

**INTERAGENCY COOPERATION
CONTRACT BETWEEN
RAILROAD COMMISSION
OF TEXAS AND
THE UNIVERSITY OF TEXAS AT
EL PASO**

This Interagency Cooperation Contract ("Contract") is entered into by and between the **Railroad Commission of Texas ("RRC")**, a state agency located at 1701 N. Congress Avenue, Austin, Texas 78701, and **The University of Texas at El Paso ("UTEP")**, a Texas State Agency and Public Institution of Higher Education located at 500 W. University Ave El Paso, TX 79968 (individually "Party"; collectively "Parties"), pursuant to the authority granted by and in compliance with the provisions of "The Interagency Cooperation Act," Texas Government Code, Ch. 771.

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

WHEREAS, UTEP is a Texas State Public Institution of Higher Education that provides various seismological studies, research, evaluations and other services related to seismology;

WHEREAS, the RRC and UTEP find that it would be in their mutual best interest if they enter into this Contract whereby UTEP agrees to provide various seismology related research and services to the RRC on an as-needed basis;

WHEREAS, the RRC has determined that UTEP, through Professor Aaron Velasco of its Department of Geological Sciences ("Principal Investigator"), is qualified to provide such seismological research and services; and,

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

I. CONTRACTING AGENCIES.

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

II. STATEMENT OF WORK TO BE PERFORMED.

2.01. SCOPE OF SERVICES. UTEP shall provide the research and services ("Research Program") to the RRC thru Professor Aaron Velasco and its Department of Geological Sciences. Services and responsibilities under the Research Program include the following:

- i. attendance and participation in the TexNet quarterly Technical Advisory Committee Meetings;
- ii. review of technical materials related to disposal well applications for wells located in areas of historic seismic activity;
- iii. assistance in the development of public outreach campaigns; and
- iv. development and maintenance of an emergency response plan for the RRC.

2.02. RRC understands that UTEP's primary mission is education and advancement of knowledge and the services provided under this Contract will be designed to carry out that mission. The manner

of performance of the Research Program shall be determined solely by the Principal Investigator. UTEP does not guarantee specific results.

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

2.04. RRC understands UTEP may be involved in similar research thru other researchers on behalf of itself and others. UTEP shall be free to continue such research provided that it is conducted separately and by different investigators from the Research Program and RRC shall not gain any rights via this Contract to other research.

III. CONSIDERATION.

3.01. CONTRACT AMOUNT. As consideration for UTEP's performance, RRC agrees to pay UTEP an amount not-to-exceed the sum of **SIXTY THOUSAND DOLLARS AND ZERO CENTS (\$60,000.00)** per year for providing the services required to fulfil the initial term of this Contract.

IV. BASIS FOR COMPUTING REIMBURSABLE COSTS.

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

V. PAYMENT FOR SERVICES.

5.01 PAYMENT. Receiving Agency will pay a one-time, lump-sum payment of \$60,000.00 to the Performing Agency within 30 days of execution of this IAC or within thirty (30) days from receipt of invoice through the Interagency Transaction Voucher (ITV) process, in accordance with § 771.008 of the Texas Government Code. In addition, from time to time, UTEP will issue an invoice for cost reimbursable expenses as established in section 4.01 above RRC shall pay for services received and cost reimbursable expenses from appropriation items or accounts of the RRC from which like expenditures would normally be paid, based upon vouchers drawn by the RRC payable to UTEP.

5.02.

PAYMENT METHOD.

ITV INFORMATION. The FY22 RTI is 113522. The Vendor Number is 3724724724, The Mail Code is 001.

VI. TERM OF CONTRACT.

6.01. TERM. This Contract shall be effective upon September 1, 2021, and shall terminate on August 31, 2022, unless terminated earlier by either party, as provided in Section 6.02. The term of this Contract shall have the option to be renewed by the written approval of both parties for up to three (3) optional successive one-year periods.

6.02. EARLY TERMINATION. Either party may terminate this Contract, with or without cause at their

sole discretion, upon thirty (30) days prior written notice to the other. Upon receipt of notice of early termination, RRC shall cancel, withdraw, or otherwise terminate outstanding orders which relate to the performance of this Contract and shall otherwise cease to incur any future costs under this Contract. Early termination will be subject to an equitable settlement of the respective interests of the parties accrued up to the date of termination, including but not limited to a pro rata reimbursement of the annual payment described in section 5.01. If this Contract is terminated for any reason, neither party shall be liable for any damages, claims, or losses, or any other amounts arising from or related to any such termination.

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

VII. FUNDING.

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

VIII. LIABILITY

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

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

IV. FORCEMAJEURE.

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

X. MISCELLANEOUS PROVISIONS.

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

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

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

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

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

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

RRC:

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

UTEP:

The University of Texas at El Paso
Attn. Vice President of Research
500 W. University Ave
El Paso, TX 79968

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

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

XI. ACCESS TO PUBLIC INFORMATION.

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

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

XII. GENERAL PROVISIONS.

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

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

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

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

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

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

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

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

RAILROAD COMMISSION OF TEXAS

By: Wei Wang
Wei Wang,
Executive Director

Date of Execution: 6/29/2021

THE UNIVERSITY OF TEXAS AT EL PASO

By: Dr. Roberto Osegueda
Dr. Roberto Osegueda,
Vice President for Research

Date of Execution: 6/23/2021

RRC use only below this line.

Div. Director: RC^{DS}
CM COO: TL^{DS}
Procurement Director: PS^{DS}
OGC: _____