusive, fixed prices unless otherwise stated in the Solicitation.

(b) TxDOT's automated purchasing system requires Response Prices to be submitted per unit (the "Unit Price") and then extended by multiplying the Unit Price by the quantity (the "Extended Price"). If the Extended Price is calculated incorrectly, the Unit Price will govern.

(c) Unit Prices must include delivery of Goods by FOB Destination. "FOB Destination" means Vendor retains ownership and bears the risk of loss until the Goods are delivered to TxDOT in accordance with the Contract. Vendor is responsible for all shipping costs and liabilities. Vendor must prepay all freight charges (including, without limitation, shipping, handling, delivery fees, and fuel surcharges), and such charges shall not be billed separately or passed through to TxDOT.

(d) Purchases made for state use are exempt from state and local sales tax and federal excise tax. Respondent may not include tax in Response Prices unless

otherwise specified in the Solicitation. State Sales Tax and Federal Excise Tax Exemption Certificates will be furnished by TxDOT on request.

(e) Consistent and continued tie Response Prices may lead to rejection of a Response by TxDOT and investigation for antitrust violations.

Section III.04 PREFERENCES.

Respondent may claim a preference under Government Code Chapter 2155 and 34 TAC §20.306 (a "Preference") by identifying the Preference in the Preferences Schedule. If a Preference is not identified on the Preferences Schedule, a Preference will not be applied unless TxDOT determines that other documents included in the Response show a right to the Preference.

Section III.05 INFORMATION.

Information submitted in an accepted Response will not be returned to Respondent. Government Code Chapter 552 (the "Public Information Act") allows the public to have access to information in the possession of a governmental body through an open records request. Respondent must clearly identify in the Response any confidential or proprietary information. Proprietary information identified by Respondent in the Response will be kept confidential by TxDOT to the extent permitted by state law. TxDOT will use reasonable efforts to give Respondent an opportunity to present to the Office of the Attorney General its arguments for non-disclosure of its identified confidential or proprietary information.

Section III.06 RESPONDENT TERMS AND CONDITIONS, EXCEPTIONS, OR CONDITIONED RESPONSES.

(a) Respondent should request any clarifications or modifications to the Solicitation through the question-and-answer process.

(b) Respondent may not submit its own terms and conditions or other ancillary documents with its Response except as an Exception set forth in the Exceptions Schedule. If such terms and conditions or other ancillary documents are included with the Response but are not clearly identified and submitted as Exceptions, such terms and conditions or other ancillary documents shall not be considered.

(c) Exceptions taken by Respondent to the Solicitation including, without limitation, to the Form of Contract or the Contract Terms and Conditions, will not be considered unless clearly set forth in the Exceptions Schedule, including, without limitations, exceptions related to software maintenance and usage or equipment maintenance services. TxDOT may reject a Response that takes an Exception to the Solicitation including, without limitation, to the Form of Contract or the Contract Terms and Conditions.

(d) By submitting a Response, Respondent acknowledges and agrees that any attempt by Respondent to submit or require execution of any agreement or document other than the Contract that would affect the Work including, without limitation, a license, maintenance or service agreement, additional terms and conditions, or an order form, shall be deemed a violation of the terms of this Solicitation and may result in disqualification and removal of the Response from consideration, rescission of an award, or termination of the Contract, unless such document is clearly identified and submitted as an Exception in accordance with this Solicitation. This provision shall survive award of the Contract.

Section III.07 ALTERATIONS OR WITHDRAWAL OF RESPONSES.

(a) Any alterations to a Response made before the Response Due Date must be initialed by Respondent. The Response cannot be altered or amended after the Response Due Date.

(b) A Response may be withdrawn if requested in writing prior to the Response Due Date. A Response may be withdrawn from consideration after the Response Due Date with the approval of TxDOT based on Respondent's written, acceptable reason. The Response will not be considered for award but will be retained by TxDOT.

Section III.08 REVIEW OF RESPONSES.

(a) Nonconformance.

(i) TxDOT reserves the right to waive minor technicalities in the submission process.

(ii) TxDOT will disqualify and remove from consideration any Response that does not conform in any material respect to the Solicitation requirements.

(b) Risk of Non-performance. TxDOT may disqualify a Response and remove it from further consideration if TxDOT determines there is an unacceptable risk that Respondent will fail to perform the Contract. In making this determination, TxDOT may consider any source of information that it deems reliable. Respondent bears the burden of establishing in its Response:

(i) ability, capacity, and skill to perform the Work;

(ii) ability to perform the Work promptly, or in the time required, without delay or interference;

(iii) character, responsibility, and integrity;

(iv) current compliance with laws relating to the Work;

(v) sufficient financial resources to perform the Work; and

(vi) conformity to all material specifications required in this Solicitation.

(c) Past Performance.

(i) TxDOT reserves the right to reject and remove from further consideration a Response from a Respondent whose past performance under contracts with TxDOT or other customers has been reported as unsatisfactory at any time prior to award of Contract.

(ii) TxDOT will consider Respondent's past performance in compliance with applicable provisions of Government Code §§2155.074, 2155.075, 2156.007, 2157.003, and 2157.125. Any of the following will be considered to be an indication of poor performance:

1) A letter grade score below 'C' in the Vendor Performance Tracking System or a score of "legacy unsatisfactory" for historic reports submitted prior to the implementation of the current rating system;

2) Being currently under a corrective action plan for a TxDOT or other State contract;

3) Having repeated negative Vendor Performance Reports in the CPA Vendor Performance Tracking System ("Vendor Performance Reports") for the same reason;

4) Having a record of repeated non-responsiveness to vendor performance issues; and

5) Having purchase orders that have been cancelled or terminated in the previous 12 months for non-performance, such as late delivery.

(iii) TxDOT may conduct reference checks with other entities regarding Respondent's past performance in addition to evaluating Respondent's Vendor Performance Reports.

(iv) Respondent's past performance may also be used to determine whether a Respondent has sufficient resources and ability to perform the Work.

ARTICLE IV. EVALUATION AND AWARD

Section IV.01 DETERMINATION OF AWARD.

TxDOT intends to make an award to the Respondent offering the best value to the State. In determining the best value for the State, the purchase price and whether the Goods or Services meet specifications are the most important considerations, unless otherwise stated in the Solicitation.

Section IV.02 TIE RESPONSES.

In case of tie Responses, one or more Preferences will be used to make an award. Tie Responses, which cannot be resolved by application of one or more Preferences, will be made by drawing lots.

Section IV.03 NON-AWARD.

TxDOT may reject all Responses at its discretion. Submission of a Response confers no legal rights upon any Respondent.

ARTICLE V. CONTRACT

Section V.01 ASSIGNMENT.

If awarded a Contract, Respondent shall not assign its rights under the Contract or delegate the performance of its duties under the Contract without prior written approval from TxDOT. Any attempted assignment in violation of this provision will be void and without effect.

Section V.02 STATE FUNDS.

Any Contract resulting from the Solicitation is subject to termination or cancellation, without penalty to TxDOT, either in whole or in part, subject to the availability of state funds.

ARTICLE VI. INSPECTIONS AND TESTS

Section VI.01 INSPECTIONS AND TESTS.

TxDOT may test and inspect Goods before award of the Contract to ensure compliance with the Statement of Work. Goods may be inspected and tested by TxDOT at Respondent's place of business or a TxDOT specified location. The cost of the sample and any third-party testing required by TxDOT shall be borne by Respondent.

ARTICLE VII. RESPONDENT AFFIRMATIONS

Section VII.01 MISREPRESENTATIONS.

Respondent agrees and acknowledges that submitting false information or making material misrepresentations in connection with the Response may void the Response and any resulting Contract and may result in removal of Respondent from the Centralized Master Bidders List.

Section VII.02 REPRESENTATIONS, WARRANTIES, COVENANTS, AND CERTIFICATIONS.

Respondent represents, warrants, covenants, and certifies that:

(a) FALSE STATEMENTS: all information contained in the Response or provided to TxDOT in connection with the Solicitation is accurate and complete.

(b) GRATUITIES: Respondent has not given, offered to give, nor intends to give at any time hereafter any economic opportunity, future employment, gift, loan, gratuity, special discount, trip, favor, or service to a public servant in connection with the Response.

(c) PARTICIPATION IN SOLICITATION: under Section 2155.004(b) of the Government Code, the individual or business entity named in the Response is not ineligible to receive a Contract.

(d) ANTITRUST LAWS: in accordance with §2155.005 of the Government Code, neither Respondent nor any representative of Respondent has (1) violated any provision of the Texas Free Enterprise and Antitrust Act of 1983, Chapter 15, of the Texas Business and Commerce Code or the federal antitrust laws, or (2) communicated directly or indirectly the contents of the Response to any competitor or any other person engaged in the same line of business as Respondent.

(e) UNFAIR BUSINESS PRACTICES: Respondent:

(i) has not been the subject of allegations of deceptive trade practice violations under Business & Commerce Code Chapter 17 or the subject of allegations of any unfair business practice in any administrative hearing or court suit, nor has Respondent been found to be liable for such practices in such proceedings; and

(ii) has no officers who have served as officers of other entities who have been the subject of allegations of deceptive trade practice violations or the subject of allegations of any unfair business practices in an administrative hearing or court suit and such officers have not been found to be liable for such practices in such proceedings.

(f) CHILD SUPPORT: under Section 231.006 of the Family Code, the individual or business entity named in the Response is not ineligible to receive the specified payment.

(g) CONTRACTING WITH EX-TXDOT EXECUTIVE DIRECTOR: under Government Code §669.003, Respondent does not employ, or disclose in its Response, the current or any former executive director of TxDOT.

(h) SUSPENSION AND DEBARMENT: neither Respondent nor its principals are debarred, suspended, proposed for debarment, declared ineligible, or otherwise excluded from participation in the Contract by any state or federal agency.

(i) NEPOTISM DISCLOSURE:

(i) Respondent does not have any knowledge that any of its employees or any employees of a subcontractor who are expected to perform the Work under the Contract has a relative who is employed by TxDOT unless Respondent has notified TxDOT otherwise in its Response.

(ii) In this section, the term "relative" means:

1) A person's great grandparent, grandparent, parent, aunt or uncle, sibling, sibling's spouse, niece or nephew, spouse, child, child's spouse, grandchild, or great grandchild.

2) The grandparent, parent, sibling, child, or grandchild of the person's spouse.

(j) EXCLUDED PARTIES: Respondent is not listed in the prohibited vendors list authorized by Executive Order No. 13224, "Blocking Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism," published by the United States Department of the Treasury, Office of Foreign Assets Control.

(k) PRIOR DISASTER RELIEF CONTRACT VIOLATION: the individual or business entity named in the Response is not ineligible to receive the Contract under Government Code §§2155.006 and 2261.053.

(l) ABORTION PROVIDER: Respondent is not an abortion provider or an affiliate of an abortion provider under Government Code §2273.003.

(m) LOBBYING: TxDOT's payments to Respondent and Respondent's receipt of appropriated funds under a Contract are not prohibited by Sections 556.005 or 556.0055 of the Texas Government Code.

(n) ENTITIES THAT BOYCOTT ISRAEL: pursuant to Government Code §2271.002, Respondent either:

(i) meets an exemption criterion under §2271.002 and has described the facts that establish the exemption in its Response, or

(ii) does not boycott Israel and will not boycott Israel during the Contract Term.

(o) FOREIGN TERRORIST ORGANIZATIONS: Respondent is not engaged in business with Iran, Sudan, or a foreign terrorist organization, as prohibited by Government Code §2252.152.

(p) CRITICAL INFRASTRUCTURE: pursuant to Government Code §2275.0102, neither Respondent nor its parent company, nor any affiliate of Respondent or its parent company, is: (1) majority owned or controlled by citizens or governmental entities of China, Iran, North Korea, Russia, or any other country designated by the Governor under Government Code §2275.0103, or (2) headquartered in any of those countries.

(q) CONTRACTING INFORMATION RESPONSIBILITIES: Respondent will comply with the requirements of §552.372(a) of the Government Code and any other applicable requirements of Subchapter J, Chapter 552 of the Government Code. Respondent acknowledges that the requirements of Subchapter J, Chapter 552 of the Government Code may apply to the Solicitation.

(r) HUMAN TRAFFICKING PROHIBITION: the individual or business entity named in the Response is not ineligible to receive the Contract under Government Code §2155.0061.

(s) NO CONFLICTS OF INTEREST: the provision of Goods and Services or other performance under the Contract will not constitute an actual or potential conflict of interest or reasonably create an appearance of impropriety.

(t) DISCLOSURE OF INTERESTED PARTIES: if selected for award of a Contract, Respondent will submit to the Agency a Certificate of Interested Parties in the form prescribed in the Texas Ethics Commission prior to Contract execution in accordance with Government Code §2252.908, if applicable.

(u) FINANCIAL CONDITION: Respondent is financially solvent, able to pay its debts as they become due, and possesses sufficient working capital and resources to perform the Work.

(v) BANKRUPTCY: Respondent is not the subject of any pending bankruptcy petition.

(w) AUTHORIZATION TO CONDUCT BUSINESS IN TEXAS: Respondent is legally authorized to conduct business in Texas and, if required, is registered with the Texas Secretary of State.

(x) TAXES: Respondent is current on all taxes and fees applicable to Respondent including, without limitation, income, and franchise taxes.

(y) COVID VACCINE PASSPORTS: the individual or business entity named in the Response is not ineligible to receive the Contract under Health and Safety Code §161.0085(c).

(z) FIREARM AND AMMUNITION DISCRIMINATION: pursuant to Government Code §2274.002, to the extent applicable to Respondent and the Solicitation. Respondent:

(i) does not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association, and

(ii) will not discriminate during the term of the Contract against a firearm entity or firearm trade association.

(aa) E-VERIFY: pursuant to Executive Order RP-80, if the Work includes the performance of Services, Respondent shall, to the extent permitted by law, utilize the United States Department of Homeland Security's E-Verify system during the Contract Term to determine the eligibility of:

(i) All persons employed by Respondent during the term of the Contract to perform duties within the state of Texas, and

(ii) All persons, including subcontractors, assigned by Respondent to perform the Work pursuant to the Contract within the United States of America.

(bb) ENERGY COMPANIES BOYCOTTS: either (1) Respondent does not, and will not for the duration of the Contract, boycott energy companies or (2) the verification required by Government Code §2276.002 does not apply to the Contract.

(cc) STATE OFFICERS AND EMPLOYEES: pursuant to Government Code §572.069, Respondent has not employed and will not employ a former state officer or employee who, during the period of state service or employment, participated in a procurement or contract negotiation involving Respondent within two (2) years after the date the Contract was signed or the procurement was terminated or withdrawn.

(dd) INSURANCE: if selected for award of a Contract, Respondent will obtain and maintain for the Contract Term the insurance coverages described in the Insurance Requirements and will provide proof of insurance in the form and with the content set forth in the Insurance Requirements to TxDOT within five (5) Business Days of request by TxDOT.

(ee) NO FELONY CRIMINAL CONVICTIONS: neither Respondent nor any of Respondent's employees, agents, representatives, Subcontractors or Subcontractors' employees have been convicted of a felony criminal offense or, if such a conviction has occurred, Respondent has fully advised TxDOT in writing of the facts and circumstances surrounding the conviction.

(ff) NO INFRINGEMENT: use or sale of any Goods, except (with respect to patents) Goods produced to TxDOT's detailed design, will not infringe any adverse valid patent, copyright, trademark, or other intellectual property rights.

(gg) SURVEILLANCE TARGETING: Respondent will not directly or indirectly:

(i) engage in surveillance targeting:

1) a member of the State legislature or a person employed to support the State legislature in any capacity;

2) a family member of a person described in subsection (1);

3) a state agency employee; or

4) an individual making a complaint or raising concerns regarding State agency operations or contracting;

(ii) engage in an act of intimidation, coercion, extortion, undue influence, or other similar conduct intended to influence, silence, or retaliate against a person described in subsection (i) above, or;

(iii) use private or confidential information to manipulate or influence a State contracting decision or proceeding.

(hh) EXECUTIVE ORDER GA-48: pursuant to Executive Order GA-48, neither it, nor its holding companies or subsidiaries, is:

(i) Listed in Section 889 of the 2019 National Defense Authorization Act;

(ii) Listed in Section 1260H of the 2021 National Defense Authorization Act; or

(iii) Owned by the government of a country on the U.S. Department of Commerce's foreign adversaries list under 15 C.F.R. Section 791.4; or

(iv) Controlled by any governing or regulatory body located in a country on the U.S. Department of Commerce's foreign adversaries list under 15 C.F.R. Section 791.4.

Section VII.03 INACCURACIES.

(a) During the Solicitation process, Respondent must promptly notify TxDOT if any representation, warranty, covenant, or certification in this Article was inaccurate when made, has become inaccurate, or is otherwise no longer true or complete.

(b) Respondent acknowledges that TxDOT may disqualify the Response, refuse to award a Contract, terminate the Contract, withhold payment, and exercise any other remedy if any representation, warranty, covenant, or certification in this Article is, now or at any time during the Solicitation process, untrue, inaccurate, or breached.

Section VII.04 SURVIVAL.

This Article shall survive the conclusion of the Solicitation process and shall remain enforceable against Respondent, irrespective of whether a Contract is awarded.

ARTICLE VIII. RIGHT TO AUDIT

Section VIII.05 STATE AUDITOR.

The state auditor may conduct an audit or investigation of Respondent or any other entity or person receiving funds from the State directly under the Contract or indirectly through a subcontract under the Contract. The acceptance of funds directly under the Contract or indirectly through a subcontract under the Contract acts as acceptance of the authority of the state auditor, under the direction of the legislative audit committee, to conduct an audit or investigation in connection with those funds. Under the direction of the legislative audit committee, Respondent or any other entity that is the subject of an audit or investigation by the state auditor must provide the state auditor access to any information the state auditor considers relevant to the investigation or audit.

Section VIII.06 TXDOT AUDITOR.

TxDOT's internal auditors may conduct an audit or investigation of Respondent or any other person receiving funds directly under the Contract or indirectly through a subcontract under the Contract. TxDOT has the right to audit Respondent's books and records during normal work hours. Respondent or any other entity that is the subject of an audit or investigation by TxDOT must provide TxDOT's internal auditor access to any information TxDOT considers relevant to the investigation or audit.

Section VIII.07 SUBCONTRACTS.

Respondent will ensure that this Article concerning the authority of the state auditor and TxDOT to audit funds received indirectly by subcontractors through Respondent and the requirement to cooperate is included in any subcontract it awards.

ARTICLE IX. MISCELLANEOUS

Section IX.08 VENUE AND JURISDICTION; APPLICABLE LAW.

The venue of any suit concerning the Solicitation and any resulting Contract is fixed in any court of competent jurisdiction of Travis County, Texas. The Solicitation and any resulting Contract shall be governed by and construed in accordance with the laws of the state of Texas, without regard to the conflict of law provisions.

Section IX.09 DEBT TO STATE.

Respondent agrees that any payments due under the Contract will be applied toward any debt or delinquency that is owed to the state of Texas.

Section IX.10 TITLE VI ASSURANCE.

TxDOT, in accordance with the provisions of Title VI of the Civil Rights Act of 1964 (78 Stat. 252, 42 U.S.C. §§2000d to 2000d-4) and 49 C.F.R. Part 21 and 28 CFR §50.3 (for purposes of this section and §6.10 only, the "Acts" and the "Regulations," respectively), hereby notifies all bidders that it will affirmatively ensure that in any Contract entered into pursuant to this advertisement, disadvantaged business enterprises will be afforded full and fair opportunity to submit bids in response to this invitation and will not be discriminated against on the grounds of race, color, or national origin in consideration for an award. Nondiscrimination programs require that federal-aid recipients, sub-recipients, and contractors prevent discrimination and ensure nondiscrimination in all their programs and activities, whether those programs and activities are federally funded or not.

Section IX.11 PUBLIC INFORMATION ACT.

Respondent understands that TxDOT will comply with the Public Information Act as interpreted by judicial rulings and opinions of the Attorney General of the State of Texas. Information, documentation, and other material in connection with this Solicitation or any resulting Contract may be subject to public disclosure pursuant to the Public

Information Act. In accordance with §2252.907 of the Government Code, Respondent is required to make any information created or exchanged with the State pursuant to the Contract and not otherwise excepted from disclosure under the Public Information Act, available in a format that is accessible by the public at no additional charge to the State.

Section IX.12 DISASTER RECOVERY PLAN.

Within five (5) Business Days of a request of TxDOT, Respondent shall provide copies of its most recent business continuity and disaster recovery plans.

Section IX.13 BUY TEXAS AFFIRMATION.

In accordance with Government Code §2155.4441, Respondent agrees that if the Contract includes the provision of Services, then during the performance of the Contract Respondent will purchase products and materials produced in Texas when they are available at a price and time comparable to products and materials produced outside this state.

Section IX.14 DISPUTE RESOLUTION.

Disputes arising under the Contract shall be resolved in accordance with the dispute resolution process provided in Government Code Chapter 2260 and 43 TAC §§9.1 and 9.2.

Section IX.15 INDEMNIFICATION.

RESPONDENT SHALL DEFEND, INDEMNIFY AND HOLD HARMLESS THE STATE OF TEXAS AND TXDOT, AND/OR THEIR OFFICERS, AGENTS, EMPLOYEES, REPRESENTATIVES, CONTRACTORS, ASSIGNEES, AND/OR DESIGNEES FROM ANY AND ALL LIABILITY, ACTIONS, CLAIMS, DEMANDS, OR SUITS, AND ALL RELATED COSTS, ATTORNEY FEES, AND EXPENSES ARISING OUT OF, OR RESULTING FROM, ANY ACTS OR OMISSIONS OF RESPONDENT OR ITS AGENTS, EMPLOYEES, SUBCONTRACTORS, ORDER FULFILLERS, OR SUPPLIERS OF SUBCONTRACTORS IN THE EXECUTION OR PERFORMANCE OF THE CONTRACT AND ANY PURCHASE ORDERS ISSUED UNDER THE CONTRACT. THE DEFENSE SHALL BE COORDINATED BY RESPONDENT WITH TXDOT AND THE OFFICE OF THE TEXAS ATTORNEY GENERAL WHEN THE STATE OF TEXAS OR TXDOT IS NAMED AS A DEFENDANT IN ANY LAWSUIT AND RESPONDENT MAY NOT AGREE TO ANY SETTLEMENT WITHOUT FIRST OBTAINING THE CONCURRENCE FROM TXDOT AND THE

OFFICE OF THE TEXAS ATTORNEY GENERAL. RESPONDENT AND TXDOT AGREE TO FURNISH TIMELY WRITTEN NOTICE TO EACH OTHER OF ANY SUCH CLAIM.

Section IX.16 INFRINGEMENT.

(a) RESPONDENT SHALL DEFEND, INDEMNIFY, AND HOLD HARMLESS THE STATE OF TEXAS AND TXDOT AND/OR THEIR EMPLOYEES, AGENTS, REPRESENTATIVES, CONTRACTORS, ASSIGNEES, AND/OR DESIGNEES FROM AND AGAINST ANY AND ALL CLAIMS INVOLVING VIOLATIONS, MISAPPROPRIATIONS OR INFRINGEMENT OF ANY PATENT, COPYRIGHT, TRADE AND SERVICE MARK, TRADE SECRET, OR OTHER INTELLECTUAL PROPERTY RIGHTS AND/OR INTANGIBLE PROPERTY, PUBLICITY OR PRIVACY RIGHTS, IN CONNECTION WITH OR ARISING FROM: (1) THE PERFORMANCE OR ACTIONS OF RESPONDENT PURSUANT TO THE CONTRACT; (2) ANY DELIVERABLE WORK PRODUCT, CONFIGURED SERVICE OR OTHER SERVICE PROVIDED UNDER THE CONTRACT; AND/OR (3) TXDOT'S AND/OR RESPONDENT'S USE OF OR ACQUISITION OF ANY REQUESTED SERVICES OR OTHER ITEMS PROVIDED TO TXDOT BY RESPONDENT OR OTHERWISE TO WHICH TXDOT HAS ACCESS AS A RESULT OF RESPONDENT'S PERFORMANCE UNDER THE CONTRACT. RESPONDENT AND TXDOT AGREE TO FURNISH TIMELY WRITTEN NOTICE TO EACH OTHER OF ANY SUCH CLAIM. RESPONDENT SHALL BE LIABLE TO PAY ALL COSTS OF DEFENSE, INCLUDING ATTORNEYS' FEES. THE DEFENSE SHALL BE COORDINATED BY RESPONDENT WITH TXDOT AND THE OFFICE OF THE TEXAS ATTORNEY GENERAL WHEN THE STATE OF TEXAS OR TXDOT ARE NAMED AS A DEFENDANT IN ANY LAWSUIT, AND RESPONDENT MAY NOT AGREE TO ANY SETTLEMENT WITHOUT FIRST OBTAINING THE CONCURRENCE FROM TXDOT AND THE OFFICE OF THE TEXAS ATTORNEY GENERAL. IN ADDITION, RESPONDENT WILL REIMBURSE TXDOT AND THE STATE OF TEXAS FOR ANY CLAIMS, DAMAGES, COSTS, EXPENSES, OR OTHER AMOUNTS, INCLUDING BUT NOT LIMITED TO ATTORNEYS' FEES AND COURT COSTS, ARISING FROM ANY SUCH CLAIM. IF TXDOT DETERMINES THAT A CONFLICT EXISTS BETWEEN ITS INTERESTS AND THOSE OF RESPONDENT OR IF TXDOT IS REQUIRED BY

APPLICABLE LAW TO SELECT SEPARATE COUNSEL, TXDOT WILL BE PERMITTED TO SELECT SEPARATE COUNSEL AND RESPONDENT WILL PAY ALL REASONABLE COSTS OF TXDOT'S COUNSEL.

(b) RESPONDENT WILL HAVE NO LIABILITY UNDER THIS SECTION IF THE ALLEGED INFRINGEMENT IS CAUSED BY:

(i) INTELLECTUAL PROPERTY RIGHT OWNED BY OR LICENSED TO TXDOT FROM A THIRD PARTY UNRELATED TO THE RESPONDENT OR THE PRODUCTS PROVIDED OR THE SERVICES PERFORMED UNDER THE CONTRACT, OR

(ii) USE OF THE PRODUCT OR SERVICE BY TXDOT THAT IS NOT IN CONFORMITY WITH THE TERMS OF ANY APPLICABLE LICENSE AGREEMENT BETWEEN RESPONDENT AND TXDOT.

(c) IF RESPONDENT BECOMES AWARE OF AN ACTUAL OR POTENTIAL CLAIM, OR TXDOT PROVIDES RESPONDENT WITH NOTICE OF AN ACTUAL OR POTENTIAL CLAIM, RESPONDENT MAY (OR IN THE CASE OF AN INJUNCTION AGAINST TXDOT, MUST), AT RESPONDENT'S SOLE OPTION AND EXPENSE:

(i) PROCURE FOR TXDOT THE RIGHT TO CONTINUE TO USE THE AFFECTED PORTION OF THE PRODUCT OR SERVICE, OR

(ii) MODIFY OR REPLACE THE AFFECTED PORTION OF THE PRODUCT OR SERVICE WITH A FUNCTIONALLY EQUIVALENT OR SUPERIOR PRODUCT OR SERVICE SO THAT TXDOT'S USE IS NON-INFRINGING.

Statement of Work

1. SCOPE:

This SOW is for services to provide a full lifecycle grant and contract management application, to include implementation, managed services, maintenance, support, and future system enhancements for TxDOT's Aviation Division.

2. DEFINITIONS OF TERMS AND ACRONYMS:

2.1. Contract – Any Purchase Order (PO) resulting from this solicitation as listed in the Order of Precedence in the resulting PO

2.2. POC – Point-of-Contact

2.3. TxDOT – Texas Department of Transportation

2.4. TxDOT POC – TxDOT Point of Contact

2.5. DBE - Disadvantaged Business Enterprise

2.6. HUB - Historically Underutilized Business

2.7. PM - Project manager

2.8. PO - Purchase Order

2.9. SOW - Statement of Work

2.10. TAC - Texas Administrative Code

2.11. Acknowledge Receipt Measurement – The time from when a SaaS incident is reported to the Vendor and when the requestor receives the first update acknowledging Vendor receipt of the incident.

2.12. ATO – An Authorization to Operate (ATO) is a formal declaration by a Designated Approving Authority, TxDOT ITD InfoSec, that authorizes operation of a solution and explicitly accepts the risk to agency operations.

2.13. BCP – Business Continuity Procedures.

2.14. Business Day – Monday through Friday (excluding State holidays).

2.15. CAB – Change Advisory Board-Any information system solution that will be installed on any TxDOT-owned equipment or that will access the TxDOT network or will be accessed by TxDOT personnel or use or transmit data created by TxDOT may be subject to review and approval by the ITD Change Advisory Board ("CAB") prior to implementation or delivery.

2.16. CFR – Code of Federal Regulations.

2.17. COTS – Commercial Off-The-Shelf Software - A COTS (Commercial Off-The-Shelf Software) solution will have the vendor provide the software, maintenance, and software support.

2.18. CST – Central Standard Time.

2.19. Data Breach – The unauthorized acquisition, use, modification, or disclosure of Sensitive Data.

2.20. DR – Disaster Recovery.

2.21. DRP – Disaster Recovery Plan.

2.22. FY – Fiscal Year.

2.23. ITIL – Information Technology Infrastructure Library.

2.24. Measurement Window – Means the time during, or frequency by which a Service Level Agreement must be measured. The Measurement Window will exclude approved scheduled maintenance.

2.25. Multi-tenant – Single set of code, databases, storage, and systems shared among tenants; and allows personalization and customization only through well-defined interfaces such as profiles, system, and parameter settings, published API extensions, plugins, extension languages, etc. The shared code

is never modified.

2.26. NIST – National Institute of Standards and Technology.

2.27. PDRSF – Project Deliverable Review Summary Form

2.28. PHI – Protected Health Information - Information that relates to the past, present, or future physical or mental health or condition of an individual; the provision of health care to an individual; or the past, present, or future payment for the provision of health care to an individual; and (i) that identifies the individual; or (ii) with respect to which there is a reasonable basis to believe the information can be used to identify the individual.

2.29. PMP – Project Management Plan.

2.30. Problem – Any situation or issue reported via a help desk ticket that is related to the system or application operation that is not an enhancement request.

2.31. Problem Resolution Time – The period from when the help desk ticket is opened to when it is appropriately resolved.

2.32. Restoration Time Measurement – The time between when a SaaS application incident is reported to the Vendor and when the problem is resolved. Restoration is defined as restoring the SaaS application to its pre-incident working state.

2.33. RPO – Recovery Point Objective

2.34. RTO – Recovery Time Objective

2.35. SaaS – Software as a service (SaaS) is a software delivery model in which the agency/Customer purchases use of the software solution by subscription rather than a license. The solution is accessed by users using a thin client via a web browser, runs on infrastructure that is shared with other Customers of the vendor (multi-tenant), has no license or

maintenance fee, and storage and compute are covered by the subscription or SaaS charge. The agency/Customer does not manage, purchase, lease, or control the underlying cloud infrastructure, including network, servers, operating systems, storage, or even individual application capabilities, except for limited user-specific application configuration settings. Non-SaaS Solutions, where the vendor sells a license to the Customer and offers to "host" the software, should be addressed using TxDOT Data Center Services (DCS) consolidated data center or DCS cloud infrastructure through the DCS program, in compliance with State statute.

2.36. SAML – Security Assertion Markup Language

2.37. Security Incident – A violation or imminent threat of violation of computer security policies, security measures, acceptable use policies, or standard security practices. "Imminent threat of violation" is a situation in which the organization has a factual basis for believing that a specific incident is about to occur.

2.38. Service Level Credit – The monetary amount Vendor must be obligated to apply against the charges in the event of Service Level Agreement defaults. Service Level Credits must be assessed for any failure to meet Service Level Agreements during any measurement period.

2.39. SLA – Service Level Agreement.

2.40. SLO – Service Level Objectives.

2.41. TCEQ – Texas Commission on Environmental Quality.

2.42. TxDOT – Texas Department of Transportation.

2.43. USC – United States Code.

3. APPLICABLE LAWS AND STANDARDS:

The vendor must provide the specified service requirements in accordance with all federal, state, and local applicable laws, standards, and regulations necessary to perform the services, including, but not limited to:

3.1. Title 42 U.S.C. §§ 2000d-2000d-7, with the exception of sections 2000d-5 and 2000d-6, also known as Title VI of the Civil Rights Act of 1964, including any amendments.

3.2. Title 49 CFR Subtitle A – Office of the Secretary of Transportation, Parts 1-99, including any amendments.

3.3. 2 CFR Part 200 Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards – Office of Management and Budget Circular relating to Cost Principles for state, local, and Indian tribal governments, including any amendments.

3.4. 1 TAC 206 aligns state web accessibility standards with the federal regulations set forth in Section 508 of the Rehabilitation Act of 1973.

3.5. 1 TAC 213 enacted state standards for procurement, development, or usage of EIR for people with disabilities, and also aligns accessibility standards with the federal regulations set forth in Section 508.

4. CURRENT ENVIRONMENT:

4.1. Business and Program Environment

4.1.1. AVN currently uses the BlackCat system to support project planning and scoping activities performed by the Aviation Planning Section.

4.1.2. AVN currently uses PeopleSoft to support payment-related transactions. PeopleSoft is administered by

TxDOT's Information Technology Division and used by the Finance Division.

4.1.2.1. PeopleSoft is the system of record for payment processing.

4.1.2.2. Invoice/payment processing occurs in PeopleSoft.

4.1.2.3. Payment-related information, including voucher and payment status, is exchanged between the systems.

4.1.3. RAMP and CIP agreements represent examples of AVN grant and associated contracting workflow and are not indicative of a separate divisional scope.

4.1.4. AVN's external customer population includes airports and their sponsors, including cities, counties, municipalities, and other eligible entities that participate in applicable grant and contract processes.

4.2. Current Available Data for Operational Volumes

4.2.1. Current operational volumes for AVN vary based on program and project activity. Estimated volumes are as follows:

4.2.1.1. Active grants: approximately 600+

4.2.1.2. Active contracts and work authorizations: approximately 800–900+

4.2.1.3. Annual application volume: approximately 1,500+

4.2.1.4. Annual payment and invoice transaction

volume: approximately 1,500+

4.2.1.5. RFQs associated with a grant: estimated at up to five (5) RFQs per grant.

4.2.2. These figures represent current estimates and may fluctuate over time based on program, project, and funding activity.

4.3. User Population and Sizing Assumptions

4.3.1. TxDOT estimates approximately 2,800 users, consisting of:

4.3.1.1. Approximately 100 internal TxDOT users

4.3.1.1.1. 2 Admin users

4.3.1.1.2. 5 Power users

4.3.1.1.3. 5 Grant managers

4.3.1.1.4. Approximately 20 users with contract creation responsibilities

4.3.1.1.5. Approximately 15 users with planning responsibilities

4.3.1.1.6. Approximately 15 users with project management responsibilities

4.3.1.1.7. Approximately 25 users with audit access.

4.3.1.2. Approximately 2,700 external users, including airports, airport sponsors, cities, counties, municipalities, and other

authorized external entities

4.3.2. Current concurrency is estimated at approximately 1,000 users.

4.3.3. User counts and concurrency levels are estimates based on current operations and anticipated usage and may fluctuate over time.

4.3.4. TxDOT anticipates minimal growth in the overall user population and concurrency levels.

4.4. Current Legacy Application and Data Environment

4.4.1. AVN currently uses IntelliGrants IGX16 by Agate Software as its legacy eGrants application. References throughout the solicitation to the "legacy eGrants system" and IntelliGrants IGX16 refer to the same application.

4.4.2. IntelliGrants IGX16 is hosted by TxDOT on-premises within a TxDOT data center and utilizes Microsoft SQL Server.

4.4.3. In addition to information maintained within IntelliGrants IGX16, AVN maintains supporting program, grant, contract, project, procurement, and related information in various formats and data sources located on shared drives within TxDOT's local network. These sources include, but are not limited to, PDF files, Microsoft Word documents, Microsoft Access databases, spreadsheets, and other electronic file formats.

4.4.4. The current IntelliGrants IGX16 data environment

consists of approximately:

4.4.4.1. 313 database tables

4.4.4.2. 54,904,257 database records

4.4.4.3. 291 GB of database data

4.4.4.4. 186,681 associated files and attachments

4.4.4.5. 665 GB of attachment data

4.4.5. File types currently maintained within the environment include, but are not limited to:

4.4.5.1. .bmp, .zip, .doc, .docx, .jpg, .pdf, .png, .pptx, .txt, .tif, .xls, .xlsx, and .xml.

4.5. Records Retention

4.5.1. Data and document retention requirements vary by record type. Current retention requirements include:

4.5.1.1. Grant records and associated documents: 20 years

4.5.1.2. Procurement records: 7 years

4.5.1.3. Payment records: 4 years from close

4.5.1.4. Contract records: anticipated to be 4 years from close, subject to confirmation of applicable TxDOT records retention requirements

4.6. Current Enterprise Systems and Integration Environment

4.6.1. Services relevant to the current environment include: PeopleSoft

4.6.1.1. PeopleSoft

4.6.1.2. P1AS / PingOne Advanced Services

4.6.1.3. MuleSoft CloudHub

4.6.1.4. BlackCat

4.6.1.5. Snowflake

4.6.1.6. Tableau

4.6.1.7. EDP

4.6.1.8. ESBD

4.6.1.9. txdot.gov

4.6.1.10. Plans Online

4.6.2. MuleSoft CloudHub is TxDOT's enterprise integration/ESB platform, used for API orchestration, transformation, routing, and secure system-to-system connectivity.

4.6.3. API-based connectivity has currently been identified for:

4.6.3.1. PeopleSoft

4.6.3.2. EDP

4.6.3.3. Snowflake

4.6.3.4. BlackCat

4.6.4. Current business-data exchanges are generally performed using batch processing rather than real-time transactions. Exchange frequency is typically daily, although timing and frequency vary by system and business process.

4.6.5. MuleSoft CloudHub serves as TxDOT’s enterprise

middleware layer for exchanging documents, metadata, workflow data, and related system information between enterprise and external systems. Integrations may utilize APIs or encrypted file exchange through secure SFTP locations, as applicable.

4.6.6. DocuSign currently utilizes a direct point-to-point integration rather than routing through MuleSoft.

4.7. Electronic Signature and Contract Lifecycle Management

4.7.1. TxDOT's enterprise electronic signature platform is DocuSign. TxDOT also uses DocuSign Contract Lifecycle Management (CLM) for contract-related workflows.

4.7.2. TxDOT currently purchases approximately 300,000 DocuSign envelopes annually, with no identified limitation on the number of users who may utilize the electronic signature service.

5. VENDOR QUALIFICATIONS:

The vendor must:

5.1. Be a company or an individual engaged, or whose partners are engaged in the business of providing grant and contract management applications related to program management systems for state/federal transportation agencies, aviation departments, or similar agencies for a minimum of 3 years within the past 5 years. Years of experience of an individual(s) or partner(s) with a minimum of 25% ownership of the company can be applied to the company's years in business.

6. VENDOR PERSONNEL QUALIFICATIONS AND RESPONSIBILITIES:

The vendor must provide the following personnel with the listed qualifications:

6.1. Project Manager must have a minimum of 3 years' experience within the past 5 years in the services identified in the Scope of Work. Qualifications and responsibilities in accordance with Attachment A - Vendor Personnel Qualifications and Requirements.

6.2. Account Manager must have a minimum of 2 years' experience within the past 5 years in the services identified in the Scope of Work. Qualifications and responsibilities in accordance with Attachment A - Vendor Personnel Qualifications and Requirements.

6.3. Quality Assurance/Test Manager must have a minimum of 3 years' experience within the past 5 years in the services identified in the Scope of Work. Qualifications and responsibilities in accordance with Attachment A - Vendor Personnel Qualifications and Requirements.

6.4. Team Members must have a minimum of 3 years' experience within the past 5 years in the services identified in the Scope of Work. Qualifications and responsibilities in accordance with Attachment A - Vendor Personnel Qualifications and Requirements.

6.5. Key project team members may perform services remotely; however, TxDOT may require on-site participation during key implementation activities and critical project milestones.

6.6. Near-shore and offshore resources may be proposed. Vendors utilizing resources located outside the United States that will have access to TxDOT data must disclose the applicable

countries through the TxDOT Security Questionnaire (TSQ), and is subject to TxDOT security review and approval through the TSQ process prior to contract award

6.7. Vendor personnel may fulfill more than one project role, provided the individual meets all minimum qualifications and responsibilities for each assigned role and the arrangement does not adversely affect project performance or required availability.

6.8. All personnel who will be driving to and from TxDOT work locations must:

6.8.1. Possess a valid driver license acceptable in the state of Texas.

6.8.2. Have no Driving Under Influence (DUI) or Driving While Intoxicated (DWI) incidents on driving record within the past three years.

6.8.3. Have no more than two moving violations on driving record within the past three years.
NOTE: TxDOT reserves the right to request proof of qualifications.

6.9. TxDOT may consider equivalent experience leading comparable implementations; however, respondents are strongly encouraged to meet the PMP and Scrum Master certification requirements identified in the solicitation.

7. SERVICE REQUIREMENTS:

The vendor must:

7.1. Provide a primary POC.

7.2. Begin work within 5 business days after the issuance of written authorization from the authorized TxDOT representative.

7.3. Obtain written approval from the designated TxDOT

representative for all work and materials required to correct any problems diagnosed by the Vendor, prior to work being performed.

7.4. Identify which products or services will be provided by a sub-Vendor.

7.5. Have available additional staff or sub-Vendors to respond to multiple requests for services simultaneously, as requested by the designated TxDOT representative, on an as-needed basis.

7.6. Provide all services necessary to meet the requirements in accordance with Attachment B - Additional Service Requirements

7.7. Vendor may propose separate or integrated solution components to meet TxDOT's requirements; however, the proposed solution must provide end users with a seamless, unified, single-platform experience for accessing and performing required functions.

8. VENDOR DELIVERABLES:

The vendor must submit:

8.1. Deliverables in accordance with Attachment C - Vendor Deliverables

9. PROJECT SCHEDULE:

A detailed project schedule and work plan for all project tasks. The PM must monitor and update the project schedule and work plan, revising as appropriate, with approval from TxDOT. The plan must be accessible through Microsoft Project 2000®. The plan must include, but not be limited to, the following:

9.1. In accordance with Attachment C - Vendor Deliverables

10. WARRANTY REQUIREMENTS:

10.1. PERFORMANCE WARRANTY: Work performed under the contract must meet all applicable standards and codes. The vendor must guarantee all work included in the contract against any defects in workmanship and satisfactorily correct, at no cost to TxDOT, any such defect that may become apparent within a period of one year after completion of work. The warranty period will commence upon date of acceptance by TxDOT.

11. VENDOR PERFORMANCE:

Vendor performance will be monitored on a regular basis by TxDOT.

11.1. An unsatisfactory performance determination includes, but is not limited to:

11.1.1. Failure to submit deliverables and milestones by the scheduled due date.

11.1.2. Failure to adhere to agreed-upon SLA's.

11.1.3. Failure to deliver agreed-upon service and deliverables.

11.1.4. Any requirement not met as outlined in the service requirements determined by TxDOT.

NOTE: Unsatisfactory performance may result in a negative vendor performance report, or cancellation of the contract or both, in addition to any other rights, liquidated damages and remedies provided by the contract or allowed by law.

11.2. An exceptional performance determination includes, but is not limited to:

11.2.1. Deliverables and milestones were delivered and accepted early upon TxDOT member request.

11.2.2. Product upgrade substitution suggested and accepted

at no additional cost to TxDOT.

11.2.3. Vendor commended for exceptional customer service.

11.2.4. Provided technical, training, or setup assistance when not required.

11.2.5. Project and product service levels are consistently at or above the minimum criteria.

12. CONTRACT REMEDIES:

In the event of a breach of contract or non-performance by the vendor, compensatory damages may be assessed at TxDOT's discretion as outlined below. If damages are assessed the vendor may reimburse TxDOT by discount, credit, refund, or waived fees as applicable and outlined in Attachment D – Suggested Service Levels.

12.1. LIQUIDATED DAMAGES:

In the event the vendor fails to provide the specified service to TxDOT as specified (Reference Paragraph 9 of SOW), TxDOT may, at its sole discretion, require the vendor to pay damages not to exceed 10% of the deliverable as specified in the contract. Any deliverable that is more than 5 calendar days late will be grounds for liquidated damages.. Delays in deliverables caused by reasons outside the vendor's control are not subject to liquidated damages.

TxDOT may provide Vendor an additional cure period prior to the assessment of liquidated damages. The applicable cure period, if provided, will be determined by TxDOT based on the nature and circumstances of the delay.

Liquidated damages will not be assessed for delays to the extent caused by TxDOT review cycles, TxDOT approval processes, including ARB, ATO, or CAB activities, TxDOT-caused

dependencies, or other circumstances outside Vendor's reasonable control. Vendor must timely notify TxDOT of the delay and document the applicable schedule impact.

This provision is not intended as a penalty but as liquidated damages.

13. PERSONNEL CONTINUITY AND REPLACEMENT:

13.1. The Project Manager, Account Manager , Quality Assurance/Test Manager, and Team Members must remain available for the entire term of the contract as long as that individual is employed by the vendor.

13.2. TxDOT recognizes that events beyond the control of the vendor such as the death, physical or mental incapacity, long-term illness, or the voluntary termination of employment of the Project Manager, Account Manager , Quality Assurance/Test Manager, and Team Members will require the vendor propose a replacement. Vendor must notify TxDOT within 24 hours after the vendor is made aware of such a situation.

13.3. Proposed replacement personnel must:

13.3.1. Be submitted to TxDOT within 10 calendar day(s) of notification resulting from sub-paragraphs 17.1 or 17.2 above.

13.3.2. Meet minimum qualifications and have experience comparable to the person(s) being replaced. Resume(s) and reference(s) may be requested for the proposed replacement(s).

13.3.3. Be provided at no additional cost to TxDOT.

13.3.4. Not begin work on the project without prior written approval from TxDOT.

NOTE: TxDOT may reject any replacement if references or past working performance is questionable or unfavorable. TxDOT will have sole discretion to determine whether any proposed replacement personnel meet the qualifications, experience, and suitability requirements for the assigned role.

14. QUALITY ASSURANCE PLAN:

The vendor must provide a comprehensive, continuous, and measurable quality assurance program. The plan must include:

14.1. Strategies and processes to promote quality.

14.2. Procedures to periodically measure and report quality performance to TxDOT throughout the contract period.

14.3. How often the vendor conducts internal audits and engages external audit firms to conduct audits of its operations.

14.4. Controls to be used within the project to assure quality and consistency throughout the term of the contract.

15. BUSINESS CONTINUITY AND DISASTER RECOVERY PLAN:

Upon request of TxDOT, vendor must provide copies of its most recent business continuity and disaster recovery plans. Business continuity and disaster recovery plan must:

15.1. Document a structured approach that describes the procedures that will be implemented to quickly resume work and fulfill all requirements of the contract after a disruption of business due to: fire, theft, natural disaster, technical difficulty, workforce

problems, equipment failure, or other unplanned incident.

15.2. Be maintained throughout the term of the contract. The vendor must be responsible for all cost-of-disaster recovery.

16. ADDITIONAL INVOICING INSTRUCTIONS:

The vendor must:

16.1. Invoice in accordance with Paragraph 4.03 of the Terms and Conditions attached and include the additional information listed below:

16.1.1. Hosting/Maintenance/Support service dates; or

16.1.2. Project Deliverable Review Summary Form (PDRSF), in case of delivery of service or solution. (Template to be provided by TxDOT).

NOTE: If the vendor completes the deliverables and the deliverables are accepted by TxDOT before the agreed-upon due date, then invoicing and payment may be accelerated accordingly. Once TxDOT approves the deliverable(s) and sends the signed PDRSF to the Vendor, the invoice may be submitted.

16.1.3. Vendor must attach the signed PDRSF for deliverable(s) invoiced.

NOTE: Vendor must not invoice, and TxDOT will not pay for any additional charges associated with the training, such as travel costs, per diem expenses, or other out-of-pocket expenditures.

NOTE: Invoices requiring correction must be resubmitted with a new invoice.

NOTE: Invoicing must be based on milestones with deliverables.

16.1.4. Labor hours and rates detailed on each vendor invoice.

NOTE: Partial hours will be paid by rounding to the nearest half-hour as shown below:

16.1.5. Less than 15 minutes – round to zero hours.

16.1.6. Fifteen (15) minutes to 45 minutes (inclusive) – round to 1/2 hour.

16.1.7. Greater than 45 minutes – round to 1 hour.

16.2. Documentation validating the invoice charges must be emailed to the designated TxDOT representative and include, but not be limited to:

16.2.1. An itemized list of hours worked by the technician must accompany each invoice. Hours will be approved daily by the designated TxDOT representative.

17. TxDOT RESPONSIBILITIES:

TxDOT will:

17.1. Provide a project manager.

17.2. Provide a POC.

17.3. Provide appropriate staff for project.

17.4. Monitor vendor performance.

17.5. Assist as required with coordinating with the project teams of other project stakeholders to obtain information and documentation about the scope of this project.

17.6. Assist as required with coordinating with the project teams of

other project stakeholders to obtain information and documentation about the scope of this project.

17.6.1. Provide available data exports and supporting information from the existing environment and will coordinate with the incumbent solution provider, as applicable, to facilitate access to available legacy data.

17.7. Provide access to required TxDOT data systems and information, with the requirement that Vendor must notify TxDOT immediately when Vendor personnel no longer need access.

17.8. Provide SMEs and staff for TxDOT business processes and current systems.

17.9. Make all design decisions regarding the overall system and be responsible for approving business process changes and configurations.

17.10. Provide network connectivity at end-user locations.

17.11. Be the sole provider of directions and instructions to the Vendor.

18. TRANSITION OF TxDOT PROPERTY:

TxDOT will provide assistance as needed for the efficient and smooth transfer of all TxDOT property, including but not limited to: Publications, documents, property, equipment, and other material to which TxDOT retains ownership rights related to work provided under a previous or current contract.

18.1. BEGINNING PHASE: The vendor must, at the request of TxDOT, be responsible for contacting the previous vendor to request the transfer of all TxDOT property. The transition of TxDOT's property must occur within an agreed-upon time frame to assure the new vendor can begin providing services as required

by TxDOT.

18.2. CANCELLATION OR TERMINATION OF THE CONTRACT: At the end of the contract term or if the contract is cancelled by either party, the vendor(s) must return all TxDOT property to TxDOT or transfer all TxDOT property to the TxDOT designated vendor(s) immediately upon TxDOT's request.

19. CONTRACT ADMINISTRATION:

Administration of the contract is a joint responsibility of the TxDOT contract manager and TxDOT purchasing staff. Purchasing staff will be responsible for administering the contractual business relationship with the vendor.

19.1. Any proposed changes to work to be performed, whether initiated by TxDOT or the vendor, must receive final written approval in the form of a Purchase Order Change Notice signed by the authorized TxDOT purchasing staff.

19.2. Upon issuance of contract, TxDOT will designate an individual to serve as the contract manager and POC between the agency and the vendor. The contract manager does not have any express or implied authority to vary the terms of the contract, amend the contract in any way, or waive strict performance of the terms or conditions of the contract. This individual's contract management responsibilities include, but are not limited to:

19.2.1. Monitoring the vendor's progress and performance and ensuring services conform to established specification requirements.

19.2.2. Managing the financial aspects of the contract including approval of payments.

19.2.3. Meeting with the vendor as needed to review progress, discuss problems, and consider necessary action.

19.2.4. Identifying a breach of contract by assessing the difference between contract performance and non-performance.

19.2.5. Other areas as identified by the State of Texas Procurement and Contract Management Guide version 4.

Attachment A - Vendor Personnel Qualifications and Requirements

1. PROJECT MANAGER:

The proposed Project Manager must,

1.1. Demonstrate the skills and qualifications necessary to successfully perform all tasks defined in this document.

1.2. Hold current certifications as both a Project Management Professional (PMP) and a Scrum Master.

1.3. Oversee the day-to-day operation of the service in compliance with the requirements of the purchase order.

1.4. Be accessible by direct phone and email to address contract issues and requests from the TxDOT Project Manager or designee, Monday through Friday (excluding Federal and State holidays), during core hours of 7:00 a.m. to 7:00 p.m. Central Time.

1.5. Serve as the primary and continuous point of contact for TxDOT.

1.6. Exhibit strong written and oral communication skills to engage effectively with personnel at all technical levels.

1.7. Direct, coordinate, and communicate project requirements and activities to Vendor staff to ensure efficient project progress and timely completion.

1.8. Manage the development and implementation of work by ensuring that all phases of the project plan and schedule are completed without significant delays, problems, or rework.

1.9. Collaborate with TxDOT's designated Project Manager, staff, and Vendors to meet project objectives.

1.10. Work jointly with the TxDOT Project Manager to promptly

identify and report any scope issues within three business days of discovery.

1.11. Meet with project staff (Vendor and TxDOT) to coordinate activities and keep the TxDOT Project Manager and TxDOT Business Sponsor informed of progress.

1.12. Identify and provide written notice to the TxDOT Project Manager describing any problems or issues within 24 hours of occurrence.

1.13. Participate in weekly project meetings with the TxDOT Project Manager and technical team, or as otherwise agreed upon or requested by TxDOT, via either on-site meeting or telephone conference.

1.14. Provide daily status updates to the TxDOT Project Manager on any issues affecting the project or system, including anticipated solutions.

2. ACCOUNT MANAGER:

The proposed Account Manager must,

2.1. Serve as the primary liaison between the Vendor and TxDOT.

2.2. Manage the business relationship by addressing TxDOT's needs and concerns in a timely and effective manner to develop and maintain a successful partnership.

2.3. Be employed as permanent staff and serve as the continuous primary point of contact for TxDOT throughout the contract term.

3. QUALITY ASSURANCE/TEST MANAGER:

The proposed Quality Assurance/Test Manager must,

3.1. Lead the testing team and oversee quality assurance and test advocacy.

3.2. Manage resource planning and allocation and resolve issues that impede testing activities.

3.3. Collaborate with developers, testers, product managers, and stakeholders to ensure quality remains a priority throughout the development process.

4. TEAM MEMBERS:

The proposed Team Members must,

4.1. Submit proof of personnel's active licenses, certifications, and any permits as applicable upon award of contract.

4.2. Demonstrate technical knowledge in software development and data analysis.

4.3. Provide evidence of 3 years' working experience with the same or a similar product or solution.

4.4. Demonstrate completion of at least 2 implementations in businesses similar to those targeted by the proposed solution.

4.5. Include at least one team member with 4–7 years of demonstrated experience in building and managing web services/APIs for the exchange of data and files.

4.6. Include at least one team member with 4–7 years of demonstrated experience working with Enterprise Service Bus (ESB) technology.

4.7. Include at least one team member with 4–7 years of demonstrated experience implementing and managing Single Sign-On (SSO) capabilities such as PingOne Advanced Services

Attachment B - Additional Service Requirements

SECTION I — REQUIRED BASE SERVICES

1. SOLUTION CAPABILITY AND BUSINESS OBJECTIVES

Vendor must provide a grant and contract management solution that enables TxDOT to manage the full lifecycle of grants, contracts, solicitations, evaluations, awards, work authorizations, amendments, payments, compliance activities, documents, reporting, and closeout activities in a centralized system. The vendors proposed solution must support TxDOT's operational needs to:

1.1. Create, manage, track, and close grant and contract records.

1.2. Support the full grant and contract lifecycle for applicable TxDOT business processes and authorized internal and external stakeholders.

1.3. Have project planning and programming serve as the initiation of the applicable business workflow. Approved projects, grants, contracts, work authorizations, amendments, compliance activities, payments, and related records must support interdependent relationships in accordance with TxDOT business processes.

1.3.1. Work Authorizations must be created and maintained under a parent Contract and must not exist independently of a Contract.

1.4. Maintain related project, program, vendor, funding, document, payment, amendment, compliance, and reporting information.

1.5. Maintain payment-related data necessary to support grant and contract workflow, approvals, status tracking, reporting,

reconciliation, and audit requirements. Detailed financial accounting transactions and payment processing will remain within TxDOT's designated financial system of record.

1.6. Support configurable controls to identify and prevent duplicate payment requests and overpayments within the grant and contract management process, including workflow controls, alerts, and validation against applicable approved amounts or balances.

1.7. Support payment-related workflows and provide status tracking and system indicators for applicable payment activities. PeopleSoft will remain TxDOT's system of record for payment processing.

1.8. Route records, documents, approvals, reviews, and tasks through configurable workflows.

1.9. Provide role-based access and visibility for TxDOT staff, administrators, managers, external users, and other authorized users.

1.10. Generate, store, route, edit, approve, and track documents and forms.

1.10.1. Respondent must describe the proposed solution's approach for supporting compliance-related document generation, including workflow tasks, document templates, forms, and other available document-generation capabilities

1.11. Support status tracking, notifications, due dates, task assignments, audit history, and record history.

1.12. Allow authorized TxDOT users to search, filter, report, export,

and analyze system data.

1.13. Provide dashboard views that allow users and managers to understand workload, pending actions, overdue items, compliance status, contract status, payment status, and other operational information.

1.14. Report, including standard, regulatory, management, operational, dashboard, and ad hoc reporting. Final report configuration and prioritization will be determined during Discovery, Design, and Planning.

1.15. Reduce duplicate data entry by carrying forward relevant data between related records and processes.

1.16. Support system administration functions, including user management, role management, workflow configuration, template management, report configuration, and routine system settings.

1.17. Support integration, data exchange, migration, testing, training, maintenance, support, and future enhancements as required by the SOW and the Functional and Technical Requirements Schedule.

2. IMPLEMENTATION AND TRANSITION

2.1. Overview:

The Vendor must commence work within five (5) business days of purchase order issuance, or on an alternate date mutually agreed upon by TxDOT and the Vendor. Upon completion of the implementation, the Vendor must deliver:

2.1.1. A TxDOT-approved secure, software solution deployed across all designated locations.

2.1.2. Configured applications and role-based access for authorized users.

2.1.3. Full replacement of legacy system(s) in alignment with the Functional and Technical Requirements Schedule and this Statement of Work (SOW).

2.2. Reports:

2.2.1. Weekly project status reports are sent to TXDOT PM on an agreed upon timeframe.

2.2.2. Status report will include planned tasks with status of in progress or completed.

2.2.3. Status report will provide explanation for tasks that are behind or failed to meet the schedule and provide a plan in having task completed or back on track.

2.2.4. Report must include, at a minimum, an assessment of progress against project plan and schedule, each task percentage completed and details of slipping tasks. Weekly project status reports must report on the following project key performance indicators:

2.2.4.1. % Complete for tasks in progress & completed.

2.2.4.2. Open issues with details & elapsed time of being open.

2.2.4.3. Issues & Risks with Mitigation Plan.

2.3. Proposed Implementation Approach:

TxDOT envisions the solution to be organized into three phases (outlined below). TxDOT has not established a fixed production

go-live date or regulatory milestone for implementation. Respondents are welcomed and encouraged to propose their own processes and timelines for completing full implementation and deployment. The deliverables associated with each phase are identified in Attachment C - Vendor Deliverables. A phase will not be deemed complete until all deliverables associated with that phase have been completed, submitted to TxDOT, and accepted in writing by TxDOT.

2.3.1. Phase 1 – Discovery, Design, and Planning.

During the first phase of work, Vendor must collaborate with TxDOT on the overall implementation plan, necessary configurations, software architecture, designs, business rules, module configurations, anticipated interfaces with pre-existing TxDOT systems, and other elements related to design, planning, and discovery.

2.3.1.1. Discovery: During Discovery, TxDOT and Vendor must exchange information critical to providing a product that meets TxDOT's unique requirements. TxDOT will support the Vendor team's understanding of current business processes, software infrastructure, information requirements, existing applications, databases and TxDOT's organizational culture. Simultaneously, the Vendor must help TxDOT understand the Vendor's product, available configurations, trade-offs associated with various features, and the

plan to meet TxDOT's needs. These discussions must also cover all other topics deemed important by TxDOT or Vendor.

2.3.1.1.1. Work together to understand how the solution must be used by TxDOT, including which modules must be employed and how they must be implemented.

2.3.1.1.2. Determine what data must be migrated to the new solution modules and whether there are quality issues that need to be addressed in the implementation projects.

2.3.1.1.3. Review, at a high level, the key future business processes and how they will take advantage of the solution's modules.

2.3.1.2. Design: Based on the knowledge gained in Discovery, Vendor must propose specific solutions and TxDOT may agree to or request changes.

2.3.1.3. Vendor must document in written form the proposed solutions and all decisions made.

2.3.1.4. Planning: Relying on information exchanged during Discovery, Vendor must

collaborate with TxDOT to determine the best way to implement the high-level objectives and functions TxDOT is seeking. The Vendor must create an overall plan for the configuration of the solution. TxDOT will support this process by collaborating on configuration rules, day-to-day schedule, and general expectations.

2.3.1.5. Project Management. During Phase 1, Vendor must provide all plans required for project management, as more specifically defined in Attachment C - Vendor Deliverables, Section 2.1.

2.3.1.6. Purchase of Software and Licensing. Following the end of Phase 1 and before the beginning of Phase 2, TxDOT must finalize the software necessary to implement the solution using the list of requirements listed in the Functional and technical Requirements Schedule.

2.3.2. Phase 2 – Infrastructure Readiness, Configuration, and Implementation - Build, Test, Deploy (BTD).

Vendor and TxDOT must use this time to develop, configure, build, and test the planned infrastructure and solution for each of the development, test, and production environments. Where defined, templates provided by TXDOT must be used for documentation of all deliverables.

2.3.2.1. Configuring: Based on the agreements reached during discovery and planning, the Vendor must configure its solution for TxDOT. During configuration, the Vendor must be responsible for all tasks subsequent to a final product that is ready to be piloted and tested. Tasks may include, but are not limited to, building required reports to meet state and federal requirements, standard workflow deployment and configuration for TxDOT specific business rules.

2.3.2.2. The Vendor must determine how the solution must be configured and start the configuration. As the TxDOT and the Vendor go through each key business process determining how it would use the solution to accomplish the process objectives, the Vendor must configure workflows and set parameters.

2.3.2.4. Building: Implementation of the new system must include collaborating with TXDOT’s service providers interfaces with external and internal applications to provide end-to-end transaction abilities. Data conversions must be built for later testing.

2.3.2.5. Installation Plan: Provide an installation Plan which, at a minimum, must:

2.3.2.5.1. Include a detailed schedule including all related activities, key milestones, and deliverables.

2.3.2.5.2. Outline procedures to be followed during the installation, configuration, and deployment.

2.3.2.5.3. Identify key issues that need to be addressed during the installation.

2.3.2.5.4. Provide detailed procedures for managing problems or issues during the testing and rollout to production stages. Include Vendor’s expectation of TxDOT.

2.3.2.6. Testing: Prior to deployment to production, TxDOT and Vendor must test the configured solution, integrations, converted data, workflows, and applicable business processes. Testing must be completed in an appropriate non-production environment unless otherwise approved by TxDOT. TxDOT will determine pilot location[s] and duration. The pilot must include the full range of options offered by both the software product and the installed

hardware product. During this segment of the project, TxDOT and Vendor must explore the viability of different staff-training methods and finalize a training program to be used during Phase 3.

2.3.2.7. User Acceptance Testing: TxDOT and Vendor must conduct User Acceptance Testing (UAT) prior to production deployment. UAT must validate that the solution meets approved business, functional, technical, and data requirements. This process must allow approximately 100 stakeholders to identify bugs, operational issues, and other problems with the solution and converted data. UAT must be successfully completed prior to proceeding through the applicable TxDOT CAB process for production deployment.

2.3.2.8. Testing Approach: TxDOT and Vendor must jointly participate in testing activities. The final testing approach, testing sequence, environments, responsibilities, participants, and acceptance criteria will be established during Discovery, Design, and Planning. TxDOT employees who participate in the process will also provide formal feedback through focus groups led by TxDOT. TxDOT and Vendor must consider formal feedback

and include it in the modification process when appropriate. Respondents may propose their recommended testing methodology provided all testing and acceptance requirements are met.

2.3.2.9. Pilot phase is applicable for future enhancements and is not limited to initial implementation.

2.4. Phase 3 –Deployment, Training, and Technical Support. Deployment must occur concurrently with staff training.

2.4.1. TxDOT and Vendor must deploy the solution across all locations and provide appropriate applications and access to different users.

2.4.2. Training: Training must occur in parallel with deployment. During this segment of the project, the Vendor must lead efforts to train all relevant TxDOT staff on the requirements, benefits, uses, and features of the solution. This training must be tailored by position or position group and promote user comfort and familiarity with the solution.

2.4.3. Technical Support: Throughout Phase 3, the Vendor must provide TxDOT staff with clear guidance on the availability, purpose, and appropriate use of different technical support options. Formal technical support arrangements must be formalized during this period.

2.4.4. Production Validation: Following deployment to production, TxDOT and Vendor must perform production validation activities using a limited end-

user population and applicable business processes. Production validation is intended to confirm solution operation in the production environment prior to broader deployment. The final production validation approach will be established during Discovery, Design, and Planning.

2.5. System Acceptance

The vendor must fully comply with all security and network requirements; complete all integrated end-to-end testing meeting all agreed upon acceptance criteria. To meet the system acceptance criteria, the system must pass all stages of testing described to include but not limited to:

2.5.1. All required deliverables have been provided to TxDOT.

2.5.2. The system is installed, fully operational and all integrated subsystems are functioning as designed per written requirements.

2.5.3. All new application system interfaces with external systems are functioning as designed.

2.5.4. All testing cycles prior to UAT have been successfully performed to TxDOT's approval.

2.5.5. User acceptance test has been successfully performed to TxDOT's approval.

2.5.6. All system data conforms to expected output, and data integrity is verified to TxDOT's approval.

2.5.7. Training of all TxDOT personnel has been completed.

2.5.8. Software acceptance requires 30 consecutive days of operation in production (based upon 24 x 7 availability

including holidays and weekends) with no P1 or P2 incidents.

2.5.9. The 30-day production acceptance period will be measured on a consecutive-day basis. TxDOT has not established a cumulative measurement methodology or a maximum number of restart attempts.

2.5.10. The Vendor must conduct final operational readiness assessment, including a failover test prior to go-live acceptance if applicable.

3. MAINTENANCE AND SUPPORT:

3.1. After implementation and written acceptance of the software product, Vendor must provide ongoing maintenance and support for the software solution. This requirement applies to both Commercial Off-the-Shelf (COTS) and Software-as-a-Service (SaaS) solutions.

3.2. Vendor must provide all services, resources, tools, documentation, updates, patches, upgrades, fixes, technical support, data management support, and related activities necessary to maintain the solution in a secure, reliable, supported, and operational condition throughout the contract term.

3.3. Maintenance Agreement:

3.3.1. Vendor must provide a maintenance agreement or maintenance plan for TxDOT review and approval.

3.3.2. The maintenance agreement will include, at a minimum:

3.3.2.1. Planned maintenance procedures.

3.3.2.2. Software patching and upgrade process.

3.3.2.3. Bug fix and defect correction process.

3.3.2.4. Security update process.

3.3.2.5. Data management and data retention strategy.

3.3.2.6. Backup, restoration, and recovery approach, if applicable.

3.3.2.7. Release notes and documentation procedures.

3.3.2.8. Notice requirements for scheduled maintenance, patches, and upgrades.

3.3.2.9. Procedures for coordinating with TxDOT Change Advisory Board, change management, and other TxDOT approval processes.

3.3.2.10. Vendor support roles, responsibilities, escalation process, and contact information.

3.3.2.11. Service levels, response times, and resolution targets.

3.4. Technical Support Resources:

3.4.1. Vendor must provide qualified technical software resources to support the software solution.

3.4.2. Vendor support resources must have sufficient knowledge, training, and experience to respond to technical questions, troubleshoot incidents, resolve

system issues, support patches and upgrades, and assist TxDOT with operation of the solution.

3.4.3. Vendor must provide support Monday through Friday, from 7:00 AM to 7:00 PM Central Time, excluding State of Texas holidays, unless otherwise approved by TxDOT.

3.4.4. Vendor support must include, at a minimum:

3.4.4.1. Responding to technical questions.

3.4.4.2. Troubleshooting system incidents.

3.4.4.3. Supporting users with system access, role-based permissions, and functionality issues.

3.4.4.4. Investigating and resolving software errors, defects, bugs, performance issues, and configuration issues.

3.4.4.5. Supporting data-related issues, including data errors, data integrity concerns, and data access issues.

3.4.4.6. Supporting integration and interface issues.

3.4.4.7. Providing guidance on system functionality, configuration, and standard product capabilities.

3.4.4.8. Providing escalation support for high-priority or high-severity issues.

3.4.4.9. Providing status updates to TxDOT until the issue is resolved or otherwise accepted by

TxDOT; and

3.4.4.10. Maintaining documentation of support tickets, incidents, actions taken, and resolution.

3.5. Patching, Upgrades, and Change Management

3.5.1. Vendor must follow the agreed-upon patching, upgrade, and release management process approved by TxDOT.

3.5.2. Vendor must comply with TxDOT Change Advisory Board procedures, change management requirements, and any other TxDOT-required approval process before implementing patches, upgrades, releases, configuration changes, or other changes that may affect the solution.

3.5.3. Change Management Requirements includes:

3.5.3.1. Test Summary Report

3.5.3.2. Technical Recovery Guide

3.5.3.3. Transition Plan

3.5.3.4. Pre-CAB Presentation and Approval

3.5.3.5. Authority to Operate

3.5.3.6. CAB Meeting and Approval

3.5.4. Vendor must provide TxDOT with a minimum of 14 calendar days' written notice before any scheduled patch, upgrade, release, or maintenance activity that may affect availability, functionality, configuration, performance, security, integrations, or user access.

3.5.5. Vendor must provide TxDOT with a minimum of 60 calendar days' written notice before any patch, upgrade, release, or change that may alter TxDOT business processes, workflows, integrations, reports, user roles, data structure, user experience, or system functionality.

3.5.6. Vendor must provide release notes, impact analysis, testing instructions, known issues, rollback procedures, and any required TxDOT action before implementation of any patch, upgrade, or release.

3.5.7. Vendor must not implement any patch, upgrade, release, configuration change, or system change that materially affects TxDOT business processes, workflows, integrations, data, security, accessibility, or user access without prior written approval from TxDOT.

3.5.8. Vendor must coordinate patching, upgrades, and maintenance activities with TxDOT to minimize disruption to TxDOT operations.

3.5.9. TxDOT prefers that software upgrades, patches, and planned maintenance not occur between 7:00 AM and 7:00 PM Central Time, Monday through Friday, unless approved in writing by TxDOT.

3.6. Incident and Defect Support

3.6.1. Vendor must provide incident and defect support for the software solution throughout the contract term.

3.6.2. Vendor must classify incidents, defects, bugs, and support requests by severity and priority using a classification method approved by TxDOT.

3.6.3. Vendor must maintain a support ticket, incident log, or defect tracking log that includes, at a minimum:

3.6.3.1. Unique tracking number.

3.6.3.2. Date and time reported.

3.6.3.3. Reported by.

3.6.3.4. Description of issue.

3.6.3.5. Severity and priority.

3.6.3.6. System area or function affected.

3.6.3.7. Business impact.

3.6.3.8. Status.

3.6.3.9. Assigned Vendor resource.

3.6.3.10. Actions taken.

3.6.3.11. Target resolution date.

3.6.3.12. Description of Resolution

3.6.3.13. Date closed.

3.6.4. Vendor must provide TxDOT status updates for unresolved incidents, defects, bugs, and support requests at intervals approved by TxDOT.

3.6.5. Vendor must correct defects, bugs, and system errors that prevent the solution from meeting contract requirements, functional requirements, technical requirements, security

3.6.6. requirements, accessibility requirements, or accepted business processes.

3.7. Change Request Support

3.7.1. Vendor must respond to normal change requests within 10 business days of receipt, unless otherwise approved by TxDOT.

3.7.2. Vendor must respond to high-priority or high-severity change requests within 3 business days of receipt, unless otherwise approved by TxDOT.

3.7.3. Vendor's response to a change request must include, at a minimum:

3.7.3.1. Confirmation of receipt.

3.7.3.2. Initial assessment of the request.

3.7.3.3. Business, technical, security, accessibility, data, integration, and operational impact, as applicable.

3.7.3.4. Estimated level of effort.

3.7.3.5. Estimated schedule.

3.7.3.6. Pricing impact, if any.

3.7.3.7. Risk or dependency issues.

3.7.3.8. Recommendation for approval, rejection, or further analysis.

3.7.4. Vendor must not begin work on any change request unless authorized in writing by TxDOT through a TxDOT-approved process.

3.8. Maintenance and Support Documentation

3.8.1. Vendor must maintain and provide current maintenance and support documentation to TxDOT upon request. Documentation must include, at a

minimum:

3.8.1.1. Support procedures.

3.8.1.2. Escalation procedures.

3.8.1.3. Maintenance schedules.

3.8.1.4. Patch and upgrade documentation.

3.8.1.5. Release notes.

3.8.1.6. Known issues and workarounds.

3.8.1.7. System administration guides.

3.8.1.8. User guides or knowledge base materials.

3.8.1.9. Data management procedures.

3.8.1.10. Disaster recovery, backup, and restoration procedures, if applicable.

3.9. Security, Disaster Recovery, and Business Continuity Support

3.9.1. Vendor must provide and maintain current disaster recovery procedures and business continuity plan information for the solution throughout the contract term.

3.9.2. Vendor must provide updated disaster recovery procedures and business continuity plan information to TxDOT upon request and whenever material changes are made to the solution, hosting environment, infrastructure, recovery procedures, or business continuity processes.

3.9.3. Vendor must conduct disaster recovery testing at least annually and must provide TxDOT verification of annual disaster recovery testing upon request.

3.9.4. Vendor must perform penetration testing and third-party security assessments prior to go-live.

3.9.5. Vendor must perform annual security penetration testing and web application scanning for the solution.

3.9.6. Vendor must provide TxDOT the findings and results of annual security penetration testing and web application scanning within 30 calendar days after satisfactory completion of testing.

3.9.7. Vendor must identify, track, mitigate, and remediate security findings discovered through penetration testing, web application scanning, disaster recovery testing, audits, or other security review activities.

3.9.8. Vendor must provide TxDOT information regarding mitigation and remediation actions taken by Vendor to address identified security findings.

3.9.9. Vendor must provide SOC reports, if applicable, as determined by TxDOT after security review. SOC reporting requirements may include SOC 1, SOC 2 Type II, or other equivalent security, availability, confidentiality, processing integrity, or privacy reports, as applicable to the solution and hosting model.

3.10. Acceptance of Maintenance and Support Services

3.10.1. Maintenance and support services must be subject to TxDOT review. TxDOT may determine whether Vendor's maintenance and support services are satisfactory based on Vendor's responsiveness, resolution of issues, compliance with approved processes, quality of documentation, system

availability, defect correction, and ability to maintain the solution in accordance with the contract requirements.

3.10.2. Vendor must correct deficiencies in maintenance and support services identified by TxDOT at no additional cost if the deficiency is caused by Vendor's failure to meet the contract requirements.

SECTION II — CONTINGENCY ENHANCEMENTS AND OPTIONAL SERVICES

4. CONTINGENCY ENHANCEMENTS AND OPTIONAL SERVICES:

Contingency enhancements, optional modules, and related services are not guaranteed under the Contract. TxDOT may, at its sole discretion, request future enhancements, optional modules, additional implementation services, premium support, or other future services during the contract term. Vendor must not begin work on any future enhancement, optional module, or related service unless authorized in writing by TxDOT through a TxDOT-approved

process.

4.1. Contingency Enhancements

4.1.1. Contingency enhancements are defined as unplanned or future modifications, customizations, or feature additions to existing modules that may be requested by TxDOT after the initial implementation.

4.1.2. Contingency enhancement hours are optional and must not expire at any time during the term of the contract, including any renewal options exercised.

4.1.3. Contingency enhancement hours are non-biddable.

4.1.4. Pricing for contingency enhancements, and related services will be derived from the Personnel Rate Card included in the Pricing Schedule. Vendor must use the applicable labor categories, fully burdened hourly rates, and pricing assumptions identified in the Personnel Rate Card when preparing estimates, work authorizations, or pricing proposals. Vendor must not charge rates higher than those identified in the Personnel Rate Card unless expressly approved in writing by TxDOT through a contract amendment or other TxDOT-approved written authorization.

4.1.5. The enhancement services may include, but are not limited to, the following:

4.1.5.1. Discovery

4.1.5.2. Design

4.1.5.3. Planning

4.1.5.4. Configuration

4.1.5.5. Implementation

4.1.5.6. Deployment

4.1.5.7. Testing

4.1.5.8. Training

4.1.5.9. Documentation

4.1.5.10. Technical Support

4.1.6. TxDOT must approve the work specifications, deliverables, work schedule, and cost of any contingency enhancement before Vendor begins work.

4.1.7. Vendor must not begin work on any contingency enhancement without a written work authorization, purchase order, amendment, or other TxDOT-approved written direction.

4.1.8. Each contingency enhancement work authorization may include, but is not limited to:

4.1.8.1. Description of work.

4.1.8.2. Business requirements.

4.1.8.3. List of deliverables.

4.1.8.4. Schedule.

4.1.8.5. Pricing or estimated level of effort.

4.1.8.6. Change log.

4.1.8.7. Deployment package and documentation.

4.1.8.8. Test plans and test results.

4.1.8.9. Training materials, if applicable.

4.1.8.10. Acceptance criteria.

4.1.9. All contingency enhancements must comply with the Contract, this Statement of Work, TxDOT's Functional and Technical Requirements Schedule, TxDOT security standards, TxDOT accessibility requirements, and TxDOT change management and IT governance processes.

4.1.10. Vendor must warrant that completed and accepted contingency enhancements will be supported under the existing maintenance and support services at no additional cost, unless otherwise approved in writing

by TxDOT.

4.1.11. TxDOT must accept the completed contingency enhancement in writing before payment is issued.

4.2. Optional Modules

4.2.1. Optional modules are additional modules, functionality, premium services, or related implementation services that are not required for the initial implementation of the base solution but may be requested by TxDOT during the contract term.

4.2.2. Optional modules are not guaranteed and must not be considered part of the base solution unless expressly authorized by TxDOT in writing.

4.2.3. TxDOT reserves the right, but is not obligated, to purchase optional modules, related implementation services, premium support, or other future services that Vendor currently offers or develops during the contract term.

4.2.4. Vendor must separately identify and price all optional modules in the Pricing Schedule. Optional module pricing must include all costs necessary for licensing, subscription, configuration, implementation, integration, testing, training, documentation, maintenance, and support, unless otherwise stated in the Pricing Schedule.

4.2.5. Vendor must not include optional modules as required base services unless the module is necessary to meet the mandatory requirements of this SOW or the Functional and Technical Requirements Schedule.

4.2.6. If an optional module is required to meet a mandatory requirement, Vendor must clearly identify that module as required and include all associated costs in the base pricing.

4.2.7. TxDOT and Vendor must mutually agree in writing on the business requirements, implementation schedule, deliverables, acceptance criteria, and pricing for any optional module before work begins.

4.2.8. TxDOT will issue an Authorization to Order, purchase order, work authorization, amendment, or other TxDOT-approved written authorization before Vendor begins any optional module implementation services.

4.2.9. Vendor must propose implementation services for optional modules using a flat fee structure, unless otherwise approved by TxDOT in writing.

4.2.10. Pricing for optional modules must be prorated to the remaining contract term. TxDOT will not pay full-term costs for partial-term use.

4.2.11. Optional modules must comply with this SOW, the Functional and Technical Requirements Schedule, TxDOT system requirements, TxDOT security standards, TxDOT accessibility requirements, and TxDOT IT governance requirements.

4.2.12. Optional modules must remain compatible with the core solution, and all previously implemented modules.

4.2.13. Optional modules must not degrade or negatively impact the performance, availability, security,

accessibility, integrations, reporting, data, workflows, or functionality of the base solution or any previously implemented module.

4.2.14. Optional modules must provide reporting capabilities to TxDOT, including statutory, compliance, operational, and ad hoc reports defined by TxDOT.

4.2.15. Optional modules must integrate with TxDOT's enterprise reporting and data warehouse environments without requiring additional software licenses, unless otherwise approved in writing by TxDOT.

4.2.16. Vendor must provide updated user guides, training materials, system administration guides, technical documentation, release notes, and support documentation for each optional module at no additional cost to TxDOT, unless otherwise approved in writing by TxDOT.

4.2.17. Implementation of optional modules must comply with TxDOT change management and IT governance processes, including Change Advisory Board approval, if applicable.

4.2.18. Optional modules must pass TxDOT security review, penetration testing, vulnerability assessment, accessibility review, and any other TxDOT-required review before acceptance, as applicable.

4.2.19. Optional module implementation must meet the same Service Level Agreements, maintenance requirements, support requirements, security requirements, and acceptance requirements as the base solution.

4.2.20. Optional modules and related implementation services must not be considered accepted until TxDOT verifies compliance with applicable functional and technical requirements, confirms no Severity 1 or Severity 2 defects remain, and signs an Acceptance Report or otherwise provides written acceptance.

4.2.21. TxDOT must accept the completed optional module and related deliverables in writing before payment is issued.

Attachment C - Vendor Deliverables

1. OVERVIEW:

Vendor deliverables will be divided into milestones within three implementation phases:

1.1. Phase 1 – Discovery, Design, and Planning

1.2. Phase 2 – Infrastructure Readiness, Configuration, and Implementation – Build, Test, Deploy

1.3. Phase 3 – Deployment, Training, and Technical Support

1.4. Vendor must propose the specific milestones for each phase as part of its implementation approach, project schedule, and pricing structure. The proposed milestones must clearly identify the milestone activities, required deliverables, required documentation, dependencies, due dates, acceptance criteria, and any associated payment amount, if applicable.

1.5. Each milestone must be structured so that TxDOT can determine what work will be completed, what documentation will be submitted, how completion will be measured, and what TxDOT must accept before the milestone is considered complete.

1.6. Completion of a milestone requires completion of all activities associated with that milestone and submission of all required documentation, work products, reports, plans, test results, configuration records, training materials, approval records, or other deliverables applicable to that milestone.

1.7. Documentation required under a milestone is supporting evidence of completion and acceptance; however, documentation alone does not constitute completion of a milestone.

1.8. A milestone will not be considered complete until:

1.8.1. Vendor has completed all milestone activities.

1.8.2. Vendor has delivered the applicable operational outcome, system capability, service, configuration, environment, integration, training, testing result, deployment result, support outcome, or closeout work product.

1.8.3. Vendor has submitted all required milestone documentation and deliverables.

1.8.4. Submitted documentation is complete, accurate, internally consistent, and aligned with the approved project approach.

1.8.5. Deliverables conform to the SOW, Functional and Technical Requirements Schedule, TxDOT-approved project documents, and applicable standards.

1.8.6. TxDOT has reviewed the milestone submission.

1.8.7. Vendor has corrected TxDOT-identified deficiencies.

1.9. The Vendor must adhere to the following delivery and acceptance requirements:

1.9.1. All written deliverables must be phrased in terms and language that can be easily understood by non-technical personnel (e.g., laypersons without subject matter expertise).

1.9.2. Other document deliverables must be in the format specified by TxDOT. At a minimum, the formats must be in industry - accepted standards (e.g., MS Word, MS PowerPoint, MS Excel, and MS Project, PDF).

1.9.3. All Deliverable must meet Accessibility Standards as detailed out in functional and technical requirement.

1.9.4. All deliverables must have acceptance criteria established and a time period for testing or acceptance approved by TxDOT.

1.9.5. Each deliverable must be submitted on or before its due date. Any changes to the delivery date must have prior approval (in writing) by TxDOT.

1.9.6. Each milestone must be submitted on or before its due date. Any changes to the milestone delivery date must have prior approval (in writing) by TxDOT.

1.9.7. Notice to TxDOT PM in writing if the deliverable cannot be provided within the scheduled time frame and include a reason for the delay and the proposed revised schedule. The request for a revised schedule must include the impact on related tasks and the overall project.

1.9.8. Acceptance of Post Award Vendor Deliverables: All deliverables to TxDOT for review and approval prior to being implemented and invoiced. TxDOT will review, make recommendations, or approve the draft of all deliverables no later than 15 business days after receipt date, unless Vendor is otherwise notified by TxDOT. Deliverables will be evaluated based on completeness, thoroughness, technical applicability, and timeliness. The products and services submitted as deliverables must meet all specifications and standards established by TxDOT or other regulatory

agency.

1.9.9. Written acceptance or rejection of a deliverable must be accompanied by a statement of known defects in the deliverable. If a deliverable is rejected, the Vendor must correct and resubmit it within five business days.

1.9.10. Acceptance or rejection of a deliverable will be effective when it is posted in the mail, faxed, or sent electronically to the Vendor.

1.9.11. Accelerated review schedules may be requested as mutually agreeable.

1.9.12. Multiple review iterations should not exceed two (2) rounds of review and no new review points will be included in the second review. If additional reviews are necessary after initial rounds of review, this will be escalated to TxDOT leadership to communicate rationale for additional review.

1.9.13. For high-volume deliverables, individual sections of high- volume deliverables will be reviewed based on submission date held within the project designated repository.

2. IMPLEMENTATION AND TRANSITION DELIVERABLES:

Payment for each implementation phase will be contingent upon Vendor's successful completion of the phase and TxDOT's written acceptance of all required deliverables. TxDOT will not be obligated to issue payment for any implementation phase until all deliverables for that phase have been reviewed and accepted in writing by TxDOT.

2.1. Phase 1 –Deliverables

Phase 1 will be accepted when Vendor has completed the required discovery, design, planning, governance, and project setup activities and TxDOT has accepted the implementation baseline. The Phase 1 implementation baseline must clearly define what will be configured, built, migrated, integrated, tested, trained, deployed, supported, and accepted during the project. Phase 1 acceptance requires:

2.1.1. Vendor has completed discovery sessions, design discussions, planning activities, and required coordination with TxDOT.

2.1.2. Vendor has documented TxDOT-approved project governance, roles, responsibilities, communication expectations, escalation paths, and decision-making processes.

2.1.3. Vendor has submitted an acceptable project schedule, work breakdown structure, milestone structure, and project organization.

2.1.4. Vendor has submitted acceptable plans for change control, organizational change management, communications, data migration, issue management, monitoring and control, risk management, quality management, and test management.

2.1.5. The project schedule identifies major activities, milestones, dependencies, deliverables, review periods, TxDOT responsibilities, and critical path items.

2.1.6. The data migration plan identifies source data, migration approach, mapping approach, validation approach, reconciliation approach, risks,

dependencies, and TxDOT responsibilities.

2.1.7. The test management plan identifies testing phases, test responsibilities, test data needs, defect tracking approach, acceptance approach, and reporting expectations.

2.1.8. Risks, assumptions, dependencies, issues, and decisions have been documented and reviewed with TxDOT.

2.1.9. Vendor has incorporated TxDOT comments or identified any unresolved items requiring TxDOT decision.

2.1.10. TxDOT has determined that Phase 1 deliverables provide sufficient detail to proceed into Phase 2 build, configuration, migration, integration, and testing activities.

2.2. Phase 1 required documentation includes:

2.2.1. Project Management Plan

2.2.1.1. Provide an approach and process for managing project standards, controls, and documentation for all project tasks for which the Vendor will be responsible.

2.2.1.2. Vendor must provide a preliminary Project Management Plan (PMP) that conveys all the components of its technical approach to implementing the solution. This implementation plan must provide the overarching methodology to incorporate

project planning, knowledge transfer, user acceptance and quality assurance methodology of the life of the project. The PMP must be scaled to the proposed length of time by which the solution must be developed, tested, piloted, and accepted, documentation produced, users trained, and implemented, following PO award. Within an agreed number of business days of the project kick off date, Vendor must provide the PMP that addresses all required project management components as identified below. The PMP must be updated, as necessary, to ensure the successful completion of the project.

2.2.1.3. Vendor must submit two versions of the Project Management Plan:

2.2.1.3.1. Version 1.0 must be submitted within 15 business days of the project kick off date.

2.2.1.3.2. Version 2.0 must be submitted at the end of Phase 1 and will not be final unless revised per TxDOT's approval.

2.2.2. Project Schedule:

2.2.2.1. Provide and keep current an integrated schedule that includes all project

milestones and deliverables, activities performed by TxDOT and Vendor, critical path, dependencies, work product, and results.

2.2.2.2. All project schedules must be in a TxDOT approved application MS Project preferred.

2.2.2.3. The project schedule for the first six weeks of the project must be submitted to TxDOT within the first two weeks of the issuance of the PO, with the detailed critical path for the entire project provided to TxDOT within four weeks of the project start.

2.2.2.4. The project schedule must be updated as requested by the TxDOT Project Manager. The project schedule is to be baselined within four weeks of the project start.

NOTE: This project will require TxDOT CAB (Change Advisory Board) and ATO (Authority to Operate). Preparing to go to TxDOT CAB and receiving ATO may require additional time to be added to the project timeline.

2.2.3. Work Breakdown Structure (WBS):

2.2.3.1. Include all project dependencies, tasks, major deliverables, milestones, timelines, and Vendor and TxDOT resources assigned to each task as a detailed project schedule and work plan baseline. The WBS must

provide a reference point for managing project progress as it pertains to schedules and timelines. Include submission and approval of deliverables and gated phases. The project manager must monitor and update the schedule and work plan, revising as appropriate, with approval from TxDOT. The plan must include, but is not limited to the following:

2.2.3.1.1. A logical sequence of deliverables.

2.2.3.1.2. A clear definition of each deliverable.

2.2.3.1.3. Vendor Stakeholder Register and Staffing requirements.

2.2.3.1.4. An Implementation Schedule.

2.2.3.1.5. A specific target completion date for each task and deliverable.

2.2.3.1.6. Tasks and high-level deliverable and dependencies for milestone levels.

2.2.3.1.7. Individual schedule tasks should be no longer than four weeks in duration (ideally never more than three times the update cycle).

2.2.3.1.8. Project requirements such as Communication, Risk, Quality, etc. should be clearly delineated in the schedule.

2.2.3.1.9. Define a firm timeline for all aspects of the project from initiation to close of the project.

2.2.3.1.10. Coordinated work efforts to align with TxDOT's project expectations.

2.2.3.1.11. Managed schedule dependencies and critical paths to align all project interfaces and needs with other cross functional teams including but not limited to security, IT, and asset management.

2.2.3.1.12. All project milestones and deliverables.

2.2.3.1.13. Activities performed by TxDOT and the vendor.

2.2.3.1.14. Resources defined.

2.2.3.1.15. Critical path.

2.2.3.1.16. Dependencies.

2.2.3.1.17. Work product and results.

2.2.3.1.18. Details on the durations, and expectations of TxDOT resources as part of their project plan.

2.2.4. Project Organization

2.2.4.1. Provide a project organization chart to include project sponsor, sub-level project team members depicting project roles and responsibilities of each team member of anyone working on the project. Identify project escalation team members and their contact information.

2.2.5. Project Change Control Management Plan

2.2.5.1. Vendor to follow TXDOT Change Control Management.

2.2.5.2. Timeframes for resolution, responsible parties, and specific steps to be taken on issues or disputes arising during the implementation process, including approval and escalation procedures.

2.2.5.3. A change control plan that includes change identification, tracking, and change management processes.

2.2.5.4. Identification of responsible parties to approve all changes.

2.2.5.5. Change management reporting that includes software output, milestone charts,

and resource usage. Timeframes for resolution, responsible parties, and specific steps to be taken on issues or disputes arising during the implementation process, including approval and escalation procedures.

2.2.6. Organizational Change Management Plan

2.2.6.1. Create, administer, and analyze the Change Readiness and Risk Assessment to evaluate the change readiness of the project team, sponsor, and end-users. Present outcome to project team. Use readiness plan to develop communication and OCM plans.

2.2.6.2. Create, administer, and analyze the Stakeholder (End-User) Assessment to evaluate and to plan changes affecting stakeholders (end-users). Present outcome to project team. Use these results to develop communication and OCM plans.

2.2.6.3. Create and implement a Change Impact Assessment to evaluate the level of effort and how much change is occurring to end users, systems, roles, responsibilities, skillset, etc. Present outcome to project team. Use these results to develop communication and OCM plans.

2.2.6.4. Create a RACI with OCM owners and responsibilities.

2.2.6.5. Review and approval required for all plans and by the project team and ITD OCM team.

2.2.7. Project Management Communication Plan

2.2.7.1. Describe the communication methods for project communication including project progress reporting for senior managers, project team, internal and external stakeholders. If 3rd parties are involved, ensure the primary vendor is included in all communications to TXDOT on agreed upon schedule. The Vendor must direct, coordinate and communicate the activities of the project team to ensure the project progresses as outlined communication plan using Red/Yellow/Green metrics, status, and measures (threshold).

2.2.8. Communications and Marketing Plan

2.2.8.1. Develop detailed communication plan and associated deliverables to include but not limited to targeted and broad communications. Examples include FAQ, branding, graphics, videos, eblasts, SharePoint site for end-users, demonstrations, meeting presentations, newsletters, etc.

2.2.9. Data Migration Plan

2.2.9.1. Migration will be required from legacy

eGrants system to new systems with all active project data, including all historic data based on data retention rule. Provide a data migration plan that includes:

2.2.9.2. Data mapping and transformation

2.2.9.3. Data mapping preparation

2.2.9.4. Data migration execution

2.2.9.5. Data validation and testing

2.2.9.6. Final implementation and transition

2.2.10. Issue Management Process Plan

2.2.10.1. Provide an Issue Management process during project execution and implementation that includes:

2.2.10.1.1. Issue identification, tracking, reporting, resolution, and any delays to project schedule.

2.2.10.1.2. Number of business days for resolution before escalating the problem to a higher level.

2.2.10.1.3. Specific steps to be taken on issues or disputes arising during the implementation process, including approval and escalation procedures.

2.2.10.1.4. Progress and updates of resolution of issues

2.2.10.1.5. Identification of and contact information for progressively higher levels of personnel in the Vendor's organization that would be involved in resolving a problem.

2.2.10.1.6. Post implementation Maintenance & Support SLAs.

2.2.11. Monitoring and Control Plan

2.2.11.1. Provide an outline of procedures to track and manage the project team's progress regarding project tasks, deliverables, milestones, and the management of risks.

2.2.12. Risk Management Plan

2.2.12.1. Describe a comprehensive strategy and methodology for identifying, assessing, reporting, managing, and mitigating or eliminating risks and issues. The risk management plan must be updated as needed and reviewed in project meetings with TxDOT personnel, as requested by the TxDOT Project Manager. The plan is due no later than 10 business days after the project kick off meeting.

2.2.13. Quality Management Plan

2.2.13.1. Ensure the project quality throughout the project life cycle through measurable deliverables including on-time delivery,

just-in-time training, comprehensive documentation, and knowledge transfer. The quality assurance plan must include, but not be limited to:

2.2.13.2. Strategies and processes to promote quality.

2.2.13.3. Procedures to periodically measure and report quality performance to TxDOT throughout the term of the PO.

2.2.13.4. How often the Vendor conducts internal audits and engages external audit firms to conduct audits of its operations.

2.2.13.5. Controls to be used within the project to assure quality and consistency throughout the term of the PO.

2.2.13.6. Response plan for significant errors or service disruption events and planned response during and after the event to ensure that all appropriate parties are made aware of the event and minimize the likelihood that such errors or events will occur again.

2.2.14. Test Management Plan

2.2.14.1. TxDOT will approve Vendor’s detailed test plan no later than 15 business days before the start of each wave of testing, including tests that must be performed and tools that must be used for product

implementation.

2.2.14.2. Respondent must propose its recommended testing approach necessary to satisfy the testing requirements identified in this SOW. Detailed testing responsibilities, testing activities, testing sequence, acceptance criteria, and approval processes will be finalized during Phase 1 – Discovery, Design, and Planning with the selected Vendor and documented in the TxDOT-approved Test Management Plan. The minimum testing responsibilities and requirements identified in Attachment B, Section 2.5 and Attachment C, Sections 2.6.2 and 2.6.3 remain applicable.

2.3. Phase 2 –Deliverables

Phase 2 will be accepted when Vendor has completed the applicable infrastructure readiness, configuration, build, migration, integration, single sign-on, documentation, and deployment readiness activities necessary to prepare the solution for production deployment. Phase 2 acceptance requires:

2.3.1. Required development, test, and production environments have been established, configured, or prepared in accordance with the approved project approach.

2.3.2. Solution configuration aligns with TxDOT-approved business processes, workflows, roles, permissions,

forms, fields, templates, reports, dashboards, and business rules.

2.3.3. Business process flow diagrams accurately reflect the configured solution and TxDOT-approved processes.

2.3.4. Technical design documentation accurately reflects the implemented configuration, architecture, integrations, interfaces, security design, and deployment approach.

2.3.5. Architecture, network, and interface diagrams are complete, accurate, and sufficient for TxDOT technical review.

2.3.6. Security design documentation identifies roles, permissions, authentication, authorization, access controls, audit logging, and other applicable security controls.

2.3.7. Single Sign-On has been configured and validated, if applicable.

2.3.8. Approved integrations with TxDOT systems have been configured, tested, and validated, if applicable.

2.3.9. Data conversion and migration activities have been completed for the applicable environment and migration cycle.

2.3.10. Migrated data has been validated, reconciled, and reviewed for completeness, accuracy, usability, and integrity.

2.3.11. Requirements Traceability Matrix has been updated to show the status of requirements, configuration, testing, and any open issues.

2.3.12. Release management, go-live, training, knowledge transfer, product, and support documentation have been submitted and reviewed.

2.3.13. Open defects, issues, and risks have been documented, prioritized, assigned, and managed in accordance with the approved issue and defect process.

2.3.14. No unresolved critical defects or blockers remain that would prevent TxDOT from proceeding to deployment, training, or production readiness activities.

2.3.15. TxDOT has determined that the configured solution is ready for Phase 3 deployment, training, technical support, and closeout activities.

2.4. Phase 2 required documentation includes:

2.4.1. Post-migration Assessment Plan:

2.4.1.1. Performed after each migration, conduct a comprehensive post-migration assessment of the users' business environment and business processes. The written assessment must include, at a minimum:

2.4.1.2. Continued timely notification to TxDOT of identified vulnerabilities and security advisories that may impact the confidentiality, integrity or availability of the data and system.

2.4.1.3. Business process continuity.

2.4.1.4. Lessons Learned.

2.4.1.5. Improvements and system enhancement.

2.4.2. Release Management Plan:

2.4.2.1. Provide an outline of procedures for release and deployment of system components, including how the release of future software upgrades and enhancements will be managed. Vendor must be responsible for creating a release plan and schedule for each release to production.

2.4.3. Go-Live Plan:

2.4.3.1. Provide Go-Live plan in collaboration with TxDOT to include but not limited to:

2.4.3.1.1. ARB (Architecture Review Board) review and approval of final architecture for deployment

2.4.3.1.2. OCM (Organizational Change Management) Communications Plan to recipient of the solution if applicable.

2.4.3.1.3. User Access Criteria

2.4.3.1.4. Test Summary Results document

2.4.3.1.5. Approval letter from the Business to move to production.

2.4.3.1.6. Vendor to provide information required for Service Transition Plan

2.4.3.1.7. InfoSec’s Authority to Operate (ATO)

2.4.3.1.8. Pre-CAB slides (Sent out 2 weeks prior to the Pre-CAB review meeting.)

2.4.3.1.9. Pre-CAB review meetings

2.4.3.1.10. Cut Over and Backout Plans

2.4.3.1.11. Change Advisory Board (CAB) – Vendor will provide the information required for CAB. Vendor may need to attend the pre-CAB or CAB meeting at the request of TxDOT.

NOTE: TxDOT CAB is held on Tuesdays and Thursdays. Vendor will assist in planning for CAB by providing the information that is required for the CAB.

NOTE: Go Live (On Weekdays, it must be after 6pm and complete before 6am the next day. Go-Live cannot be executed on the same day as CAB approval.)

2.4.4. Training Plan:

2.4.4.1. The plan must identify, at a minimum, the training topics, affected user groups, proposed schedule, delivery methods, required materials, and roles and responsibilities. The training plan must be based on the results of the training evaluation.

2.4.4.2. Respondent must propose its recommended training approach, including delivery methods, training materials, and knowledge-transfer activities necessary to support successful implementation and adoption of the solution. Detailed training plans, audience definitions, schedules, locations, and delivery requirements will be finalized during Phase 1 – Discovery, Design, and Planning. The minimum training sessions, attendees, and training requirements identified in Section 2.6.4 remain applicable.

2.4.5. Knowledge Transfer Plan

2.4.5.1. Collaborate with TxDOT 3rd party services provider to create a Knowledge Transfer plan to include but not limited to:

2.4.5.1.1. Foundation Learning

2.4.5.1.2. Discover/Simulate

2.4.5.1.3. Demonstrate

2.4.5.1.4. Stabilize and deliver

2.4.5.2. Participate and schedule Knowledge Transfer sessions for all phases.

2.4.5.3. Provide system access needed for Knowledge Transfer phases.

2.4.5.4. Provide functional roles and descriptions.

2.4.5.4.1. Provide list of system functional roles and description of their responsibility and roles in the system.

2.4.5.4.2. List of users and their roles in the existing system to be mapped to the roles in the new system.

2.4.5.4.3. User list to include first name, last name, username, email, mapped role in existing system to role in new system, supervisor first and last name, supervisor email, division or district, and other information as requested.

NOTE: Vendor must not invoice and TxDOT will not pay for any additional charges associated with the training such as travel costs, per diem

expenses or other out-of-pocket expenditures.

2.4.5.5. Provide VPAT (Voluntary Product Accessibility Template).

2.4.6. Product Documentation:

2.4.6.1. Provide standard product documentation that comes along with a product. Documentation to include installation guides, administrator guide, use guides, quick starts, training guides and any other items that provide guidelines in using the product.

2.4.7. Business Process Flow Diagram:

2.4.7.1. Provide a business flow diagram and how it will work with TxDOT system. Vendor will aid in documenting and developing the business process with TxDOT in providing a graphical presentation of the process flows, interactions, and decision points with different branching.

2.4.8. Technical Design Document (TDD):

2.4.8.1. Provide foundational information about the underlying architecture, materials, and process for interfacing with, or building on top of, existing technology. In software, technical documentation outlines the various API routes and endpoints the developer can access, or it can explain the

libraries, integrations, and dependencies of the SDK. It typically includes the terms, abbreviations, tables, diagrams, and screen shots to easily impart detailed information.

2.4.9. Architecture/Network Diagram:

2.4.9.1. Provide Architecture/Network Diagram which represents the architecture and network of the project and how they interact with each other. A modified Architecture/Network Diagram may be requested if changes are made. Including but not limited to:

2.4.9.1.1. Servers

2.4.9.1.2. Router

2.4.9.1.3. Devices (Internal and External)

2.4.9.1.4. Hubs

2.4.9.1.5. Firewalls

2.4.9.1.6. System Response volume of data and server logs

2.4.9.1.7. Load balance details

2.4.10. Interface Diagram:

2.4.10.1. Provide an Interface Diagram and include in the diagram: data transfer protocol examples SOAP, REST, SFTP, FTP, types of integrations, ESB, VPN Tunnels. Provide

Configuration Workbook- Describe extract transport load process for each application from

2.4.10.2. source to destination. A tool to extract the metadata from the application into an Excel format. It is used to document customer configuration requirements. This workbook can be used to construct and validate the configuration in customer tenants.

2.4.11. Configuration Workbook:

2.4.11.1. Describe extract transport load process for each application from source to destination. A tool to extract the metadata from the application into an Excel format. It is used to document customer configuration requirements. This workbook can be used to construct and validate the configuration in customer tenants.

2.4.12. Security Design Document:

2.4.12.1. Provides assurance by describing how a system provides trust and shows that all the protection mechanisms of a system are correctly implemented and sufficiently provide the needed trust. Addresses: Physical Security, Identity and Access, Perimeter, Network, Compute, Application, and Data.

2.4.13. Support Documentation:

2.4.13.1. May include but not limited to: Support Policies, FAQ's, Support SLA's, Online Guides

2.4.14. Requirements Traceability Matrix:

2.4.14.1. Document test runs, test cases, test results, and any issues to include but not limited to:

2.4.14.1.1. A tabular listing of every requirement in the SOW

2.4.14.1.2. Each is uniquely numbered.

2.4.14.1.3. Includes page and paragraph number of the Functional and Technical Requirements Schedule.

2.4.14.1.4. Includes the solution's feature name that is to meet the requirement.

2.4.15. Data Conversion and Migration:

2.4.15.1. Vendor must provide all services necessary to extract, convert, migrate, validate, and load TxDOT data from the legacy system, existing databases, files, spreadsheets, or other TxDOT-designated sources into the proposed solution.

2.4.15.2. Vendor must develop and submit a Data Conversion and Migration Plan for TxDOT review and approval before beginning

migration activities. The plan must include, at a minimum:

2.4.15.2.1. Source data systems and files to be migrated.

2.4.15.2.2. Data fields, tables, records, documents, attachments, metadata, and historical data to be included.

2.4.15.2.3. Data mapping between the source system and the proposed solution.

2.4.15.2.4. Data cleansing, normalization, transformation, and deduplication approach; Migration tools, methods, and responsibilities.

2.4.15.2.5. Validation and reconciliation procedures.

2.4.15.2.6. Error handling and correction process.

2.4.15.2.7. Test migration schedule.

2.4.15.2.8. Final migration/cutover schedule

2.4.15.2.9. Backup and rollback approach; and

2.4.15.2.10. TxDOT responsibilities and required access.

2.4.15.3. Vendor must perform data mapping and provide a data mapping document identifying how each source data element will be converted, transformed, or loaded into the proposed solution.

2.4.15.4. Vendor must perform one or more test migrations before production migration. TxDOT may require additional test migrations if data accuracy, completeness, or usability issues are identified.

2.4.15.5. Vendor must validate migrated data for completeness, accuracy, integrity, and usability. Validation must include record counts, field-level comparisons, exception reports, and user review as required by TxDOT.

2.4.15.6. Vendor must correct data conversion and migration errors identified before final acceptance at no additional cost to TxDOT, unless the error is caused solely by inaccurate or incomplete source data provided by TxDOT.

2.4.15.7. Vendor must ensure migrated data retains applicable relationships, audit history, attachments, metadata, permissions, and historical records, as required by TxDOT.

2.4.15.8. Vendor must not perform final production migration or cutover without TxDOT’s

written approval.

2.4.15.9. Vendor must provide post-migration support to resolve migration-related defects, missing data, formatting issues, or access issues identified after go-live.

2.4.15.10. TxDOT will have final approval of data conversion and migration completion.

2.4.15.11. Vendor must be responsible for data profiling, extraction, mapping, cleansing, normalization, deduplication, transformation, migration, reconciliation, and validation activities necessary to migrate the TxDOT-designated data into the proposed solution.

2.4.15.12. TxDOT will provide available source-system information, data documentation, representative data samples, retention requirements, system access, or data extracts as applicable and available. Vendor must identify any additional source information, access, documentation, or data required to perform migration activities.

2.4.15.13. TxDOT willcoordinate with incumbent solution providers, third-party service providers, or other system owners as necessary to facilitate access to source systems, documentation, or data. Detailed

responsibilities and dependencies for TxDOT, Vendor, incumbent solution providers, and third parties will be established during Phase 1 – Discovery, Design, and Planning and documented in the Data Conversion and Migration Plan.

2.4.15.14. Vendor must develop the source-to-target data mappings as part of the Data Conversion and Migration activities. Incomplete, inaccurate, duplicate, or inconsistent source data identified during migration must be documented and reviewed with TxDOT. TxDOT will determine the appropriate business disposition when correction requires a TxDOT business or data-owner decision. Vendor remains responsible for correcting migration, transformation, configuration, or loading errors caused by Vendor.

2.4.16. Integration with TxDOT Systems

2.4.16.1. Vendor must provide all tools and services necessary to configure, develop, test, implement, and support integrations between the proposed solution and TxDOT-designated systems.

2.4.16.2. Vendor must develop and submit an Integration Plan for TxDOT review and approval. The plan must include, at a

minimum:

2.4.16.2.1. Systems to be integrated.

2.4.16.2.2. Integration purpose and business process supported.

2.4.16.2.3. Data elements exchanged.

2.4.16.2.4. Data direction, frequency, and timing.

2.4.16.2.5. Interface methods, including API, file transfer, database connection, middleware, or other approved methods.

2.4.16.2.6. Authentication and authorization methods.

2.4.16.2.7. Error handling and exception reporting.

2.4.16.2.8. Logging and monitoring approach.

2.4.16.2.9. Security controls.

2.4.16.2.10. Testing approach.

2.4.16.2.11. Cutover approach; and

2.4.16.2.12. Roles and responsibilities for Vendor, TxDOT, and any third-party system owners.

2.4.16.3. Vendor must support integration with TxDOT systems using TxDOT-approved technical standards, security requirements,

and interface methods.

2.4.16.4. Vendor must provide documented application programming interfaces, data specifications, file layouts, schemas, endpoints, authentication requirements, and other technical documentation necessary for integration.

2.4.16.5. Vendor must ensure integration transmits data accurately, completely, securely, and within TxDOT-approved timeframes.

2.4.16.6. Vendor must provide integration error handling, including failed transaction notification, retry processing, exception reporting, and resolution procedures.

2.4.16.7. Vendor must provide audit logs for integration activity, including successful transactions, failed transactions, user/system activity, timestamps, and error details.

2.4.16.8. Vendor must participate in integration design sessions, technical meetings, testing, troubleshooting, and production readiness activities with TxDOT and TxDOT-designated third parties.

2.4.16.9. Vendor must perform unit testing, system integration testing, user acceptance testing support, and production validation for all required integrations.

2.4.16.10. Vendor must not place any integration into production without TxDOT's written approval.

2.4.16.11. Vendor must maintain and support integration throughout the term of the contract, including updates required due to changes in the proposed solution, TxDOT systems, security requirements, or business processes.

2.4.17. Single Sign-On

2.4.17.1. Vendor must configure the proposed solution to support TxDOT-approved Single Sign-On, allowing authorized users to access the solution using TxDOT-managed credentials.

2.4.17.2. Vendor must support TxDOT's identity and access management requirements, including integration with TxDOT's designated identity provider.

2.4.17.3. Vendor must support industry-standard authentication protocols as required by TxDOT, such as SAML 2.0, OAuth 2.0, OpenID Connect, or other TxDOT-approved methods.

2.4.17.4. Vendor must develop and submit a Single Sign-On Configuration Plan for TxDOT review and approval. The plan must include, at a minimum:

2.4.17.4.1. Authentication protocol.

2.4.17.4.2. Identity provider configuration requirements.

2.4.17.4.3. Service provider metadata

2.4.17.4.4. Required attributes and claims.

2.4.17.4.5. User provisioning and deprovisioning approach.

2.4.17.4.6. Role mapping.

2.4.17.4.7. Access control model.

2.4.17.4.8. Testing approach.

2.4.17.4.9. Error handling and support process; and Go-live/cutover steps.

2.4.17.5. Vendor must configure role-based access control to ensure users only have access to functions, data, and system capabilities authorized by TxDOT.

2.4.17.6. Vendor must support automated or TxDOT-approved user provisioning and deprovisioning processes, including timely removal of access when a user separates, changes roles, or no longer requires access.

2.4.17.7. Vendor must support multi-factor authentication if required by TxDOT's

identity provider or security policies.

2.4.17.8. Vendor must not store TxDOT user passwords within the proposed solution unless expressly approved in writing by TxDOT.

2.4.17.9. Vendor must provide SSO testing support, including test user setup, role validation, authentication testing, failed login testing, logout testing, and access control validation.

2.4.17.10. Vendor must provide logs and troubleshooting support for authentication failures, access issues, attribute mapping errors, and role assignment issues.

2.4.17.11. Vendor must not place Single Sign-On into production without TxDOT's written approval.

2.4.17.12. TxDOT will have final approval of the Single Sign-On configuration and access control setup before go-live.

2.5. Phase 3 –Deliverables

Phase 3 will be accepted when Vendor has deployed the solution, completed required testing and training, provided hypercare, transitioned the solution to ongoing support, updated documentation, completed closeout activities, and TxDOT has accepted the solution for operational use. Phase 3 acceptance requires:

2.5.1. The approved solution has been deployed to production.

2.5.2. Authorized users have appropriate access based on approved roles and permissions.

2.5.3. Required system testing has been completed and documented.

2.5.4. Test cases and testing logs demonstrate that applicable requirements, workflows, integrations, security roles, reports, dashboards, data migration, and user functions were tested.

2.5.5. Critical and high-priority defects have been resolved or otherwise accepted in writing by TxDOT.

2.5.6. Information Security's System Security Plan has been completed and accepted, if applicable.

2.5.7. Training has been delivered to applicable TxDOT users, administrators, support staff, and other user groups as required.

2.5.8. Training materials, user guides, administrator guides, job aids, or other training support materials have been provided.

2.5.9. Hypercare has been provided for the required period and includes issue tracking, user support, defect resolution, status reporting, and escalation support.

2.5.10. The Run Book has been completed and provides sufficient operational guidance for support, maintenance, escalation, routine administration, incident management, backup/recovery, integrations,

and other operational needs.

2.5.11. Product, technical, support, training, and operational documentation has been updated to reflect the final deployed solution.

2.5.12. Vendor has completed transition to ongoing maintenance and support.

2.5.13. A closeout meeting has been conducted with TxDOT.

2.5.14. All outstanding issues, risks, decisions, defects, and action items have been documented and resolved or accepted by TxDOT.

2.5.15. The production solution has satisfied the SOW's production acceptance requirement, including the required production operation period with no P1 or P2 incidents, unless otherwise approved in writing by TxDOT. The SOW identifies software acceptance as requiring 30 consecutive days of production operation with no P1 or P2 incidents.

2.6. Phase 3 required documentation includes:

2.6.1. Information Security's System Security Plan.

2.6.1.1. Provide Information Security's System Security Plan.

2.6.2. System testing and system testing logs

2.6.2.1. Testing must include the full range of options offered by both the software product and the installed hardware product, if any.

2.6.2.2. Testing must also include business process validation. This process must allow all stakeholders to identify bugs, defects, operational issues, and other problems with the software, hardware, configurations, and converted data.

2.6.2.3. A TxDOT representative will be involved during each type of testing to verify adequate implementation and completion of:

2.6.2.4. Defect/Bug Report –that must include:

2.6.2.4.1. Total number of defects/bugs

2.6.2.4.2. Number of resolved defects/bugs

2.6.2.4.3. Number of defects/bugs outstanding

2.6.2.4.4. Number of defects/bugs escalated, etc., categorized by age, severity, and priority.

2.6.2.5. TxDOT will provide Vendor business processes or use cases, and Vendor will create test case(s) with TxDOT input and approval.

2.6.2.6. Unit Testing. Conducted by Vendor; test results provided to TxDOT.

2.6.2.7. Configuration/Functional/System Testing. Conducted by Vendor; test results provided

to TxDOT.

2.6.2.8. Integration Testing, including environments (as proposed by the Respondent), data migration and conversion, and interfaces. Conducted by Vendor in conjunction with TxDOT; test results provided to TxDOT. Interface to be coordinated with TxDOT.

2.6.2.9. Regression Testing. Conducted by Vendor against existing functionality post any code changes; test results provided to TxDOT. TxDOT will conduct this type of testing during UAT post any code changes.

2.6.2.10. Vendor will facilitate; coordinate, & collaborate UAT testing with TxDOT utilizing Vendor provided agreed upon test cases with Vendor test execution and defect management support.

2.6.2.11. Infrastructure Testing: If changes to the infrastructure are approved by TxDOT, the Vendor must provide an infrastructure test plan that must include, but not be limited to the following:

2.6.2.11.1. Performance testing to ensure integrated system satisfies service level targets under normal workloads.

2.6.2.11.2. Load testing of the application to determine the highest

number of users where the system can still function prior to failure.

2.6.2.11.3. Stress testing of the application to determine failure point of the system under extreme levels of usage.

2.6.2.11.4. Test results of each Infrastructure test phase

2.6.2.12. Security testing to be conducted by the Vendor in conjunction with TxDOT as defined by the TxDOT ITD Information Security team; test results provided to TxDOT.

2.6.2.13. Accessibility Audit of software application and any associated hardware to be conducted by the Vendor if the software application version changes from original licensing. Test results to be provided to TxDOT in the form of a VPAT (Voluntary Product Accessibility Template).

2.6.2.14. Develop and maintain a Test Execution Tracking Log based on the requirements traceability matrix that will be provided by the Vendor at TxDOT's request for each test phase and must include at a minimum:

2.6.2.14.1. Functional/Non-Functional

area to be tested.

2.6.2.14.2. Test Execution numbers based on results: Pass, Fail, Not Run.

2.6.2.14.3. Test Execution percentages based on results: Pass, Fail, Not Run.

2.6.2.14.4. Test Execution Complete percentages by Functional/Non-Functional Area.

2.6.2.14.5. Overall Test Execution Complete percentages by Test Phase.

2.6.2.15. Create and maintain an agreed upon Defect Tracking Log that will be provided by the Vendor at TxDOT's request and may include but not limited to:

2.6.2.15.1. Unique tracking number.

2.6.2.15.2. Short name and description of the defect.

2.6.2.15.3. Reference to test condition that identified the defect.

2.6.2.15.4. Reference to requirement (i.e., epic/story/BR/FR) affected by the defect.

2.6.2.15.5. Date Defect was identified.

2.6.2.15.6. Tester.

2.6.2.15.7. Disposition (e.g., Not a Defect, Fixed, Successfully Retested, etc.) status.

2.6.2.15.8. Severity Level.

2.6.2.15.9. Priority

2.6.2.15.10. Description of changes made to correct the defect and resolution.

2.6.3. Test Cases

2.6.3.1. Vendor must develop, document, maintain, and execute test cases for each applicable testing phase, including unit testing, configuration/functional/system testing, integration testing, regression testing, user acceptance testing, infrastructure testing, security testing, and accessibility testing, as applicable.

2.6.3.2. Test cases must be based on TxDOT-provided business processes, use cases, requirements, configurations, workflows, integrations, converted data, hardware components, and the full range of options offered by the proposed software product and installed hardware product, if any.

2.6.3.3. Vendor must develop test cases with TxDOT input and must submit the test

cases to TxDOT for review and approval before execution. Vendor must not begin formal test execution until TxDOT approves the applicable test cases.

2.6.3.4. Each test case must include, at a minimum:

2.6.3.4.1. Unique test case identification number.

2.6.3.4.2. Associated requirement, use case, business process, configuration, interface, or functional/non-functional area.

2.6.3.4.3. Test objective.

2.6.3.4.4. Preconditions and required test data.

2.6.3.4.5. Test environment.

2.6.3.4.6. Step-by-step test procedures.

2.6.3.4.7. Expected result for each step or test condition.

2.6.3.4.8. Actual result.

2.6.3.4.9. Pass, fail, or not run status.

2.6.3.4.10. Tester name or role.

2.6.3.4.11. Date executed.

2.6.3.4.12. Defect/bug reference number, if applicable.

2.6.3.4.13. Retest result, if applicable.

2.6.3.5. Test cases must validate that the proposed solution supports TxDOT business processes and allows TxDOT stakeholders to identify bugs, defects, operational issues, configuration issues, integration issues, converted data issues, hardware issues, security issues, accessibility issues, and other problems before production implementation.

2.6.3.6. Test cases must be traceable to the requirements traceability matrix, including applicable business requirements, functional requirements, non- functional requirements, interface requirements, security requirements, accessibility requirements, data conversion requirements, and infrastructure requirements.

2.6.3.7. Vendor must update test cases as needed when requirements, configurations, workflows, integrations, data conversion rules, infrastructure, security requirements, accessibility requirements, or other solution components change.

2.6.3.8. Vendor must provide test case execution results to TxDOT for each applicable test phase. Test results must clearly identify

passed, failed, not run, blocked, retested, and accepted test cases.

2.6.3.9. Vendor must link failed test cases to the applicable defect or bug in the Defect Tracking Log. Vendor must update the test case after the defect is corrected and must document retesting results.

2.6.3.10. Vendor must support TxDOT review, validation, and approval of test cases and test results. TxDOT may reject test cases that do not adequately validate the applicable requirement, business process, system function, integration, converted data, hardware component, security control, accessibility requirement, or infrastructure requirement.

2.6.3.11. Vendor must maintain test cases and test results in a format approved by TxDOT and must provide them to TxDOT upon request throughout the project.

2.6.3.12. Completion of test case execution must not constitute acceptance unless all critical and high-priority defects have been resolved or otherwise accepted by TxDOT in writing, and TxDOT has approved the applicable test results.

2.6.4. Training:

2.6.4.1. Provide functional and user system

documentation that is provided to TxDOT by the Vendor during training.

2.6.4.2. Vendor must provide at least one electronic copy of each type of documentation using MS Word, but not limited to program descriptions, screen definitions and descriptions, database definitions, logical data model, and record layouts. (e.g. documentation intended for applications maintenance and infrastructure operations personnel.)

2.6.4.3. Provide written approval, which authorizes TxDOT to make additional copies of the documentation for internal use only, or provide additional copies of the documentation to TxDOT, at no charge.

2.6.4.4. Provide clear, accurate, and descriptive end-user manuals of all screen and batch processing functions, screen data, programs, and any processing parameters (e.g., detailed procedural documentation) that are provided to TxDOT by the Vendor.

2.6.4.5. Training Evaluation - Identify all changes for affected end-users, roles, processes, skillsets, level of effort to train, etc. Use the evaluation to develop a training plan and associated materials.

2.6.4.6. Training Sessions and Materials – Must be

specific to TxDOT use and configuration – no off-the-shelf, unless applicable, and must be approved by TxDOT.

2.6.4.7. Train the Trainer sessions - 5 of sessions, 10 of attendees

2.6.4.8. Hands on training in the training environment to include, but not limited to, demonstration of business process steps and system navigation; develop practice exercises to be used in the class that are real-world scenarios for each role in the system.

2.6.4.8.1. Recording of training sessions to be delivered to TxDOT for ongoing training within 10 days after training completes – list specific format needed (MP4, SCORM compliant, etc.)

2.6.4.8.2. Develop or modify User Manuals to meet TxDOT configuration and business processes.

2.6.4.8.3. Develop or modify User Guides to meet TxDOT configuration and business processes.

2.6.4.8.4. Develop or modify User Videos to meet TxDOT

configuration and business processes.

2.6.4.8.5. Develop or modify Quick Start Guides to meet TxDOT configuration and business processes.

2.6.4.9. Attendance sign-in sheet and feedback evaluations for training attendees to complete, indicating the effectiveness of the Vendor's formal training courses and instructors for each class.

2.6.4.10. End user training and materials for TxDOT configuration for roles, process changes, system changes, skillset changes, etc.- 2 sessions, 100 attendees.

2.6.4.11. Hands on training in the training environment to include but not limited to demonstration of business process steps and system navigation specific to each role.

2.6.4.12. Develop or modify training materials to include, but not limited to, user guides, quick start guides, user manuals and videos to meet TxDOT configuration and business processes.

2.6.4.13. Recording of training sessions to be delivered to TxDOT for ongoing training within 10 days after training completes – list specific format (MP4, SCORM compliant

(ELM requirement), etc.)

2.6.4.14. Attendance sign-in sheet and feedback evaluations for training attendees to complete, indicating the effectiveness of the Vendor’s formal training courses and instructors for each class.

2.6.4.15. Train the User Access Management (UAM) team on how to assign users to roles in the application- 2 of sessions, 5 of attendees.

2.6.4.16. Attendance sign-in sheet and feedback evaluations for training attendees to complete, indicating the effectiveness of the Vendor’s formal training courses and instructors for each class.

2.6.5. Hypercare

2.6.5.1. Provide Hypercare Services allowing TxDOT to confirm all the configured business functionalities are working as expected.

2.6.5.2. Following Go-Live, provide an elevated level of support for 90 days, to ensure that the system is stable and functioning per requirements.

2.6.5.3. During the 90-calendar-day Hypercare period, Vendor will provide all levels of support required for the implemented solution, including Tier 1 end-user support. Following Hypercare, support will transition to the ongoing support model established

by TxDOT and Vendor in accordance with Attachment B, Section 3

2.6.5.4. Vendor development and implementation teams must continue to support the system for 90 days.

2.6.5.5. If, during the Hypercare period, TxDOT identifies any issues/bugs (items that do not function as designed) within the functionality, including all scenarios already tested in prior testing efforts, vendor will resolve each issue/bug identified within 10 business days. Failure to resolve issues/bugs within 10 business days may result in liquidated damages.

2.6.5.5.1. All issues reported during Hypercare must be resolved. TxDOT reserves the right to waive minor issues.

2.6.5.5.2. If a P1 or P2 incident affects the production acceptance period, the acceptance period will restart after the applicable issue is resolved, unless otherwise approved in writing by TxDOT.During Hypercare, no new functionality or enhancements to the system are performed

unless mutually agreed upon by TxDOT and vendor.

2.6.5.6. Provide Weekly Defect Tracking Log that will be provided by the Vendor at TxDOT's request and must include at a minimum:

2.6.5.6.1. Unique tracking number.

2.6.5.6.2. Short name and description of the defect.

2.6.5.6.3. Reference to test condition that identified the defect.

2.6.5.6.4. Reference to requirement (i.e., epic/story/BR/FR) affected by the defect.

2.6.5.6.5. Date Defect was identified.

2.6.5.6.6. Tester.

2.6.5.6.7. Disposition (e.g., Not a Defect, Fixed, Successfully Retested, etc.) status.

2.6.5.6.8. Severity Level.

2.6.5.6.9. Priority

2.6.5.6.10. Description of changes made to correct the defect and resolution.

2.6.5.7. Allow TxDOT and 3rd Party team to shadow Vendor team to include but not limited to:

2.6.5.8. Learning how to fix/troubleshoot tickets.

2.6.5.9. Attend twice monthly sessions with TxDOT team to review frequently identified issues and how to fix them.

2.6.5.10. Update of all documents for changes made during Hypercare, if applicable.

2.6.6. Run Book:

2.6.6.1. Commonly repeated tasks or procedures within a company's IT operations process.

2.6.6.2. Detailed steps to manage your software (restart a service, backup files, configure infrastructure, etc.) on your deployment targets.

2.6.6.3. Provide the knowledge and steps to quickly and accurately resolve a given issue.

2.6.6.4. Specific outline for helping with a task, bridging the differences in staff skill sets.

2.6.6.5. Routine IT department activities such as a help agent responding to low-level IT tickets.

2.6.6.6. Network administrator performing pre-scheduled tasks in your IT management software.

2.6.6.7. Reviewing audit logs.

2.6.6.8. Performing daily backups.

2.6.6.9. Monitoring system performance.

2.6.6.10. Documentation in incident management

and reduce system downtime.

2.6.6.11. Applying patches and restart services.

2.6.7. Updated Documentation:

2.6.7.1. Provide updated documentation for any changes made during Go Live or during the 90 Hypercare period within 48 business hours for all configurations of software and hardware, design, interface, and integration into any TxDOT systems.

2.6.8. Closeout Meeting:

2.6.8.1. Schedule and facilitate closeout meeting: At the completion of the project, vendor must schedule a close out meeting with TxDOT team. The meeting must include lessons learn, financials, open Incidents (P3 incidents), & resolution strategy, system performance, project performance and any other items not listed that pertain to the project

Service Level Objectives (SLOs) describe, in measurable terms, benchmarks or goals set by the parties involved around the services a provider furnishes TxDOT within a given time period. For example, when used as a call center metric, an SLO might be for the service provider's agents to answer 80% of incoming calls within one minute.

Service Level Agreements (SLAs) enable TxDOT to measure the service provider’s performance and confirm that it is delivering services per the contract. SLAs are typically established for each IT service area, such as call center, data center or application maintenance. Customers create SLAs for each service they buy from a service provider, each of which includes a subset of performance metrics.

In the event of a Service Level Default for any SLA identified; Vendor must provide TxDOT with a service credit to be defined in the Contract.

Vendors must have a ticketing system in place to track and report SLO/SLA information.

The following Service Levels serve as a guideline of the level response, and resources, TxDOT is seeking for all of the support periods. The vendor must propose Service Levels Agreements (SLA) and Service Level Objectives (SLO) with these components:

1. Service Level Timeframe
2. A description of the Metric
3. The Service Level Time, the Measurement
4. The Measurement Unit
5. The relevant Service Level Minimum and Expected Targets maintained.
6. The assessment Algorithm or Calculation

7. Measurement Window
8. Service Level Credits
9. An Example of the Collection Process
10. Metrics Reporting

Service Level Definitions

Priority	Definition	Resolution Time
Priority 1	1. Impacts, or if not promptly addressed, would likely impact: · (i) the security of data and information systems; · (ii) a critical system, application, or service affecting operations of TxDOT. 2. causes, or if not promptly addressed, would likely cause, connectivity failure, an error or outage that: ·(i) affects multiple sites or an entire site or results in a loss of functionality for user(s) performing critical functions for TxDOT; or · (ii) negatively impacts compliance with applicable regulations, or jeopardizes privacy of information or could lead to the imposition of penalties, fines, or other financial impact on TxDOT or one of its customers; 3. is designated by TxDOT	2 Hours

Priority 2	1. impacts would likely impact:· (i) multiple users, (ii) a key business function (iii) database connection errors, 2. leads or, if not addressed would imminently lead, to performance severely degraded. 3. is designated by TxDOT	4 Hours
Priority 3	1. That impacts, or if not addressed would impact, a single user's access or a work stoppage for a single user, is a child ticket of a P2 larger event, or a work around does not exist.	22 Business Hours
Priority 4	1. The event does not have an adverse impact on the business operations of TxDOT because (i) of either the nature of the fault or the small extent of the fault and (ii) an acceptable work around is already in place. 2. Can not be an Incident that impacts Infrastructure such as Servers, Mainframe, Voice/Call Manager, Wide Area Network, Local Area Network, or Cloud 3. The effect of the event is such that it does not require immediate resolution.	33 Business Hours

Service Level Descriptions

Description of SLO/ SLA	Type	Goal	Measurement Methodology	Calculation	Target
Acknowledgement of the receipt of a Priority 1 (P1) incident	SLO	The measure of the percentage of Priority 1 incidents acknowledged within 30 minutes or less.	The measure of the time from when an application Priority 1 incident is opened with the Vendor's Service Desk and when the requestor receives the first update acknowledging Vendor receipt of the ticket. Measured Monthly.	Total P1 Incidents Acknowledged Within 30 Min ---------- Total Priority 1 Incidents * 100	95%
Acknowledgement of the receipt of a Priority 2 (P2) incident	SLO	The measure of the percentage of Priority 2 incidents acknowledged within 2 hours or less.	Time is measured from when an Application Priority 2 incident is opened with the Vendor's Service Desk and when the requestor receives the first update acknowledging Vendor receipt of the ticket within 2 hours. Measured Monthly	Total P2 Incidents Acknowledged Within 2 Hours ---------- Total Priority 2 Incidents * 100	95%

Resolution of a Priority 1 incident	SLA	The measure of the percentage of Priority 1 incidents resolved within 4 hours or less.	Time is measured from the time an incident ticket is opened with Vendor's Help Desk to the point in time when the incident is resolved or workaround is in place and Vendor submits the resolved ticket to TxDOT for confirmation of resolution. Measured Monthly	Total P1 Incidents Resolved Within 2 Hours --- Total Priority 1 Incidents * 100	99%
Resolution of a Priority 2 incident	SLA	The measure of the percentage of Priority 2 incidents resolved within 8 hours or less.	Time is measured from the time an incident ticket is opened with Vendor's Help Desk to the point in time when the incident is resolved or workaround is in place and Vendor submits the resolved ticket to TxDOT for confirmation of resolution. Measured Monthly	Total P2 Incidents Resolved Within 4 Hours --- Total Priority 2 Incidents * 100	99%

Application Availability - Production	SLA	Application Availability means access to the Production system is enabled; users are able to log-in to the application and perform business functions.	Relates to application failure only, unless network and/or hosting services are within the Vendor's scope. This SLA does not apply to application scheduled downtime. Measured Monthly	(Total Application scheduled uptime - Total Application unscheduled downtime) --- (Total Application scheduled uptime) * 100	99%
Application Availability – User Acceptance Test (UAT)	SLA	Application Availability means access to the UAT system is enabled; users are able to log-in to the application and perform business functions.	Relates to application failure only, unless network and/or hosting services are within the Vendor's scope. This SLA does not apply to application scheduled downtime. Measured Monthly	(Total Application scheduled uptime - Total Application unscheduled downtime) --- (Total Application scheduled uptime) * 100	99%

ATTACHMENT I

Information Resources and Security Requirements

1. TYPES OF DATA

"TxDOT Data" means TxDOT information, data, records, and information to which a Contractor-Related Entity has access, has possession, or is otherwise provided to a Contractor-Related Entity by TxDOT, whether or not intended under or for the purposes of the agreement, including, without limitation, data generated or collected under this agreement, intellectual property created as a work for hire under this agreement, and Personal Identifying Information (as defined below).

TxDOT Data is classified into the four categories that control applicability of security standards: Public, Sensitive, Confidential, and Regulated. See Section 4 for Definitions.

Any data that a Contractor-Related Entity accesses and downloads from a TxDOT system, for use, manipulation, storage, or management is considered Confidential Data unless otherwise specified in writing by TxDOT.

2. DATA REQUIREMENTS

2.1. Data, Data Dictionaries, and Data Flow Diagrams

Contractor shall ensure that all TxDOT Data that is generated, manipulated, transmitted, or stored, utilizes the TxDOT taxonomy, with documented data dictionaries, and data flow diagrams (including security protocols).

2.2. Data Transfer

a) At the completion of a deliverable, the Contractor shall transfer all TxDOT Data generated and stored for that deliverable to TxDOT in a manner and format acceptable to TxDOT and approved by TxDOT's Information Technology Division ("ITD").
b) All metadata associated with the TxDOT Data transferred must remain attached to that data.
c) Contractor shall maintain the appropriate level of data security throughout the transfer of the TxDOT Data.

2.3. Backup and Disaster Recovery

a) Contractor shall implement business continuity procedures to fulfill all requirements of this agreement that address, as a minimum, fire, theft, natural disaster, technical difficulty, workforce problems, equipment failure, or other disruption of business.
b) Contractor shall maintain a disaster recovery plan. Contractor is responsible for all project related costs of disaster recovery during the project except for costs associated with disasters beyond Contractor's reasonable control, and for those costs included as part of the TxDOT infrastructure responsibilities.

2.4. Open Records Requests

Contractor shall not release Information in response to an open record request related to this agreement request unless TxDOT has approved the release in writing.

2.5. Encryption

For Sensitive, Confidential, and Regulated TxDOT Data, the Contractor shall ensure TxDOT Data is encrypted while in-transit and while at-rest in accordance with the TxDOT Controls Catalog Standard SC-13, Cryptographic

Protection and SC-08, Transmission Confidentiality and Integrity security requirements.

2.6. Accessibility

Contractor shall ensure all products provided under this agreement comply with the State of Texas Accessibility requirements for Electronic and Information Resources specified in 1 Texas Administrative Code (TAC) Chapters 206 and 213.

3. INFORMATION RESOURCE AND SECURITY REQUIREMENTS

3.1. Information Security Safeguards

a) Contractor shall implement appropriate administrative, physical, and technical safeguards, in accordance with TxDOT's security requirements, that reasonably and appropriately protect the confidentiality, integrity, and availability of TxDOT Data.
b) Contractor shall conform its policies and procedures relating to the implementation of security safeguards to comply with TxDOT's Information Resources security program pursuant to the TxDOT and DIR's Information Security Controls Catalog Standards.

3.2. Potential Cybersecurity Incident or Breach Notification

Contractor shall immediately report to TxDOT via the Report Cybersecurity Incident Page on TxDOT.gov, any potential cybersecurity incident or breach involving TxDOT Data (See Section 4, Definitions).

3.3. Demonstrating Compliance with Information Security Requirements

If required by TxDOT, prior to contract award, at renewal, and on a recurring basis, Contractor shall provide a TxDOT Security Questionnaire as documented in the contract. Additionally, upon reasonable notice to the Contractor, and if TxDOT determines that the Contractor has violated this

agreement, TxDOT, directly or through its agent, may request an attestation, which may include additional attestations, and evidence that Contractor is in compliance with applicable laws, regulations, and standards outlined in 3.5.

3.4. Security Training

In accordance with Section 2054.5192 of the Texas Government Code, each Contractor-Related Entity that will access a TxDOT computer system or database must complete a TxDOT approved cybersecurity training program that is certified under Section 2054.5192 of the Texas Government Code. The training program must be completed during the term of the contract and during any renewal period. The Contractor shall provide verification of completion of the cybersecurity training program in a method designated by TxDOT.

3.5. Applicable Laws, Regulations, and Standards

Contractor shall perform the services in accordance with the following standards, notify TxDOT of situations where compliance is not achievable, and assist TxDOT with the prevention of security gaps or conflicts that could impair security performance. Contractor shall comply with all applicable federal, state, and local laws and regulations necessary to perform the services. A non-exhaustive list of federal, state, and local laws and regulations that might be applicable includes the following.

1) DIR Security Controls Standard Catalog and applicable TxDOT Security Requirements
    A) For Public Data, TxDOT and DIR Security Controls Standards Catalog low baseline and applicable TxDOT security requirements.
    B) For Sensitive Data TxDOT and DIR Security Controls Standards Catalog low baseline with Sensitive overlay and applicable TxDOT security requirements.

C) For Confidential Data, TxDOT and DIR Security Controls Standards Catalog moderate baseline and applicable TxDOT security requirements.

D) For Regulated Data, TxDOT and DIR Security Controls Standards Catalog moderate baseline, applicable TxDOT security requirements, and applicable regulated security requirements.

2) TX-RAMP Requirements

A) Contractor shall ensure that any Contractor-Related Entities providing a Cloud Computing Service to TxDOT that creates, accesses, transmits, uses, or stores TxDOT Data must be authorized in the Texas Risk and Authorization Management Program ("TX-RAMP") if TxDOT determines TX-RAMP is required.

B) TxDOT may approve the use of a TX-RAMP provisional status in lieu of a TX-RAMP certification. This approval is not effective unless approved in writing by the TxDOT Chief Information Security Officer ("CISO") and DIR.

C) Applicable Contractor-Related Entities must achieve the following levels of authorization by the following dates for any new contract or renewal of existing contract:

a) TX-RAMP Level 1 Status no later than January 1, 2024

b) TX-RAMP Level 2 Status no later than January 1, 2022

3) State Laws and Regulations:

A) Texas Administrative Code, Chapter 202 – Information Security Standards

B) Texas Administrative Code, Chapter 206 – State Websites

C) Texas Administrative Code, Chapter 213 – Electronic and Information Resources

D) Texas Government Code, Chapter 552 – Public Information

E) Texas Government Code, Chapter 2054 – Information Resources

F) Texas Penal Code, Chapter 33 – Computer Crimes

G) For Confidential data, Texas Business and Commerce Code, Chapter 521 –Unauthorized Use of Identifying Information

H) For Confidential data containing Protected Health Information, Texas Health and Safety Code, Chapter 181 – Medical Records Privacy

I) For Regulated data containing Payment Card Industry ("PCI") information, the Payment Card Industry Data Security Standards ("PCI-DSS")

J) For Regulated data containing Criminal Justice Information ("CJI"), the Criminal Justice Information Services ("CJIS") Security Policy

3.6. Information Resources Technology

a) Any proposed information resources technology that will be installed on any TxDOT owned equipment or that will access any TxDOT network must be reviewed and approved by the ITD Architectural Review Board ("ARB") prior to any development or design.

b) Any proposed information resources technology that will be installed on any TxDOT owned equipment or that will access any TxDOT network must be reviewed and approved by the ITD Change Advisory Board ("CAB") prior to implementation or delivery.

3.7. Information Resources Technology ("IRT") Procurements

ITD must approve all procurements of:

1) Information Resources Technology that will be owned by TxDOT.

2) IT services for any environment that provides processing, storage, networking, management, and distribution of data to ensure alignment with Texas Government Code, Chapter 2054, Subchapter L.

3.8. Prohibited Technologies

In accordance with the Texas Statewide Plan for Prohibited Technologies, Contractor shall not provide services, equipment, or systems to TxDOT determined to be a Prohibited Technology by TxDOT. The Cybersecurity Resources page contains a list of the entities currently determined to be Prohibited Technologies.

3.9. Background Checks Required for Access to TxDOT Data and TxDOT Systems

a) The contractor shall ensure that a Background Check is performed on each Contractor-Related Entity prior to that person receiving access to any TxDOT system.
b) Contractor shall ensure that a Background Check is performed on each Contractor-Related Entity prior to that person receiving access in a Contractor-Related Entity Environment to TxDOT Data that requires a Moderate or High Security Baseline
c) A "Background Check" must include the following:
    1) Verification of Social Security number;
    2) All true alias names and counties;
    3) Federal and county level checks for felony and misdemeanor arrest and convictions for the past seven years, including sentences of deferred adjudication – all names;
    4) Search of national criminal database – all names;
    5) Search of state and national sex offender registry – all names; and
    6) Search of the government sanction registry listings.
d) Contractor shall not allow any Contractor-Related Entity for which Contractor received any unfavorable result when conducting a Background Check to access TxDOT Data or any TxDOT System.

e) TxDOT may make exceptions to 3.9(d) on a case-by-case basis. Any exception granted by TxDOT must be in writing to be effective.
f) Upon request by TxDOT, Contractor shall provide documentation that demonstrates to TxDOT's satisfaction that Background Checks have been conducted as required and that no Contractor-Related Entity with one or more unfavorable results has received access to TxDOT Data or any TxDOT System.
g) Contractor shall immediately notify TxDOT if it learns of any change in status that might cause a Contractor-Related Entity to receive an unfavorable result from a Background Check.
h) If Contractor fails to meet the requirements of 3,9, TxDOT may terminate this contract immediately with no further liability to the Contractor.

3.10. Interconnection of TxDOT and Contractor-Related Entity Environment

If a Contractor-Related Entity has or will have one or more interconnections between an Information System in that Contractor-Related Entity's Environment and a TxDOT System or Systems, the Contractor shall execute or cause to be executed an Interconnection Security Agreement ("ISA") for each interconnection. An executed ISA must be provided to TxDOT for each new interconnection prior to connection.

3.11.

Upon request by TxDOT, the Contractor shall provide any additional information or documentation that TxDOT determines is necessary to confirm a Contractor-Related Entity's compliance with this section. If Contractor fails to provide requested information as required, TxDOT may terminate this contract immediately with no further liability to the Contractor.

3.12.

If completion of any of the requirements in this section requires obtaining information and/or action from a Contractor-Related Entity or other non-party entity, Contractor shall obtain the required information or action from that entity. For example, if the Contractor is a reseller of a Contractor-Related Entity's product or service, the Contractor is responsible for completing the TxDOT Security Questionnaire and the Contractor must obtain all the information or actions from the Contractor-Related Entity necessary for the Contractor to complete the questionnaire.

3.13. SOC 1 Type 2 and SOC 2 Type 2 Requirements

If a Contractor-Related Entity is determined to be providing a function that is a key internal financial control or has a material financial impact on the TxDOT financial statements, then the following are applicable:

a) Provide an Annual Report – Contract-Related entity must provide TxDOT the audit SSAE 18 Results within 15 days of Contract-Related receipt of final report from independent auditor. Licensor will engage a third party (the "Service Provider") to conduct an examination in accordance with Statement on Standards for Attestation Engagements No. 18, as established by the American Institute of Certified Public Accountants (AICPA), and commonly referred to as a Service Organization Controls (SOC) 1, relevant to controls related to the solution, and prepare a SOC 1 Type 2 report with respect thereto (the "SOC 1 Report").

b) In addition, Licensor will engage a Service Provider to conduct an examination in accordance with AT Section 101 of the Statement on Standards for Attestation Engagements to report on controls at a Service Organization relevant to security and availability, established by the AICPA ("AICPA Standards") and, subject to AICPA Standards,

prepare a Type 2 service organization controls report with respect thereto (the "SOC 2 Report"). Once the SOC 1 Report and SOC 2 Report are each available, upon written request from Licensee, Licensor must make available Licensor personnel to discuss with TxDOT the reports. Other report types will not be considered to meet these requirements.

3.14. TxDOT Virtual Desktop Infrastructure Requirements

If Contractor-Related Entity is provided with a user account to access TxDOT Virtual Desktop Infrastructure ("TxDOT VDI"), Contractor shall ensure that Contractor-Related Entity complies with the following TxDOT VDI requirements unless otherwise explicitly authorized in the Agreement:

a) Data Residency. All TxDOT Data must remain solely on TxDOT systems located within the United States of America. Contractor-Related Entities must not store, process, or transmit TxDOT data outside the United States without express written approval from TxDOT.
b) Remote Access Security. Access to TxDOT VDI must be performed using Contractor-managed devices. Upon request, Contractor shall provide written attestation that such devices meet TxDOT security requirements.
c) Data Transfer Restriction. Contractor shall ensure that Contractor-Related Entities do not transfer, copy, or move any TxDOT data from a TxDOT System to any other environment without express written approval of TxDOT.

4. DEFINED TERMS

4.1. Baseline

"Baseline" means the set of minimum-security controls defined for a low-impact, moderate-impact, or high-impact information system. Information on applicable baselines is available on the Cybersecurity Resources page.

4.2. Breach

"Breach" means "breach of system security" as defined in Section 521.053(a) of the Texas Business and Commerce Code, which defines breach of system security as "the unauthorized acquisition of computerized data that compromises the security, confidentiality, or integrity of sensitive personal information maintained by a person, including data that is encrypted if the person accessing the data has the key required to decrypt the data."

4.3. Cloud Computing Service

"Cloud Computing Service" means a model for enabling ubiquitous, convenient, on-demand network access to a shared pool of configurable computing resources (e.g., networks, servers, storage, applications, and services) that can be rapidly provisioned and released with minimal management effort or service provider interaction. Cloud computing is referenced in Texas Government Code Title 10, Subtitle D, Chapter 2157, Subchapter A, Section 2157.007 and is defined in NIST 800-145.

4.4. Confidential Information

"Confidential Information" has the meaning provided in 1 Texas Administrative Code § 202.1(5), which states the confidential information means "information that must be protected from unauthorized disclosure or public release based on published laws or legal agreements." Information that is Confidential Information under this definition includes:

a) Dates of birth of living persons
b) Driver's license numbers
c) License plate numbers
d) Credit card numbers
e) Insurance policy numbers
f) Attorney-Client communications
g) Drafts of policymaking documents
h) Information related to pending litigation
i) Audit working papers
j) Competitive bidding information before contract awarded
k) Personal Identifiable Information
l) Sensitive Personal Information
m) Regulated data
n) Information excepted from disclosure requirements of Chapter 552 of the Texas Government Code ("Texas Public Information Act") or other applicable state or federal law
o) Compliance reports for which the Texas Attorney General has granted permission to withhold
p) Investigative working papers and draft reports excepted from disclosure under Section 552.116 of the Texas Government Code

4.5. Contractor-Related Entity

"Contractor-Related Entity" means Contractor; subcontractors; their employees, agents and officers; and all other persons for whom Contractor might be legally or contractually responsible.

4.6. Contractor-Related Entity Environment

"Contractor-Related Entity Environment" means an Environment for which TxDOT does not manage or control the system environment, servers,

operating systems, or storage with the exception of user-specific configuration settings.

4.7. Data

"Data" means the representation of facts; as the raw material of information that is used as a basis for reasoning, decision-making, discussion, or calculation.

4.8. Data Dictionary

"Data Dictionary" means a directory of the definitions, purpose, policies and structure about data. It is a compilation of information about the data owned by the enterprise. It describes every data item in a database in enough detail for users and application developers to know what the data is and how to make use of it.

4.9. Environment

"Environment" means an aggregate of procedures, conditions, and objects affecting the development, operation, and maintenance of an information system.

4.10. Information

"Information" means data, regardless of form, that is created, contained in, or processed by information resources facilities, communications networks, or storage media.

4.11. Information Resources Technology

"Information Resources Technology" means data processing and telecommunications hardware, software, services, supplies, personnel, facility resources, maintenance and training that are employed, designed, built, operated, and maintained to collect, record, process, store, retrieve, display, and transmit information.

4.12. Information System

"Information System" means a discrete set of information resources organized for the collection, processing, maintenance, use, sharing, dissemination, or disposition of information. An Information System normally includes, but is not limited to, hardware, software, network infrastructure, information, applications, communications, and people.

4.13. Personal Identifying Information

"Personal Identifying Information" means information that alone or in conjunction with other information identifies an individual, including an individual's:

a) Name, social security number, date of birth, or government-issued identification number;
b) Mother's maiden name;
c) Unique biometric data, including the individual's fingerprint, voice print, and retina or iris image; and
d) Unique electronic identification number, address, or routing code.

4.14. Potential Cybersecurity Incident

"Potential Cybersecurity Incident" means an event which may result in the accidental or deliberate unauthorized access, loss, disclosure, modification, disruption, or destruction of information or information resources.

4.15. Public Data

"Public Data" means Data that is subject to public disclosure pursuant to the Texas Public Information Act and freely and without reservation made available to the public.

4.16. Public Information

"Public information" means information written, produced, collected, assembled, or maintained by or for a governmental body, including

information held by individual officers or employees of a governmental body, in connection with the transaction of official TxDOT business. This includes information that is held by contractors and consultants and that TxDOT owns, to which TxDOT has a right of access, or on which public money was spent for the purpose of writing, producing, collecting, assembling, or maintaining the information. Public information includes any electronic communication created, transmitted, received, or maintained on any device if the communication is in connection with the transaction of official business. Public information may be stored in any medium and may exist in forms such as books, papers, letters, documents, e-mails, Internet postings, text messages, instant messages, printouts, photographs, maps, drawings, and audio and video recordings. Public information does not include tangible items, such as computers or guardrails.

4.17. Regulated Data

"Regulated Data" means information for which the use and protection of is dictated by a state or federal agency or by third party agreements.

4.18. Sensitive Data

"Sensitive Data" means information that could be subject to release under an open records request, but should be controlled to protect third parties, and should be vetted and verified before release. At TxDOT, this could include operational information, personnel records, research, or internal communications.

4.19. Sensitive Personal Information

"Sensitive Personal Information" has the meaning provided by Section 521.002(2) of the Texas Government Code, which defines sensitive personal information as:

a) An individual's first name or first initial and last name in combination with any one or more of the following items, if the name and item are not encrypted:
    1) Social Security Number
    2) Driver's license number or government-issued identification number; or
    3) Account number or credit or debit card number in combination with any required security code, access code, or password that would permit access to an individual's financial account; or
b) Information that identifies an individual and relates to:
    1) The physical or mental health or condition of the individual;
    2) The provision of health care to the individual; or
    3) Payment for the provision of health care to the individual.

4.20. TxDOT Security Questionnaire

"TxDOT Security Questionnaire" means a cybersecurity and privacy questionnaire that provides TxDOT ITD necessary information for third party attestation in accordance with TxDOT requirements.

4.21. TxDOT System

"TxDOT System" means an Information System that is owned, managed, or maintained by TxDOT or on behalf of TxDOT.

Artificial Intelligence (AI) Explanation

The use of AI functionality or AI Systems not described in the AI Explanation is not permitted without TxDOT's written consent.

Vendor's AI program must include processes and controls sufficient to meet the requirements mandated under applicable AI Laws and TxDOT AI policy. Those measures will be set forth in a Vendor Artificial Intelligence policy, including all documentation needed to demonstrate compliance with AI Laws. Vendor will make that policy available to TxDOT upon request, along with descriptions of the controls in place for AI technology and will provide any other information requested by TxDOT regarding Vendor's responsible AI practices and policies.

Vendor will, at its expense, implement and maintain appropriate technical and organizational measures to ensure any AI System used or developed in connection with or incorporated into the Work, and any Work intended to be used with or incorporated into an AI System, complies with AI Laws and TxDOT AI policy, including requirements related to the ethical or responsible use of Artificial Intelligence technology.

Defined Terms

The following terms have the meanings set forth below solely for the purposes of this Attachment. To the extent a capitalized term is used but not defined in this Attachment, the term will have the meaning assigned to it in the Contract. These definitions will not affect the interpretation of any other part of the Contract.

1. "Artificial Intelligence" or "AI" means a machine-based system that can, for a given set of human-defined objectives, make predictions, recommendations, or decisions influencing real or virtual environments.

2. “Artificial Intelligence System” or “AI System” means any application that contains an AI component regardless of size or usage.
3. “AI Laws” means any laws applicable to Vendor or TxDOT relating to artificial intelligence systems and technology.
4. “Human-in-the-Loop (HITL)” means a process in which a human decision-maker is actively involved in reviewing, validating, or overriding the outputs of an AI System. In HITL systems, the AI System provides inputs, recommendations, or predictions that the human decision-maker evaluates and approves, modifies or rejects before any final decision or action is taken.

TxDOT Contract No: _____

Vendor: _____

CONTRACT

This Contract ("Contract") is entered into as of the Effective Date (defined below) by and between the Texas Department of Transportation ("TxDOT") and the vendor ("Vendor") named above. TxDOT and Vendor each may be referred to in this Contract as a "Party" and collectively as the "Parties."

WHEREAS, TxDOT issued Solicitation No. _____, on _____, (the "Solicitation"), and Vendor submitted a response to the Solicitation (the "Response"); and

WHEREAS, Vendor has offered to sell and TxDOT desires to purchase the goods ("Goods") and/or services ("Services") described in the Statement of Work; and

WHEREAS, TxDOT is authorized to enter into this Contract pursuant to Government Code Title 10, Subtitle D (the "Purchasing Act").

THEREFORE, now, for and in consideration of the mutual terms, provisions, covenants, and agreements contained in this Contract, and for other good and valuable consideration, the receipt and legal sufficiency of which is hereby acknowledged, TxDOT and Vendor agree as follows:

1. EXHIBITS AND ORDER OF PRECEDENCE: The following exhibits which are attached to this Contract are incorporated into and made part of this Contract (collectively, the "Exhibits"). The title of each Exhibit as listed below shall be a defined term and may be used throughout this Contract to refer to the corresponding Exhibit. All terms and conditions of the Exhibits are terms and conditions of the Contract and are agreed

to by the Parties. In the event of a conflict between terms of an Exhibit and another part of the Contract, the terms shall prevail in the following order (Order of Precedence): (a) the main body of this Contract, and (b) the Exhibits in the order listed below:

Exhibit A: Contract Terms and Conditions

Exhibit B: Statement of Work

Exhibit C: Price Schedule

Exhibit D: Artificial Intelligence (AI) Explanation

2. CONTRACT TERM: This Contract shall be effective on _____ (the "Effective Date") and shall expire on _____ (the "Expiration Date"). The period from the Effective Date through the Expiration Date is the "Contract Term." TxDOT may renew the Contract for successive periods at TxDOT's sole option as follows:

   1st Renewal Option: _____ through _____

   2nd Renewal Option: _____ through _____

   3rd Renewal Option: _____ through _____

   TxDOT, in its sole discretion, may exercise each renewal option on the same terms and conditions as the then current Contract by giving written notice to Vendor at least 30 calendar days before the last day of the Contract Term. TxDOT may unilaterally issue an amendment to the Contract reflecting the renewal. TxDOT reserves the right to unilaterally extend the Contract Term for a period not to exceed one year by giving written notice to Vendor at least 30 calendar days before the last day of the Contract Term. Upon delivery of a notice to renew or extend the Contract, the Contract Term shall include the renewal or extension period.

3. WORK: Vendor must provide the Goods and Services in accordance with the Statement of Work and comply with all other provisions of this Contract including, without limitation, the Contract Terms and Conditions; such obligations collectively constitute the "Work." If the Statement of Work describes only Goods, references to Services will be disregarded, and vice versa.

4. CONTRACT VALUE: The total value of the Contract for the initial Contract Term must not exceed $_____.

5. PAYMENT: TxDOT will pay Vendor for the Goods and Services in accordance with the Price Schedule and all other terms and conditions of this Contract. The prices listed in the Price Schedule are all-inclusive and constitute the total maximum compensation that may be paid to Vendor for the performance of the Contract. TxDOT will not be responsible for any costs, fees, expenses or charges of any kind including, but not limited to: travel, administrative, overhead, bonding, or incidental costs unless expressly provided in the Price Schedule or the Contract.

6. PRICE CHANGES: Vendor may request a change to the Price Schedule no more than once per calendar YEAR in accordance with the provisions of the Contract Terms and Conditions. Any changes to the Price Schedule will be made in accordance with the terms of the Contract using the PCU513210513210, as published by the U.S. Bureau of Labor Statistics (the "Index"). This section does not apply to tariff-related changes.

7. PURCHASER: TxDOT will notify Vendor of the name and email address of the purchasing agent assigned to the Contract (the "Purchaser"). TxDOT may change the Purchaser at any time with notice to Vendor.

8. LOGO LICENSE: Vendor is hereby granted a non-exclusive, limited,

royalty-free license and revocable right to use TxDOT's trademark and service mark known as the "Flying T," as provided by TxDOT, only on deliverables prepared under the Contract. The right and license granted by the Contract will automatically terminate on the expiration or termination of the Contract, or upon notice from TxDOT after Vendor's breach of the Contract.

9. BONDS: Vendor must provide each bond described in the Bond Requirements in accordance with the requirements therein to TxDOT within 15 calendar days of a written request by TxDOT and prior to providing any Good or performing any Service covered by the bond.

10. FINANCIAL INFORMATION: Upon request no more than once per year (or following a material adverse change in Vendor's financial condition or operations), Vendor shall provide to TxDOT

    a complete set of Vendor's audited financial statements for its most recent fiscal year, prepared in accordance with US Generally Accepted Accounting Principles ("US GAAP"). The submission must include the notes to the financial statements as well as any other information covered by the auditor's opinion.

    a complete set of Vendor's audited financial statements for its most recent fiscal year, prepared under accounting standards other than US Generally Accepted Accounting Principles ("US GAAP") but acceptable in Vendor's country of origin. The submission must include a letter from the certified public accountant discussing the areas of the financial statements that would be affected by a conversion to US GAAP, the notes to the financial statements, and any other information covered by the auditor's opinion.

    a complete set of Vendor's financial statements for its most recent fiscal year, prepared in accordance with US Generally Accepted

Accounting Principles ("US GAAP") and reviewed by an independent certified public accountant . The submission must include the notes to the financial statements and any other information covered by the certified public accountant's report.

a complete set of Vendor's compiled financial statements for its most recent fiscal year, including at a minimum an income statement and balance sheet, prepared by a certified public accountant. The submission must include note disclosures and any compilation report issued by the certified public accountant. If the certified public accountant is not independent, the compilation report must disclose that fact.

properly classified and presented balance sheets and income statements for Vendor for its most recent fiscal year, generated by Vendor's accounting system. The submission must state the basis on which the statements were prepared and must be certified as true and reliable by an owner or officer of Vendor.

11. NOTICES

a. Unless a specific provision of the Contract requires a particular method of delivery, any notice or other communication provided under the Contract will be in writing and sent by:

   i. hand delivery,

   ii. prepaid overnight express delivery service such as FedEx or UPS,

   iii. U.S. Mail, certified, return receipt requested, or

   iv. email.

b. Any notice or other communication provided under the Contract must be sent to the respective Party's address listed below. A Party

may change its designated notice address by providing written notice to the other Party.

Vendor Address: _____

Vendor Contact Email: _____

TxDOT Address: 6230 E. Stassney Lane

Austin, TX 78744

ATTN: Procurement Division

TxDOT Contact Email: _____

c. Notwithstanding the foregoing, the TxDOT email address for submission of invoices shall be as follows: _____.

d. Notice will be effective on the date of delivery if hand delivered, emailed, or sent by prepaid overnight express delivery service, or three business days after the date of deposit in U.S. Mail.

IN WITNESS WHEREOF, the Parties have executed this Contract in their capacities as stated below with authority to bind their organizations on the dates set forth by their signatures.

Texas Department of Transportation:	**Vendor:**
By:	By:
Printed Name:	Printed Name:
Title:	Title:
Date:	Date:

Texas Department of Transportation

Procurement Division

Contract Terms and Conditions

Revised: 09/07/2026

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CONTRACT TERMS AND CONDITIONS

ARTICLE I. PERFORMANCE OF THE CONTRACT

Section I.01 COMPLIANCE WITH LAWS.

(a) Vendor must comply with (1) all federal, state, and local laws (including without limitation rules, regulations, and guidance) as they currently exist and as amended throughout the Contract Term, and (2) the orders and decrees of any court or administrative bodies or tribunals in any matter affecting Contract performance (collectively, "Law").

(b) Any alterations, additions, or deletions to the terms of the Contract that are required by changes in Law are automatically incorporated into the Contract without written amendment and shall become effective on the date designated by the applicable Law. TxDOT may unilaterally issue a Contract Amendment reflecting any automatic amendments that occur pursuant to this section.

(c) Vendor must maintain all licenses and certifications required by Law or by the Contract throughout the Contract Term.

(d) Vendor must furnish TxDOT with satisfactory proof of its compliance with the requirements of this section promptly, within five (5) business days, upon request. For purposes of this Contract, "Business Days" shall mean days on and between Mondays and Fridays, excluding any state of Texas recognized holidays or US national holidays.

Section I.02 SUBCONTRACTING.

(a) Vendor may not enter into any agreement with a third party (a "Subcontractor") to perform any portion of the Work (a "Subcontract") unless (1) specifically allowed by the Contract, or (2) Vendor obtains written approval from TxDOT.

(b) Vendor is solely responsible for the Work. Vendor must ensure that any Subcontractor complies with all provisions of the Contract. Any act or omission by a Subcontractor shall be deemed an Event of Default by Vendor.

Section I.03 DELIVERY AND PERFORMANCE.

(a) Vendor must provide all labor, material, and equipment necessary to perform the Work throughout the Contract Term.

(b) If Vendor expects that delivery or performance will be delayed beyond the required date, Vendor must promptly, within five (5) Business Days, notify TxDOT by email. TxDOT may extend the required date for delivery or performance in its sole discretion by issuing a unilateral Contract Amendment.

(c) Vendor must ship all Goods FOB Destination. "FOB Destination" means Vendor retains ownership and bears the risk of loss until the Goods are delivered to TxDOT in accordance with the terms of this Contract. Vendor is responsible for all shipping costs and liabilities. Vendor must prepay all freight charges (including, without limitation, shipping, handling, delivery fees, and fuel surcharges), and such charges shall not be billed separately or passed through to TxDOT.

(d) Delivery of Goods or Services does not constitute acceptance by TxDOT. Unless otherwise specified in the Statement of Work, Goods or Services will be considered accepted on the earlier of the dates (1) full payment for the Goods or Services is made, or (2) TxDOT delivers notice of acceptance to Vendor.

(e) Goods must be properly packaged. Damaged Goods will not be accepted.

Section I.04 NONCOMPLIANT GOODS.

TxDOT will notify Vendor of the delivery of damaged or otherwise noncompliant Goods. If Vendor fails to remove the Goods from TxDOT's property within 10 Business Days (or other deadline agreed upon by the Parties), TxDOT may dispose of them at TxDOT's discretion and at Vendor's expense, including without limitation returning the Goods to Vendor.

Section I.05 INSPECTIONS AND TESTS.

(a) TxDOT may test and inspect the Goods and Services to ensure compliance with the Statement of Work. TxDOT may also test and inspect Goods before they are purchased under the Contract.

(b) Goods and Services will be subject to inspection and testing by TxDOT at all times and places, including, without limitation, Vendor's place of business. To the extent practical, the inspections will not disrupt Vendor's daily operations. TxDOT reserves the right to inspect Goods at a reasonable time after delivery if inspection of the Goods at the time of delivery is not feasible or convenient for TxDOT. Designated TxDOT representatives may conduct unannounced visits to inspect Vendor's and any Subcontractor's facilities during normal business hours to monitor Contract compliance or carry out performance audits of the Services.

Section I.06 CORRECTIONS TO WORK.

If TxDOT requires Vendor to correct Work due to errors made by Vendor, Vendor must correct the Work at no additional cost to TxDOT.

Section I.07 VENDOR PERFORMANCE REPORTING.

TxDOT may review Vendor's performance under the Contract as described in Government Code §2155.089.

Section I.08 CONTRACT MANAGEMENT AND ADMINISTRATION.

(a) TxDOT will designate an individual to serve as the Contract manager (the "Contract Manager").TxDOT may change the Contract Manager at any time with notice to Vendor.

(b) Administration of the Contract is a joint responsibility of the Contract Manager and the Purchaser.

(i) The Contract Manager shall be the point of contact between TxDOT and Vendor for issues regarding delivery of Goods, performance of Services, and submission of invoices.

(ii) The Purchaser shall be the point of contact between TxDOT and Vendor for all issues related to the administration of the Contract, including but not limited to, amendments, renewals, interpretation, and breaches of the Contract.

(c) The Contract Manager does not have any express or implied authority to vary the terms of the Contract, amend the Contract in any way, or waive strict performance of the Contract. The Contract Manager's responsibilities include, but are not limited to:

(i) Monitoring Vendor's progress and performance and ensuring Work conforms to the requirements of the Contract.

(ii) Issuing work authorizations, reviewing invoices, and approving payments.

(iii) Meeting with Vendor as needed to review progress, discuss problems, and consider necessary action.

Section I.09 INTELLECTUAL PROPERTY.

(a) All intellectual property developed and created in the course of performance of the Contract are works made for hire, and all intellectual property rights, including but not limited to, publication rights, copyrights, trademarks, patents, and trade secrets to all products and materials developed and created pursuant to the Contract, shall be exclusively owned by TxDOT. Vendor must provide TxDOT all assistance required to perfect such intellectual property rights without any charge or expense beyond those amounts payable for services rendered under the Contract. To the extent that title to any work created under the Contract is held by operation of law to not vest exclusively in TxDOT, such work is hereby irrevocably assigned to TxDOT. To the extent

that an assignment is ineffective from the Vendor (including any of its contractors), Vendor hereby grants to TxDOT a fully paid-up, irrevocable, royalty-free, worldwide license and right to use such intellectual property.

(b) Vendor must ensure that TxDOT's intellectual property rights, including, but not limited to, publication rights, copyrights, trademarks, patents, and trade secrets, are secured from all suppliers, contractors, and Subcontractors.

(c) When applicable, Vendor must obtain necessary licenses, copyrights, trademarks, or patents for TxDOT's use.

(d) Vendor agrees that it will not assert rights at common law or in equity or establish any claim to TxDOT's intellectual property including, but not limited to, licenses, claiming common law ownership of intellectual property, obtaining registrations for copyrights, trademarks, trade secrets, or patents for any intellectual property developed in performance of the Contract.

(e) VENDOR AGREES TO INDEMNIFY, HOLD HARMLESS, AND DEFEND TXDOT AND THE STATE FROM THIRD PARTY CLAIMS ASSERTING INTELLECTUAL PROPERTY INFRINGEMENT OF A THIRD PARTY'S LICENSES, TRADEMARKS, COPYRIGHTS, PATENTS, TRADE SECRETS, OR ANY OTHER INTELLECTUAL OR INTANGIBLE PROPERTY RIGHTS AS THEY RELATE TO THE GOODS OR SERVICES DELIVERED UNDER THIS CONTRACT.

ARTICLE II. VENDOR AFFIRMATIONS

Section II.01 SURVIVAL.

The representations, warranties, covenants, and certifications contained in the Contract shall survive the expiration or termination of the Contract.

Section II.02 REPRESENTATIONS, WARRANTIES, COVENANTS, AND CERTIFICATIONS.

Vendor represents warrants, covenants, and certifies that:

(a) FALSE STATEMENTS: all information contained in the Response or provided under the Contract is accurate and complete.

(b) GRATUITIES: Vendor has not given, offered to give, nor intends to give at any time hereafter any economic opportunity, future employment, gift, loan, gratuity, special discount, trip, favor, or service to a public servant in connection with the Contract.

(c) PARTICIPATION IN SOLICITATION: under Section 2155.004(b) of the Government Code, the individual or business entity named in the Contract is not ineligible to receive the Contract.

(d) ANTITRUST LAWS: in accordance with Government Code §2155.005, neither Vendor nor any representative of Vendor has (1) violated any provision of the Texas Free Enterprise and Antitrust Act of 1983, Chapter 15, of the Texas Business and Commerce Code or the federal antitrust laws, or (2) communicated the contents of the Response directly or indirectly to any competitor or any other person engaged in the same line of business as Vendor.

(e) CHILD SUPPORT: Vendor and any other individual or business entity named in the Contract are not ineligible to receive payment under this Contract under Family Code §231.006.

(f) CONTRACTING WITH EX-TXDOT EXECUTIVE DIRECTOR: under Government Code §669.003, Vendor does not employ, or disclose in its Response, the current or any former executive director of TxDOT.

(g) SUSPENSION AND DEBARMENT: neither Vendor nor its principals are debarred, suspended, proposed for debarment, declared ineligible, or otherwise excluded from participation in the Contract by any state or federal agency.

(h) NEPOTISM DISCLOSURE:

(i) If Vendor learns at any time that an employee of Vendor or of a Subcontractor has a relative who is employed by TxDOT, Vendor must notify TxDOT within 30 calendar days of obtaining that knowledge.

(ii) In this section, the term "relative" means:

1) A person's great grandparent, grandparent, parent, aunt or uncle, sibling, sibling's spouse, niece or nephew, spouse, child, child's spouse, grandchild, or great grandchild.

2) The grandparent, parent, sibling, child, or grandchild of the person's spouse.

(iii) A notification required by this section must be submitted: (a) in the manner required for notices under this Contract and (b) by first-class mail addressed to Contract Services Division, Texas Department of Transportation, 125 East 11th Street, Austin, Texas 78701.The notice must include Vendor's name, the Contract number, the name of the Vendor or Subcontractor employee, the expected role of the Vendor or Subcontractor employee on the project, and the name and title of the related TxDOT employee.

(i) EXCLUDED PARTIES: Vendor is not listed in the prohibited vendors list authorized by Executive Order No.13224, "Blocking Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism," published by the United States Department of the Treasury, Office of Foreign Assets Control.

(j) PRIOR DISASTER RELIEF CONTRACT VIOLATION: the individual or business entity named in the Contract is not ineligible to receive the Contract under Government Code §§2155.006 and 2261.053.

(k) ABORTION PROVIDER: Vendor is not an abortion provider or an affiliate of an abortion provider under Government Code §2273.003.

(l) LOBBYING: TxDOT's payments to Vendor and Vendor's receipt of appropriated funds under the Contract are not prohibited by Sections 556.005 or 556.0055 of the Government Code.

(m) ENTITIES THAT BOYCOTT ISRAEL: Vendor either:

(i) does not, and will not for the duration of the Contract, boycott Israel, or

(ii) the verification required by Section 2271.002 of the Government Code does not apply to the Contract.

(n) FOREIGN TERRORIST ORGANIZATIONS: Vendor is not engaged in business with Iran, Sudan, or a foreign terrorist organization, as prohibited by Government Code §2252.152.

(o) CRITICAL INFRASTRUCTURE: pursuant to Government Code Section 2275.0102, neither Vendor nor its parent company, nor any affiliate of Vendor or its parent company, is (1) majority owned or controlled by citizens or governmental entities of China, Iran, North Korea, Russia, or any other country designated by the Governor of Texas under Government Code Section 2275.0103, or (2) headquartered in any of those countries.

(p) CONTRACTING INFORMATION RESPONSIBILITIES: Vendor must comply with the requirements of Section 552.372(a) of the Government Code and any other applicable requirements of Subchapter J, Chapter 552 of the Government Code. Vendor acknowledges that the requirements of Subchapter J, Chapter 552 of the Government Code may apply to the Contract.

(q) HUMAN TRAFFICKING PROHIBITION: the individual or business entity named in the Contract is not ineligible to receive the Contract under Government Code §2155.0061.

(r) NO CONFLICTS OF INTEREST: the provision of Goods and Services or other performance under the Contract will not constitute an actual or potential conflict of interest or reasonably create an appearance of impropriety.

(s) FINANCIAL CONDITION: Vendor is financially solvent, able to pay its debts as they become due, and possesses sufficient working capital and resources to perform the Work.

(t) BANKRUPTCY: Vendor is not the subject of any pending bankruptcy petition.

(u) AUTHORIZATION TO CONDUCT BUSINESS IN TEXAS: Vendor is legally authorized to conduct business in Texas and, if required, is registered with the Texas Secretary of State.

(v) TAXES: Vendor is current on all taxes and fees applicable to Vendor, including without limitation income and franchise taxes.

(w) COVID VACCINE PASSPORTS: the individual or business entity named in the Contract is not ineligible to receive the Contract under Health and Safety Code §161.0085.

(x) FIREARM AND AMMUNITION DISCRIMINATION: pursuant to Government Code §2274.002, to the extent applicable to Vendor and the Contract, Vendor:

(i) Does not have practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association, and

(ii) Will not discriminate during the Contract Term against a firearm entity or firearm trade association.

(y) E-VERIFY: pursuant to Executive Order RP-80, if the Work includes the performance of Services, Vendor shall, to the extent permitted by law, utilize the United States Department of Homeland Security's E-Verify system during the Contract Term to determine the eligibility of:

(i) All persons employed by Vendor during the Contract Term to perform duties within the state of Texas, and

(ii) All persons, including Subcontractors, assigned by Vendor to perform work pursuant to the Contract within the United States of America.

(z) ENERGY COMPANY BOYCOTTS: either (1) Vendor does not, and will not for the duration of the Contract, boycott energy companies or (2) the verification required by Government Code §2276.002 does not apply to the Contract.

(aa) STATE OFFICERS AND EMPLOYEES: pursuant to Government Code §572.069, Vendor has not employed and will not employ a former state officer or employee who, during the period of state service or employment, participated in a procurement or contract negotiation involving Vendor within two years after the date the Contract was signed or the procurement was terminated or withdrawn.

(bb) NO FELONY CRIMINAL CONVICTIONS: neither Vendor nor any of Vendor's employees, agents, representatives, Subcontractors or Subcontractors' employees has been convicted of a felony criminal offense or if such a conviction has occurred, Vendor has fully advised TxDOT in writing of the facts and circumstances surrounding the conviction.

(cc) NO INFRINGEMENT: use or sale of any Goods, except (with respect to patents) Goods produced by TxDOT's detailed design, will not infringe any adverse valid patent, copyright, trademark, or other intellectual property right.

(dd) SURVEILLANCE TARGETING: Vendor will not directly or indirectly:

(i) engage in surveillance targeting:

1) a member of the State legislature or a person employed to support the State legislature in any capacity;

2) a family member of a person described in subsection (1);

3) a state agency employee; or

4) an individual making a complaint or raising concerns regarding State agency operations or contracting.

(ii) engage in an act of intimidation, coercion, extortion, undue influence, or other similar conduct intended to influence, silence, or retaliate against a person described in subsection (i) above, or

(iii) use private or confidential information to manipulate or influence a State contracting decision or proceeding.

(ee) EXECUTIVE ORDER GA-48: pursuant to Executive Order GA-48, neither it, nor its holding companies or subsidiaries, is:

(i) Listed in Section 889 of the 2019 National Defense Authorization Act;

(ii) Listed in Section 1260H of the 2021 National Defense Authorization Act; or

(iii) Owned by the government of a country on the U.S. Department of Commerce's foreign adversaries list under 15 C.F.R. Section 791.4; or

(iv) Controlled by any governing or regulatory body located in a country on the U.S. Department of Commerce's foreign adversaries list under 15 C.F.R. Section 791.4.

Section II.03 INACCURACIES.

(a) Vendor must promptly notify TxDOT if any representation, warranty, covenant, or certification in this Article was inaccurate when made, has become inaccurate, or is no longer true or complete.

(b) Vendor acknowledges that TxDOT may terminate the Contract, withhold payment and exercise any other remedy if any representation, warranty, covenant, or certification in this Article is, at any time during the Contract Term, untrue, inaccurate, or breached.

ARTICLE III. PAYMENT

Section III.04 INVOICING.

In order to receive payment, Vendor must submit a detailed, complete, and correct invoice for payment that complies with the following requirements

(a) Invoices shall be submitted by Vendor directly to TxDOT and shall be issued in compliance with Chapter 2251, Texas Government Code. Vendor must send an electronic copy of the invoice as an email attachment to the email address for submission of invoices under the Contract. If Vendor is unable to submit invoices electronically as an email attachment, Vendor must mail a hard copy to the physical address for notices under the Contract. A link to a copy of the invoice will not be accepted in lieu of an electronic or physical copy of the invoice.

(b) The invoice must include:

(i) Vendor name and address.

(ii) Vendor invoice remittance address.

(iii) Employer Identification Number (EIN), federal tax I.D., or a valid Texas Identification Number (TIN).

(iv) Complete 15-digit Contract number or, if applicable, the Blanket PO Release number.

(v) Name, telephone number, and email address of person designated to answer questions regarding the invoice.

(vi) Description of Good or Service as it appears in the Contract or Price Schedule in the same order as listed in the Contract or Price Schedule. Item numbers must correspond with the item numbers on the Contract or Price Schedule.

(vii) Quantity, unit of measure, unit price, and extended price of each line item, if applicable, consistent with the Price Schedule.

(viii) Grand total.

(ix) Shipment date of Goods or date of Service.

(x) If lease, include payment number (e.g., 1 of 36).

(xi) Bill of lading for freight charges, if applicable.

(xii) Ship-to address or location where Services were provided.

(xiii) Any additional requirements set forth in the Contract.

Section III.05 METHOD OF PAYMENT.

(a) TxDOT will make payments due under this Contract by direct deposit if Vendor has provided a direct deposit authorization form to TxDOT. Vendor may obtain the authorization form from TxDOT.

(b) If Vendor has not delivered an authorization form to TxDOT, TxDOT will make payments by warrant.

Section III.06 TIME OF PAYMENT.

Payment will be made in accordance with Government Code Chapter 2251.

Section III.07 DEBT TO THE STATE.

Vendor agrees that any payments due under the Contract will be applied toward any debt or delinquency that is owed to the state of Texas.

Section III.08 OFFSET.

Vendor agrees that TxDOT may offset any amount due to TxDOT under this Contract against any payment owed to Vendor under this Contract.

Section III.09 PAYMENT OF SUBCONTRACTORS.

As provided by Government Code §2251, Vendor must pay a Subcontractor the appropriate share of any payment Vendor receives from TxDOT not later than the 10th day after the date Vendor receives the payment. The appropriate share is overdue on the 11th day after the date Vendor receives the payment.

Section III.10 REFUNDS FOR OVERPAYMENT.

If TxDOT overpays Vendor, Vendor must refund the amount of the overpayment within 30 calendar days of notice of the overpayment. At its option, TxDOT may offset and deduct the amount of the overpayment from any amount owing rather than requesting a refund.

Section III.11 NO MINIMUM.

TxDOT makes no express or implied warranty whatsoever that any minimum compensation or minimum quantity will be guaranteed under the Contract.

Section III.12 TAXES.

Vendor must pay all taxes or similar amounts related to the Contract. TxDOT will not be liable for any taxes resulting from the Contract. TxDOT will provide tax exemption certificates to Vendor upon request to evidence applicable exemptions to state and federal taxes.

Section III.13 TRAVEL.

Unless specifically provided for in the Statement of Work, Vendor must bear the cost of any travel required to perform the Work.

Section III.14 CHANGES TO PRICE.

(a) Vendor may request an adjustment (a "Price Adjustment") to the current unit price of one or more line items on the Price Schedule (the "Current Unit Price") based on a change in circumstances affecting the cost of performing the Work, to the extent such change is reflected in the Index. Vendor may request a Price Adjustment only at the frequency permitted under the Contract. Vendor must make any such request (a "Price Adjustment Request") in writing. Each Price Adjustment Request must include, for each line item for which a Price Adjustment is being requested: (i) a description of the change in circumstances justifying the Price Adjustment, (ii) documentation demonstrating the change in the Index value, (iii) the total price of the line item after the Price Adjustment (the "Adjusted Price"), and (iv) a calculation of the Maximum Adjusted Price. A Price Adjustment Request that does not meet these requirements will not be considered. TxDOT may approve or deny any Price Adjustment Request in its sole discretion.

(b) The percentage by which a line item can be adjusted (the "Adjustment Percentage") will be calculated as follows:

(i) Adjustment Percentage = (B-A) ÷ A x 100, where:

1) A = The Index value for the later of (i) the month in which the Response was submitted, or (ii) the month of the last approved Price Adjustment Request for the line item being adjusted, and

2) B = The Index value for the month in which Vendor submits the Price Adjustment Request to TxDOT.

(ii) The Adjustment Percentage shall be rounded to the nearest one-hundredth of one percent (0.01%).

(c) Maximum Adjusted Price.

(i) The maximum allowable price for each line item subject to a Price Adjustment (the "Maximum Adjusted Price") will be calculated as follows:

Maximum Adjusted Price = Current Unit Price x [1 + (Adjustment Percentage ÷ 100)].

(ii) Vendor may request an Adjusted Price that is lower than the Maximum Adjusted Price, but in no event shall the Adjusted Price exceed the Maximum Adjusted Price.

(d) Upon approval of a Price Adjustment Request, TxDOT may unilaterally issue a Contract Amendment to update the Price Schedule to reflect the approved Adjusted Price.

Section III.15 TARIFFS.

(a) Vendor agrees that any costs attributable to a tariff in existence on the Effective Date are included in the prices set forth in the Price Schedule.

(b) Vendor may request that the price of one or more line items on the Price Schedule be increased to reflect the enactment of a new tariff or an amendment to an existing tariff (a "Tariff Event") that occurs during the Contract Term and which affects the cost of supplying Goods under the Contract (a "Tariff Adjustment Request").

(c) A Tariff Adjustment Request must be in writing. Each Tariff Adjustment Request must include (1) the amount of the price increase being requested (the "Tariff Adjustment") and the amount of the line item after the Tariff Adjustment (the "Tariff Adjusted Price"); and (2) documentation describing the effective date, amount, and scope of the Tariff Event. Vendor must demonstrate with specificity the direct and material effect of the Tariff Event on its necessary and reasonable cost of supplying Goods under the Contract, including its commercial reasons for using a source subject to the tariff in question.

(d) TxDOT may approve or deny any Tariff Adjustment Request in its sole discretion. Upon approval of a Tariff Adjustment Request, TxDOT may unilaterally issue a Contract Amendment to update the Price Schedule to reflect the approved Tariff Adjusted Price.

(e) If a Tariff Adjusted Price is approved, Vendor must monitor the tariff that is the subject of the Tariff Event and notify TxDOT within five (5) Business Days of any change to the tariff such as repeal or reduction (a "Tariff Change"), in which case TxDOT may unilaterally adjust the Tariff Adjusted Price to an amount not less than the price before the Tariff Adjustment, and may recover any overpayments made after the effective date of the Tariff Change.

ARTICLE IV. CHANGES TO THE CONTRACT

Section IV.16 AMENDMENTS.

(a) This Contract may be amended only by a written amendment signed by both Parties and issued by the Purchaser, or, where the Contract expressly

authorizes, by a written unilateral amendment issued by the Purchaser (such mutual or unilateral amendment, a "Contract Amendment"), or by automatic amendment provided by this Contract due to a change in Law.

(b) Vendor will not be entitled to payment for any additional goods, services, or work that have not been previously authorized by a Contract Amendment.

(c) No substitutions or cancellations will be permitted without written approval from TxDOT in the form of a Contract Amendment.

Section IV.17 ANCILLARY DOCUMENTS.

Vendor shall not submit an agreement or other document that would affect the Work (an "Ancillary Document") to TxDOT for execution. Vendor must seek TxDOT's agreement to any terms and conditions related to the Work through a Contract Amendment. TxDOT shall not be deemed to have accepted or agreed to any terms contained in an Ancillary Document unless expressly incorporated into the Contract through a Contract Amendment. Any signature by a TxDOT employee or agent to an Ancillary Document shall not be valid. Submission of an Ancillary Document in violation of this Section shall constitute an Event of Default.

Section IV.18 SALE OR ASSIGNMENT.

Vendor shall not assign its rights under the Contract or delegate the performance of its duties under the Contract without prior written approval from TxDOT. Any attempted assignment in violation of this provision is void and without effect.

Section IV.19 CHANGE OF INFORMATION.

Vendor must provide written notification of changes to Vendor's company name and contact information to TxDOT as soon as possible but not later than 30 calendar days from the date of the change. TxDOT may unilaterally issue a Contract Amendment reflecting the changes.

ARTICLE V. RIGHT TO AUDIT

Section V.20 STATE AUDITOR.

The state auditor may conduct an audit or investigation of Vendor or any other entity or person receiving funds from the state directly under the Contract or indirectly through a Subcontract. The acceptance of funds directly under the Contract or indirectly through a Subcontract act as acceptance of the authority of the state auditor, under the direction of the legislative audit committee, to conduct an audit or investigation in connection with those funds. Under the direction of the legislative audit committee, Vendor or any other entity that is the subject of an audit or investigation by the state auditor must provide the state auditor with access to any information the state auditor considers relevant to the investigation or audit.

Section V.01 TXDOT AUDITOR.

TxDOT's auditors may conduct an audit or investigation of Vendor or any other person receiving funds directly under the Contract or indirectly through a Subcontract. TxDOT has the right to audit Vendor's books and records during normal work hours. Vendor or any other entity that is the subject of an audit or investigation by TxDOT must provide TxDOT's auditor with access to any information TxDOT considers relevant to the investigation or audit.

Section V.02 SUBCONTRACTS.

Vendor must ensure that this section concerning the authority of the state auditor and TxDOT to audit funds received indirectly by Subcontractors through Vendor and the requirement to cooperate is included in any Subcontract awards.

ARTICLE VI. INDEMNIFICATION AND LIABILITY

Section VI.01 ACTS OR OMISSIONS.

VENDOR SHALL DEFEND, INDEMNIFY AND HOLD HARMLESS THE STATE OF TEXAS AND TXDOT, AND/OR THEIR OFFICERS, AGENTS, EMPLOYEES, REPRESENTATIVES, CONTRACTORS, ASSIGNEES, AND/OR DESIGNEES FROM ANY AND ALL LIABILITY, ACTIONS, CLAIMS, DEMANDS, OR SUITS, AND ALL RELATED COSTS, ATTORNEY FEES, AND EXPENSES ARISING OUT OF, OR RESULTING FROM, ANY ACTS OR OMISSIONS OF VENDOR OR ITS AGENTS, EMPLOYEES, SUBCONTRACTORS, ORDER FULFILLERS,

OR SUPPLIERS OF SUBCONTRACTORS IN THE EXECUTION OR PERFORMANCE OF THE CONTRACT AND ANY PURCHASE ORDERS ISSUED UNDER THE CONTRACT.THE DEFENSE SHALL BE COORDINATED BY VENDOR WITH TXDOT AND THE OFFICE OF THE TEXAS ATTORNEY GENERAL WHEN THE STATE OF TEXAS OR TXDOT IS NAMED AS A DEFENDANT IN ANY LAWSUIT, AND VENDOR MAY NOT AGREE TO ANY SETTLEMENT WITHOUT FIRST OBTAINING THE CONCURRENCE FROM TXDOT AND THE OFFICE OF THE TEXAS ATTORNEY GENERAL. VENDOR AND TXDOT AGREE TO FURNISH TIMELY WRITTEN NOTICE TO EACH OTHER OF ANY SUCH CLAIM.

Section VI.02 INFRINGEMENT.

(a) VENDOR SHALL DEFEND, INDEMNIFY, AND HOLD HARMLESS THE STATE OF TEXAS AND TXDOT AND/OR THEIR EMPLOYEES, AGENTS, REPRESENTATIVES, CONTRACTORS, ASSIGNEES, AND/OR DESIGNEES FROM AND AGAINST ANY AND ALL CLAIMS INVOLVING VIOLATIONS, MISAPPROPRIATIONS OR INFRINGEMENT OF ANY PATENT, COPYRIGHT, TRADE AND SERVICE MARK, TRADE SECRET, OR OTHER INTELLECTUAL PROPERTY RIGHTS AND/OR INTANGIBLE PROPERTY, PUBLICITY OR PRIVACY RIGHTS, IN CONNECTION WITH OR ARISING FROM: (1) THE PERFORMANCE OR ACTIONS OF VENDOR PURSUANT TO THE CONTRACT; (2) ANY DELIVERABLE WORK PRODUCT, CONFIGURED SERVICE OR OTHER SERVICE PROVIDED UNDER THE CONTRACT; AND/OR (3) TXDOT'S AND/OR VENDOR'S USE OF OR ACQUISITION OF ANY REQUESTED SERVICES OR OTHER ITEMS PROVIDED TO TXDOT BY VENDOR OR OTHERWISE TO WHICH TXDOT HAS ACCESS AS A RESULT OF VENDOR'S PERFORMANCE UNDER THE CONTRACT. VENDOR AND TXDOT AGREE TO FURNISH TIMELY WRITTEN NOTICE TO EACH OTHER OF ANY SUCH CLAIM. VENDOR SHALL BE LIABLE TO PAY ALL COSTS OF DEFENSE, INCLUDING ATTORNEYS' FEES.THE DEFENSE SHALL BE COORDINATED BY VENDOR WITH TXDOT AND THE OFFICE OF THE TEXAS ATTORNEY GENERAL WHEN THE STATE OF TEXAS OR TXDOT ARE NAMED AS A DEFENDANT IN ANY LAWSUIT, AND VENDOR MAY NOT AGREE TO ANY

SETTLEMENT WITHOUT FIRST OBTAINING THE CONCURRENCE FROM TXDOT AND THE OFFICE OF THE TEXAS ATTORNEY GENERAL.IN ADDITION, VENDOR WILL REIMBURSE TXDOT AND THE STATE OF TEXAS FOR ANY CLAIMS, DAMAGES, COSTS, EXPENSES, OR OTHER AMOUNTS, INCLUDING BUT NOT LIMITED TO ATTORNEYS' FEES AND COURT COSTS, ARISING FROM ANY SUCH CLAIM.IF TXDOT DETERMINES THAT A CONFLICT EXISTS BETWEEN ITS INTERESTS AND THOSE OF VENDOR OR IF TXDOT IS REQUIRED BY APPLICABLE LAW TO SELECT SEPARATE COUNSEL, TXDOT WILL BE PERMITTED TO SELECT SEPARATE COUNSEL AND VENDOR WILL PAY ALL REASONABLE COSTS OF TXDOT'S COUNSEL.

(b) VENDOR WILL HAVE NO LIABILITY UNDER THIS SECTION IF THE ALLEGED INFRINGEMENT IS CAUSED BY:

(i) INTELLECTUAL PROPERTY RIGHT OWNED BY OR LICENSED TO TXDOT FROM A THIRD PARTY UNRELATED TO THE VENDOR OR THE PRODUCTS PROVIDED OR THE SERVICES PERFORMED UNDER THE CONTRACT, OR

(ii) USE OF THE PRODUCT OR SERVICE BY TXDOT THAT IS NOT IN CONFORMITY WITH THE TERMS OF ANY APPLICABLE LICENSE AGREEMENT BETWEEN VENDOR AND TXDOT.

(c) IF VENDOR BECOMES AWARE OF AN ACTUAL OR POTENTIAL CLAIM, OR TXDOT PROVIDES VENDOR WITH NOTICE OF AN ACTUAL OR POTENTIAL CLAIM, VENDOR MAY (OR IN THE CASE OF AN INJUNCTION AGAINST TXDOT, MUST), AT VENDOR'S SOLE OPTION AND EXPENSE:

(i) PROCURE FOR TXDOT THE RIGHT TO CONTINUE TO USE THE AFFECTED PORTION OF THE PRODUCT OR SERVICE, OR

(ii) MODIFY OR REPLACE THE AFFECTED PORTION OF THE PRODUCT OR SERVICE WITH A FUNCTIONALLY EQUIVALENT OR SUPERIOR PRODUCT OR SERVICE SO THAT TXDOT'S USE IS NON-INFRINGING.

Section VI.03 TAXES/WORKERS' COMPENSATION/UNEMPLOYMENT INSURANCE.

(a) VENDOR AGREES AND ACKNOWLEDGES THAT DURING THE EXISTENCE OF THIS CONTRACT, VENDOR SHALL BE ENTIRELY RESPONSIBLE FOR THE LIABILITY AND PAYMENT OF VENDOR'S AND VENDOR'S EMPLOYEES' TAXES, OF WHATEVER KIND, ARISING OUT OF THE PERFORMANCES IN THIS CONTRACT.VENDOR AGREES TO COMPLY WITH ALL STATE AND FEDERAL LAWS APPLICABLE TO ANY SUCH PERSONS, INCLUDING LAWS REGARDING WAGES, TAXES, INSURANCE, AND WORKERS' COMPENSATION.TXDOT AND/OR THE STATE SHALL NOT BE LIABLE TO VENDOR, ITS EMPLOYEES, AGENTS, OR OTHERS FOR THE PAYMENT OF OR THE PROVISION OF UNEMPLOYMENT INSURANCE AND/OR WORKERS' COMPENSATION OR ANY BENEFIT AVAILABLE TO A STATE EMPLOYEE OR EMPLOYEE OF ANOTHER GOVERNMENTAL ENTITY.

(b) VENDOR AGREES TO DEFEND, INDEMNIFY AND HOLD HARMLESS TXDOT, THE STATE OF TEXAS AND/OR THEIR EMPLOYEES, AGENTS, REPRESENTATIVES, CONTRACTORS, ASSIGNEES AND/OR DESIGNEES FROM ANY AND ALL LIABILITY, ACTIONS, CLAIMS, DEMANDS, OR SUITS, AND ALL RELATED COSTS, ATTORNEYS' FEES, AND EXPENSES, RELATING TO TAX LIABILITY, UNEMPLOYMENT INSURANCE, WORKERS' COMPENSATION, AND/OR ANY BENEFIT AVAILABLE TO A STATE EMPLOYEE OR EMPLOYEE OF ANOTHER GOVERNMENTAL ENTITY IN OR ARISING OUT OF ITS PERFORMANCE UNDER THIS CONTRACT.VENDOR SHALL BE LIABLE TO PAY ALL COSTS OF DEFENSE INCLUDING ATTORNEYS' FEES AND COURT COSTS.THE DEFENSE SHALL BE COORDINATED BY VENDOR WITH TXDOT AND THE OFFICE OF THE TEXAS ATTORNEY GENERAL WHEN THE STATE OF TEXAS OR TXDOT IS NAMED AS A DEFENDANT IN ANY LAWSUIT, AND VENDOR MAY NOT AGREE TO ANY SETTLEMENT WITHOUT FIRST OBTAINING THE CONCURRENCE FROM TXDOT AND THE OFFICE OF THE TEXAS ATTORNEY GENERAL.VENDOR AND TXDOT

AGREE TO FURNISH TIMELY WRITTEN NOTICE TO EACH OTHER OF ANY SUCH CLAIM.

Section VI.04 DAMAGE TO TXDOT PROPERTY.

Vendor shall be liable for damage to TxDOT's property, including equipment, workplace, and its contents, resulting from an act or omission of Vendor or Vendor's employees, agents, Subcontractors, or suppliers.

ARTICLE VII. PUBLIC DISCLOSURES

Section VII.01 PUBLIC INFORMATION ACT.

(a) Information, documentation, and other material in connection with the Contract may be subject to public disclosure pursuant to Chapter 552 of the Texas Government Code (the "Public Information Act").

(b) In accordance with §2252.907 of the Government Code, Vendor is required to make any information created or exchanged with the State pursuant to the Contract and not otherwise excepted from disclosure under the Public Information Act, available in a format that is accessible by the public at no additional charge to the State.

(c) If Vendor receives a request for information under Chapter 552 of the Texas Government Code from a member of the public that concerns the Contract, Vendor shall direct the member of the public to submit the request directly to TxDOT for processing.

Section VII.02 CONFIDENTIALITY.

(a) All information created by or accessible to Vendor while providing a Good or Service for TxDOT shall be treated by Vendor as confidential.

(b) Vendor and its employees or Subcontractors must not divulge any information related to TxDOT business at any time to a third party without the prior written approval of TxDOT.

(c) No public disclosures or news releases pertaining to this Contract shall be made without prior written approval of the TxDOT.

Section VII.03 PROVISION OF INFORMATION.

Within five (5) Business Days of a request by TxDOT, Vendor agrees to provide any information created or exchanged with the state pursuant to the Contract to TxDOT in any format reasonably required by TxDOT including, without limitation, portable document format (PDF), and HTML.

ARTICLE VIII. INSURANCE

Section VIII.01 MAINTAIN INSURANCE.

Vendor must maintain the insurance coverage set forth in the Insurance Requirements throughout the Contract Term.

Section VIII.02 PROOF OF INSURANCE.

Vendor must provide proof of insurance in the form and with the content specified in the Insurance Requirements within five (5) Business Days of (i) a request by TxDOT, (ii) each renewal or replacement of any required insurance policy, and (iii) any modification to a required insurance policy that changes information contained in the proof of insurance most recently submitted to TxDOT.

ARTICLE IX. VENDOR FINANCES

Section IX.01 GOOD STANDING.

Vendor must maintain the legal right to transact business in Texas during the Contract Term. If Vendor is required by law to register with the Texas Secretary of State, Vendor must maintain such registration throughout the Contract Term.

Section IX.02 TAXES.

Vendor must remain current on all applicable taxes and fees during the Contract Term including, without limitation, any franchise tax obligations.

ARTICLE X. VENDOR PERSONNEL

Section X.03 PERSONNEL.

For purposes of this Contract, the term "Personnel" means any individual performing Work including, without limitation, ANY employee, agent, officer, or subcontractor of Vendor or of a Subcontractor, or collectively, all such individuals.

Section X.01 INDEPENDENT CONTRACTOR

It is expressly understood and agreed to by both Parties that TxDOT is contracting with Vendor as an independent contractor. As such, Vendor understands and agrees that Personnel are not state employees and that Vendor will be responsible and liable for the safety, injury, and health of Personnel while such Personnel are performing Work for TxDOT. Vendor may not make a claim against TxDOT for vacation pay, sick leave, retirement benefits, social security, workers' compensation, health or disability benefits, unemployment benefits, or any other employee benefits of any kind. Should Vendor subcontract any of the Work, Vendor expressly acknowledges and agrees that TxDOT is in no manner liable to any Subcontractor of Vendor. In no event will this provision relieve Vendor of the responsibility for ensuring that performance rendered under all Subcontracts are rendered in compliance with the Contract

Section X.02 PERSONNEL REQUIREMENTS.

Personnel must be competent, knowledgeable, experienced, and, if applicable, licensed in the types of Services to be provided under the Contract and perform such Services in a professional and workmanlike manner consistent with industry standards. All Personnel must be a minimum of seventeen (17) years of age, experienced in the type of work to be performed, and be well-groomed and appropriately dressed when on TxDOT property. No visitors, wives, husbands, children, or other relatives of Personnel will be allowed on state property during working hours, unless they are bona fide employees of Vendor or a Subcontractor.

Section X.03 REPLACEMENT OF PERSONNEL.

If TxDOT determines that any Personnel is unable to perform the Work or to communicate effectively or is, in the opinion of TxDOT, otherwise objectionable, Vendor must immediately remove that Personnel.

Section X.04 ALCOHOL, DRUG, AND SMOKE-FREE WORKPLACE.

TxDOT is committed to maintaining an alcohol and drug-free workplace. If any Personnel (a) possesses, uses, or is under the influence of alcohol or a controlled substance while in the performance of Work or while on TxDOT premises, or (b) violates TxDOT's policy prohibiting smoking in TxDOT buildings, Vendor shall be in default under the Contract.

Section X.05 ENGLISH-SPEAKING STAFF.

Vendor must ensure that at all times a minimum of one English-speaking Personnel is present at the job site.

Section X.06 VENDOR TITLE VI AFFIRMATIONS.

Vendor represents and warrants the following with regard to the Work performed by it under the Contract:

(a) Vendor and its Subcontractors shall not discriminate on the grounds of race, color, national origin, creed, religion, political belief, sex, sexual orientation, age, or disability in the performance of this Contract including, without limitation, in the selection and retention of Subcontractors, including procurements of materials and leases of equipment. Vendor shall not participate either directly or indirectly in any discriminatory employment practices. Failure by Vendor to carry out these requirements is a material breach of any contract awarded and may result in the termination of the Contract or such other remedy as TxDOT deems appropriate.

(b) In any solicitations for Subcontractors, including procurements of materials or leases of equipment and in all solicitations either by competitive bidding or negotiation made by Vendor for work to be performed under a Subcontract, each potential Subcontractor or supplier shall be notified by Vendor of Vendor's and Subcontractor's obligations under its Contract relative to

nondiscrimination on the grounds of race, color, national origin, sex, age, or disability.

(c) During the performance of this Contract, Vendor, for itself, its assignees, and successors in interest (hereinafter referred to collectively in this subsection (c) as the "contractor") agrees as follows:

(i) Compliance with Regulations: The contractor will comply with the acts and the regulations relative to nondiscrimination in federally assisted programs of the U.S. Department of Transportation, Federal Highway Administration, as they may be amended from time to time, which are herein incorporated by reference and made a part of this Contract.

(ii) Nondiscrimination: The contractor, with regard to the work performed by it during the Contract, will not discriminate on the grounds of race, color, or national origin in the selection and retention of Subcontractors, including procurements of materials and leases of equipment. The contractor will not participate either directly or indirectly in the discrimination prohibited by the acts and regulations, including employment practices, when the Contract covers any activity, project, or program set forth in Appendix B of 49 CFR Part 21.

(iii) Solicitations for Subcontracts, Including Procurements of Materials and Equipment: In all solicitations, either by competitive bidding or negotiation made by the contractor for work to be performed under a Subcontract, including procurements of materials or leases of equipment, each potential Subcontractor or supplier will be notified by the contractor of the contractor's obligations under this Contract and the acts and regulations relative to nondiscrimination on the grounds of race, color, or national origin.

(iv) Information and Reports: The contractor must provide all information and reports required by the acts, regulations, and directives issued pursuant thereto and must permit access to its books, records,

accounts, other sources of information, and its facilities as may be determined by TxDOT or the Federal Highway Administration (FHWA) to be pertinent and to ascertain compliance with such acts, regulations, and instructions. Where any information required from a contractor is in the exclusive possession of another who fails or refuses to furnish this information, the contractor must certify to TxDOT or the FHWA, as appropriate, and must set forth what efforts it has made to obtain the information.

(v) Sanctions for Noncompliance: In the event of a contractor's noncompliance with the nondiscrimination provisions of this Contract, TxDOT will impose such contract sanctions as it or the FHWA may determine to be appropriate, including, but not limited to:

1) withholding payments to the contractor under the Contract until the contractor complies; and/or

2) cancelling, terminating, or suspending a Contract, in whole or in part.

(vi) Incorporation of Provisions: The contractor must include the provisions of paragraphs (i) through (vi) in every Subcontract, including procurements of materials and leases of equipment, unless exempt by the acts, the regulations and directives issued pursuant thereto. The contractor must take action with respect to any Subcontract or procurement as TxDOT or the FHWA may direct as a means of enforcing such provisions, including sanctions for non-compliance; provided, that if the contractor becomes involved in litigation with, or is threatened with litigation by, a Subcontractor or supplier because of such direction, the contractor may request TxDOT to enter into any litigation to protect the interests of TxDOT. In addition, the contractor may request the United States to enter into the litigation to protect the interests of the United States.

(d) Vendor agrees to comply with the provisions of Appendix A attached hereto, which are incorporated by reference and made a part hereof.

ARTICLE XI. DISPUTES

Section XI.01 INFORMAL MEETINGS.

Vendor and TxDOT agree to meet as needed to implement the Contract and to make a good faith attempt to informally resolve any disputes.

Section XI.02 DISPUTE RESOLUTION.

Vendor must use the dispute resolution process provided for in Government Code Chapter 2260 and 43 TAC §§9.1 and 9.2 to attempt to resolve disputes arising under the Contract. If Vendor's claim for breach of Contract cannot be resolved informally with TxDOT, Vendor must submit the claim to the negotiation process provided in Chapter 2260. Any informal resolution efforts will in no way modify the requirements or toll any notice periods under Chapter 2260 and 43 TAC §§9.1 and 9.2. Compliance with Chapter 2260 is a condition precedent to the filing of a contested case proceeding under Chapter 2260.The contested case process provided in Chapter 2260 is Vendor's sole and exclusive process for seeking a remedy for an alleged breach of Contract by TxDOT. The pendency of a Contract claim or dispute does not authorize Vendor's suspension of performance or otherwise excuse Vendor from performing its obligations under this Contract.

ARTICLE XII. TERMINATION AND DEFAULT

Section XII.01 DEFAULT.

(a) Vendor will be in default under this Contract if:

(i) Vendor fails to comply with any of Vendor's obligations under this Contract.

(ii) Vendor otherwise breaches any term or condition of this Contract; or

(iii) Any representation, warranty, covenant, or certification made by Vendor in the Response or in this Contract: (a) was untrue or

inaccurate at the time it was made, (b) becomes untrue or inaccurate at any time during the Contract Term, or (c) is otherwise breached by Vendor. All representations, warranties, or certifications made by Vendor in its Response are hereby incorporated into this Contract by reference solely for the purpose of this provision.

(b) Any occurrence described in subsections (a)(i) or (ii) above shall be an "Event of Default," regardless of whether the condition is later corrected or cured.

(c) Upon an Event of Default, TxDOT may:

(i) terminate all or part of this Contract by giving Vendor written notice.

(ii) purchase the Goods or Services elsewhere and charge the full amount of any additional cost incurred by TxDOT, including shipping or delivery fees, to Vendor.

(iii) proceed by appropriate court action to enforce the provisions of the Contract; and/or

(iv) exercise any other right, remedy, or privilege which may be available to it under law, equity, or this Contract.

(d) The exercise of any of the remedies other than termination will not independently constitute a termination of the Contract, and TxDOT is not required to terminate the Contract to exercise any other remedy.

(e) Vendor shall be responsible for all costs and expenses, including court costs, incurred by TxDOT with respect to the enforcement of any of its remedies. The remedies listed above and elsewhere in this Contract are not exclusive. Failure to exercise a remedy, option, right, or power or to insist at any time upon the strict performance of any provision of the Contract shall not constitute a waiver by TxDOT.

Section XII.02 FORCE MAJEURE.

(a) TxDOT may, at its sole discretion, grant relief for time only from performance of the Contract if Vendor is prevented from performance by an act of war, act of God, fire, explosion, earthquake, hurricane, flood, pandemic, epidemic, or other unavoidable cause not attributable to the fault or negligence of Vendor (any such event or cause referred to herein as "Force Majeure").

(b) To obtain relief based on Force Majeure, Vendor must file a written request with TxDOT describing the events, dates, and effect of the events on Vendor's ability to perform its obligations under the Contract. Vendor must inform TxDOT in writing within three (3) Business Days of the existence of such Force Majeure; failure to do so will waive the right to seek relief under this section. Upon an event of Force Majeure, Vendor must use commercially reasonable efforts to commence performance whenever and to whatever extent possible without delay. An event of Force Majeure does not excuse Vendor from any obligation under the Contract unless TxDOT grants relief in writing in response to a request for relief under this section.

Section XII.03 TERMINATION FOR CONVENIENCE.

TxDOT may terminate this Contract at any time in whole or in part without cost or penalty by providing at least 30 calendar days written notice to Vendor.

Section XII.04 TERMINATION OF CONTRACT.

(a) Unless otherwise agreed in writing, Vendor must cease all Work on the effective date of termination set forth in the notice of termination (the "Termination Date").

(b) TxDOT will not be liable for any damages arising from or related to the termination of the Contract.

(c) Upon termination of the Contract, TxDOT will be liable only for:

(i) payment for any Goods ordered prior to the Termination Date that meet all Contract requirements, and

(ii) payment of a prorated portion of the Contract price for Services performed in accordance with all Contract requirements prior to the Termination Date.

(d) Vendor must refund the balance of any unused prepaid funds within 10 Business Days of the Termination Date.

Section XII.05 FUNDING.

The Contract is subject to termination or cancellation, without penalty to TxDOT, either in whole or in part, subject to the availability of state funds.

ARTICLE XIII. MISCELLANEOUS

Section XIII.01 BUY TEXAS.

In accordance with Government Code §2155.4441, Vendor agrees that if the Contract includes the provision of Services, then during the performance of the Contract, Vendor will purchase products and materials produced in Texas when they are available at a price and time comparable to products and materials produced outside the state.

Section XIII.02 DISASTER RECOVERY PLAN.

Within five (5) Business Days of a request from TxDOT, Vendor shall provide copies of its most recent business continuity and disaster recovery plans. If a business disruption or disaster occurs, Vendor must implement its business continuity and disaster recovery plans. Vendor is responsible for all costs incurred in executing the plan.

Section XIII.03 NO WAIVER.

Nothing in this Contract shall be construed as a waiver of TxDOT's or the state's sovereign immunity. This Contract shall not constitute or be construed as a waiver of any of the privileges, rights, defenses, remedies, or immunities available to TxDOT or the state of Texas. The failure to enforce, or any delay in the enforcement, of any privileges, rights, defenses, remedies, or immunities available to TxDOT or the state of Texas under this Contract or under applicable law shall not constitute a waiver of such privileges, rights, defenses, remedies, or immunities or be considered as a basis for estoppel. TxDOT does not waive any privileges, rights, defenses, or immunities available

to TxDOT by entering into this Contract or by its conduct prior to or subsequent to entering into this Contract.

Section XIII.04 LIMITATION ON AUTHORITY; NO OTHER OBLIGATIONS.

Vendor has no authority to act for or on behalf of TxDOT or the state of Texas except as expressly provided for in this Contract. Vendor may not incur any debts, obligations, expenses, or liabilities of any kind on behalf of the state of Texas or TxDOT.

Section XIII.05 USE OF TxDOT NAME AND TRADEMARKS.

Vendor will not use the TxDOT name, abbreviation of the TxDOT name, trade names, and/or trademarks (i.e., logos and seals) or any derivation thereof, in any form or manner in advertisements, reports, or other information released to the public, or place the TxDOT name, abbreviations, trade names, and/or trademarks or any derivation thereof on any consumer goods, products, or services for sale or distribution to the public, without TxDOT's prior written approval.

Section XIII.06 VENUE AND JURISDICTION; APPLICABLE LAW.

The venue of any suit arising out of the Contract is fixed in any court of competent jurisdiction of Travis County, Texas. The Contract shall be governed by and construed in accordance with the laws of the state of Texas, without regard to the conflict of law provisions.

Section XIII.07 ANTITRUST ASSIGNMENT.

Vendor hereby assigns TxDOT all of Vendor's rights, title, and interest in and to all claims and causes of action Vendor may have under the antitrust laws of Texas or the United States for overcharges associated with this Contract.

Section XIII.08 SEVERABILITY CLAUSE.

In the event any provision of the Contract may later be determined to be invalid, void, or unenforceable, then the remaining provisions of the Contract will remain in full force and effect.

Section XIII.09 TRANSITION.

Upon termination or expiration of the Contract, Vendor must:

(a) Promptly return to TxDOT all TxDOT-owned property, materials, documents, or data in the manner specified by TxDOT, and

(b) Cooperate fully with TxDOT and any successor vendor to ensure an orderly transition of business, including the transfer of records, data, and other materials necessary to continue the Work without interruption.

Section XIII.10 THIRD-PARTY BENEFICIARIES.

The Contract is made solely and specifically among and for the benefit of the Parties named herein and their respective successors and assignees, and no other person will have any right, interest, or claims hereunder or be entitled to any benefits pursuant to or on account of the Contract as a third-party beneficiary or otherwise.

ARTICLE XIV. BINDING EFFECT AND SURVIVAL OF OBLIGATIONS

Section XIV.01 BINDING EFFECT.

Vendor binds itself, its respective successors, and assignees to the faithful performance of the Contract.

Section XIV.02 SURVIVAL OF OBLIGATIONS.

Expiration or termination of the Contract will not release Vendor from any liabilities or obligations set forth in the Contract or in any work authorizations issued under the Contract, including any and all provisions regarding warranty, confidentiality, indemnification, transition, records, audit, property rights, dispute resolution, invoice, and fees verification.

APPENDIX A

Nondiscrimination Authorities

During the performance of this Contract, Vendor, for itself, its assignees, and successors in interest (hereinafter referred to in this Appendix as the "contractor") agrees to comply with the following nondiscrimination statutes and authorities, including but not limited to:

Pertinent Nondiscrimination Authorities:

(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.) (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) Section 508 of the Rehabilitation Act of 1973 as amended, 29 U.S.C. § 794(d), 36 C.F.R. § 1194.1, and the rules adopted in Title 1, Texas Administrative Code, Chapter 213, as they apply to electronic and information technology, including computer hardware and software, websites, phone systems, and copiers.

(f) The Age Discrimination Act of 1975, as amended (42 U.S.C. § 6101 et seq.) (prohibits discrimination on the basis of age).

(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, sub-recipients, and contractors, whether such programs or activities are federally funded or not).

(h) Titles II and III of the Americans with Disabilities Act, which prohibit 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) Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 U.S.C.1681, et seq.).