

REQUEST FOR PROPOSALS



Canadian River Municipal Water Authority

RFP No. 001 -2025
RELEASE DATE: May 5, 2025

Financial Audit Services

SUBMITTAL DEADLINE: May 23, 2025 at 5:00 P.M. (CT)

A. BACKGROUND

The Canadian River Municipal Water Authority (“Authority”) supplies water to 11 Member Cities totaling over a half-million people. The sources are from surface water (Lake Meredith) and groundwater (John C. Williams Wellfield). The Authority’s system is comprised of over 400 miles of large diameter pipe, pump stations, water supply wells, Sanford Dam, storage reservoirs, storage tanks, and other facilities. The Authority also owns and operates a Salinity Control Project in Logan, New Mexico, including production wells, an injection well, and other facilities.

B. SCOPE OF SERVICES

The Board of Directors of Canadian River Municipal Water Authority (the Authority) invites your firm to submit its proposal to: 1) provide the annual financial audit services required by Texas Water Code, Ch. 49, Subchapter G and 2) to conduct the management audit which is required to be performed every five years per the Texas Administrative Code section 292.13 (6) (A). The next management audit is due to be performed for the period ending September 30, 2025.

Under the Professional Services Procurement Act (Texas Government Code, Chapter 2254, Subchapter A), the Authority will select a firm to provide such audit services on the basis of demonstrated competence and qualifications in water authority auditing, and provision of those services for a fair and reasonable price. The terms of the engagement contract will be negotiated.

The Authority contemplates awarding an initial one-year contract on a fixed price basis, with annual options for the Authority to extend for up to four (4) successive renewal years. The first year of this period will include a management audit in addition to the financial audit. Please provide pricing information as requested below. The Authority reserves the right not to exercise the option to renew at any time during the contract term by giving notice of intent not to renew at least ninety (90) days before the end of the then-current one-year term. The Authority and the contractor may by mutual agreement extend the period of service following the initial five-year period for up to 5 additional one-year terms.

The Authority’s fiscal year ends on September 30 of each calendar year. ***The audit reports will be due not later than seventy (70) days following the close of the Authority’s fiscal year.*** This will allow sufficient time for the Board of Directors of the Authority to review, approve and accept the audit reports, and to satisfy state law requirements for timely filing them with the applicable regulatory authority; to permit Authority compliance with Open Meetings Act notice requirements for presentation of the report to the Board no later than at its January meeting; and to provide the reports to constituent municipal members of the Authority in sufficient time to permit them to comply with their audit requirements.

Proposals must (a) identify the firm’s experience with Texas public entity audits, including any such engagements for at least the last five years; (b) identify key personnel who will be assigned to perform the audit services for the Authority and what role each is proposed to play,

and provide a resume for each that includes identification of specific Texas public entity audit engagements on which they have worked; and (c) provide a copy of the firm's most recent System Review Report (Peer Review). You may provide other information you believe appropriate and helpful to the Authority.

Financial audits. The Authority requests that you include in your proposal at least the following elements:

1. Pricing. See below "Pricing Information".
2. Number of personnel. The number of people (by classification) proposed to be involved in performing the audit work and the range of education and experience in each classification.
3. Time to complete. The time required for the engagement, for each personnel classification anticipated to perform work on the audit.
4. Schedule. An estimated time schedule for the performance of the work.
5. GFOA Certification. Previous experience with GFOA Certification of Achievement will be a very important consideration in the selection process. Individuals and/or firms submitting proposals should identify their experience and degree of success in helping their clients receive the GFOA Certification of Achievement for Financial Reporting.

Management Audit (first year). Please provide similar information for the management audit to be provided in the first year of the service period.

Pricing information.

Under the Professional Services Procurement Act, Texas Government Code chapter 2254, which governs procurement of professional services by the Authority, the Authority is prohibited from requesting, and you should not submit a competitive bid for this engagement; however, we are requesting that you include in your proposal a fee estimate as follows:

1. A statement to the effect that, the amount quoted is an estimate and your firm will not be bound to provide the services for the estimated amount.
2. The estimated number of people (by classification) to be involved in performing the audit work and the range of education and experience in each classification.
3. The estimated time to be required for the engagement by personnel classification.
4. An estimated time schedule for the performance of the work.
5. The estimated audit fee based on the above work.

Please include a statement to the effect that you understand that the actual fee arrangement will be negotiated. The Authority would like a firm pricing structure or methodology to be stated in the negotiated contract for each of the initial five years of the service period.

You are requested to submit pricing information that may include example fees/rates for each class of personnel anticipated to be utilized in the respective audits; example fees for other similar audit projects you have done; what types of pricing, hourly rate structures, fixed escalations, indexed escalations, or other pricing methodologies you would be willing to

entertain for each year of the initial five-year service period; and any other general pricing information you believe might be helpful to the Authority's evaluation of your proposal.

Exceptions. Be sure to state any conditions that may apply, and state any exceptions you take to the RFP requirements (including regarding the negotiated contract). If Proposer believes any specifications or work scope statements in the RFP are inappropriate or should be modified, clearly state what you proposed for change and why.

Prior audit available. A copy of the prior year audit can be found on CRMWA's website under About Us/Financial Reports. Any other pertinent information will be provided upon request.

C. SELECTION AND AWARD PROCESS

The Authority will evaluate proposals considering:

- a. Proposer's qualifications, competence, and experience, and those of its employees or of the proposed audit team, as applicable;
- b. Reputation of the Proposer and of the Proposer's services;
- c. Proposed schedule; responsiveness; lead time;
- d. Pricing mechanisms you are willing to entertain;
- e. Proposer's past relationship with and provision of services to the Authority;
- f. The extent to which the proposed services meet the Authority's needs;
- g. The total long-term cost to the Authority to acquire the Proposer's services; and
- h. The overall advantage to the Authority of engagement.

The Authority may seek additional information from proposers or seek presentations or interviews with proposers. The Authority may negotiate with several proposers simultaneously.

Any contract awarded will be based on the Authority's determination of which Proposal(s) by responsible Proposer(s) are the most advantageous to the Authority, considering the factors described above, and the ability of the Authority to negotiate a satisfactory contract with the Proposer at a fair and reasonable price.

NO INDIVIDUAL BOARD MEMBER OR STAFF MEMBER OF THE AUTHORITY HAS THE POWER TO LEGALLY OR FINANCIALLY COMMIT THE AUTHORITY TO ANY CONTRACT, AGREEMENT OR PURCHASE ORDER FOR GOODS OR SERVICES UNLESS SPECIFICALLY AUTHORIZED TO DO SO BY THE AUTHORITY'S BOARD OF DIRECTORS OR A PERSON TO WHOM THE BOARD HAS EXPRESSLY DELEGATED SUCH AUTHORITY.

D. SUBMISSION PROCESS, DUE DATE, AND REQUIRED DOCUMENTS

Proposers must submit Proposals electronically in PDF format with signature, by email to Neisa Hill, at nhill@crmwa.com. The subject line title should be “CRMWA RFP No. 001 - 2025 – Financial & Management Audit” and include the name of the Proposer’s company.

It is the submitter’s responsibility to timely submit a complying and complete response to the Authority. The Authority will not be responsible for slow, delayed, or failed electronic transmissions that do not reach the stated Authority recipient by the stated deadline, or that are incomplete, corrupted, or otherwise unreadable, regardless of whether non-receipt or untimely receipt, or incompleteness, corruption, or unreadability is caused in whole or part by, without limitation, any failures of the World Wide Web, internet service providers (ISPs), or third party systems, firewalls, or infrastructure, or otherwise.

You must provide proof you meet the **insurance requirements** stated in Exhibit 1 (declarations page will be sufficient); a completed, signed and dated **Suspension and Debarment Certification**; and a completed **Form CIQ** Conflict of Interest Questionnaire.

Responses should be clear, concise, and complete. They should be submitted using an 8 ½” by 11” portrait format (up to 11’ by 17” will be permitted for drawings, where warranted). Number each page starting with the cover letter, including text charts and graphic images. Note the requirement that the Proposal must be hand-signed by a principal of the Proposer company. Use this as your signature block format:

****Indicate here the total number of pages attached to this Proposal Form: _____.*

PROPOSAL SUBMITTED BY:

Signature: _____ Date: _____

Printed Name: _____ Title: _____

Firm Name: _____ Tel : _____

Address: _____ State: _____ Zip: _____

By submission of a response, Proposer acknowledges that it has read and thoroughly understands the Scope of Services, and represents that it can perform all tasks as required. By submitting a Proposal, you agree to the terms and conditions stated in the RFP except as otherwise noted in the Proposal, and that, if awarded a contract, you will negotiate the terms of the contract in good faith.

E. WITHDRAWAL OF PROPOSALS; PRESUMED ACCURACY

Prior to the proposal deadline, an offeror may withdraw its Proposal, and may, if it chooses, submit a new Proposal, if the new Proposal is submitted before the proposal deadline. A request for withdrawal of a Proposal must be submitted in writing to the Contact Person for RFP inquiries identified below, signed by an authorized representative of the offeror, and received by the Contact Person before the proposal deadline.

After the proposal deadline, an offeror may NOT withdraw its Proposal for a period of sixty (60) days after proposal opening, unless withdrawal is required by applicable law or permitted by the Authority for sufficient cause shown. *Offeror's proposal will be a FIRM OFFER to provide the subject services according to the stated prices and terms, held open for this minimum period.*

Each Proposal received will be presumed to be accurate and free from error, unless clear and convincing evidence to the contrary is presented. In the case of disagreement between words and numbers, the words shall control.

F. TIME AND PLACE OF OPENING PROPOSALS

Proposals that have been timely received will be publicly opened at the place for submitting proposals immediately after the deadline for submission, and the names of the proposers will be read aloud.

G. SCHEDULE FOR SELECTION PROCESS

- Authority begins RFP process on May 5, 2025.
- Questions must be directed in writing to Neisa Hill (nhill@crmwa.com). Questions and responses will be shared with all identified potential proposers.
- Questions relating to definitions or interpretations of the RFQ must be submitted in writing on or before 5:00 p.m. Central time on May 19, 2025.

- Submittals are due **no later than 5:00 p.m. Central time on May 23, 2025**.
- **Award will be made after the MAY 2025 CRMWA Operating Committee Meeting and Approval.**

H. RIGHT OF AUTHORITY TO CANCEL REQUEST FOR PROPOSALS, TO ELECT NOT TO AWARD, TO REJECT PROPOSALS, AND TO WAIVE INFORMALITIES OR IRREGULARITIES

The Authority expressly reserves the right to cancel this RFP at any time, or to elect not to award contracts cited in the RFP, without penalty or obligation to any Proposers; to reject any or all Proposals; to waive any informality or irregularity in any Proposal received; and to be the sole judge of the merits of the Proposals received. Proposers are solely responsible for all costs related to making a response to this RFP; the Authority will not be responsible for any costs to a proposer or would-be proposer even if the RFQ is canceled, the Proposer's response is disqualified for any reason, or the Proposer's Proposal is not selected.

By submitting a Proposal, you agree that you are solely responsible for any and all costs involved or incurred by you or on your behalf by any third party in or related to the preparation and submission of your Proposal and any additional information required by the Authority, regardless of whether your Proposal is considered (or not) or is rejected for any reason, or whether you are selected to be one of the candidates or not.

I. EQUAL OPPORTUNITY IN AUTHORITY BUSINESS CONTRACTING

Race, religion, sex, color, ethnicity, and national origin are not used as criteria in the Authority's business contracting practices. Every effort is made to ensure that all persons regardless of race, religion, sex, color, ethnicity and national origin have equal opportunity to compete or make proposals for contracts and other business opportunities with the Authority.

J. CONTRACT AND CONTRACT DOCUMENTS

A Proposer to which work under this solicitation is awarded will be expected to execute a contract with all appropriate terms. "Contract Documents" will include the negotiated Main Agreement including the specifications accompanying this RFP (as they may be modified by agreement), the RFP itself and any addenda, and the successful Proposal. In the event of any ambiguity, contradiction, or other conflict between and among these Contract Documents, the documents will be given priority in this order: (1) the Main Agreement including any specifications; (2) the RFP as modified by any addenda; and (3) the Proposal. Alternatively, at the discretion of the Authority, the contract may take the form of a Purchase Order with attachments containing other terms and conditions of the agreement.

K. QUALITY OF SERVICES

All work and work product will be performed according to then-current professional standards.

L. INSURANCE

A Contractor to which a contract is awarded by the Authority under this solicitation is required to carry the insurance specified in the Insurance Requirements attachment (**Exhibit 21**), and to show proof of insurance before the beginning of any contract work, and at any other time during the term of the contract upon request of the Authority.

M. INQUIRIES AND INTERPRETATIONS

Responses to inquiries that directly affect an interpretation or change to the RFP are issued in writing by the Authority as an addendum to the RFP. All such addenda issued before the time that responses are due will be considered part of this RFP.

Only responses to those inquiries to which the Authority formally replies by issuing addenda will be binding. Oral and other interpretations or clarifications will not be considered to be part of this RFP and will be without legal effect.

The Authority is aware of the time and effort you expend in preparing and submitting your Proposal. Please let us know if any requirement causes you undue difficulty in responding to this RFP. We want to facilitate your participation so that all potential proposers can compete for the Authority's business. If you have any questions, please contact Neisa Hill (nhill@crmwa.com).

N. THE AUTHORITY'S RIGHT TO AUDIT

At any time during the term of any contract that is awarded based on this RFP, or thereafter, the Authority reserves the right to audit Contractor's records and books relevant to all services provided to the Authority under the contract, or to have a duly authorized audit representative of the Authority conduct an audit, at the Authority's expense and at reasonable times. In the event such an audit reveals any errors or overpayments by the Authority, Contractor shall refund to the Authority the full amount of such overpayments within thirty (30) days of such audit findings. The Authority, at its option, reserves the right to deduct and set off any amounts owing to the Authority by the Contractor from any payments due the Contractor under a contract let in relation to this RFP, or based on any other contract or claim by the Authority.

O. ANTI-LOBBYING PROVISION

DURING THE PERIOD BETWEEN THE PROPOSAL SUBMISSION DATE AND THE CONTRACT AWARD, IF ANY, A PROPOSER OR PROSPECTIVE PROPOSER, INCLUDING ITS PRINCIPALS OR OTHER OWNERS, OFFICERS, EMPLOYEES, CONTRACTORS, AGENTS AND REPRESENTATIVES, SHALL NOT DISCUSS OR PROMOTE ITS PROPOSAL OR WOULD-BE PROPOSAL WITH ANY MEMBER OF THE AUTHORITY'S BOARD OF DIRECTORS OR STAFF EXCEPT UPON THE REQUEST OF THE AUTHORITY IN THE COURSE OF AUTHORITY-SPONSORED INQUIRIES, BRIEFINGS, INTERVIEWS, OR PRESENTATIONS.

This provision is not meant to preclude Proposers or prospective Proposers from discussing other matters with Authority Board members or Authority staff. The policy is intended to create a level playing field for all potential Proposers, assure that contract decisions are made in public, and to protect the integrity of the RFP process. Its purpose is to stimulate competition, prevent favoritism and secure the best work and materials at the lowest practicable price, for the best interests and benefit of the Authority and its customers. Violation of this provision may result in the disqualification of the Proposer.

P. NO ARBITRATION; REMEDIES CUMULATIVE

The Authority reserves the right to exercise any right or remedy available to it by law, contract, equity, or otherwise, including without limitation, the right to seek any and all forms of relief in a court of competent jurisdiction. The Authority shall not be subject to any arbitration process prior to exercising its unrestricted right to seek a judicial remedy, or without the Authority's written consent to arbitration. The remedies set forth herein or in any contract awarded are cumulative and not exclusive and may be exercised concurrently. To the extent of any conflict between this provision and another provision in, or related to, this document, this provision shall control.

Q. WAIVER OF CLAIMS BASED ON PROPOSAL

EACH OFFEROR BY SUBMISSION OF A PROPOSAL TO THIS REQUEST FOR PROPOSALS WAIVES ANY CLAIMS IT HAS OR MAY HAVE AGAINST THE AUTHORITY, ITS ELECTED OFFICIALS, EMPLOYEES, OFFICERS, AGENTS, AND REPRESENTATIVES, ENGINEERS, AND OTHER CONSULTANTS, CONNECTED WITH, RELATED TO, OR ARISING FROM THIS REQUEST FOR PROPOSALS, INCLUDING, WITHOUT LIMITATION, THE ADMINISTRATION OF THE REQUEST FOR PROPOSALS, THE PROPOSAL EVALUATIONS, AND THE SELECTION OR NON-SELECTION OF THE OFFEROR. SUBMISSION OF A PROPOSAL INDICATES OFFEROR'S ACCEPTANCE THAT SOME SUBJECTIVE JUDGMENTS MUST BE MADE BY THE AUTHORITY DURING THE SELECTION PROCESS. WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, EACH OFFEROR ACKNOWLEDGES THAT THE AUTHORITY WILL DOCUMENT THE BASIS OF ITS SELECTION AND WILL MAKE THE EVALUATIONS PUBLIC NOT LATER THAN THE SEVENTH DAY AFTER THE DATE THE CONTRACT OR CONTRACTS HAVE BEEN AWARDED, AND THE OFFEROR WAIVES ANY CLAIM IT HAS OR MAY HAVE AGAINST THE ABOVE-NAMED PERSONS AND ENTITIES BASED ON INFORMATION, OPINIONS OR JUDGMENTS CONTAINED IN SUCH EVALUATIONS.

R. CONFLICT OF INTEREST DISCLOSURES

Proposers are required under Texas law to make certain conflicts of interest disclosures, as described in **ATTACHMENT A**.

S. CHOICE OF LAW; VENUE

Any claim or dispute concerning, related to, or arising under this RFP or any contract awarded under it shall be subject to the law of the State of Texas, without giving effect to its choice of law provisions. Venue for any such claim or dispute shall be and lie exclusively in the state and county courts of Hutchinson County, Texas; and by submitting a Proposal, the Offeror agrees to submit to the personal jurisdiction of such courts.

T. REQUIRED REPRESENTATIONS; PROHIBITIONS

Proposers are required under Texas law to make certain representations, and are subject to certain prohibitions, when contracting with Texas local governments, as described in **ATTACHMENT B**.

PRIVACY NOTIFICATION

The principal purpose for requesting this information is for use in the selection process for professionals commissioned by the Canadian River Municipal Water Authority.

Furnishing all information requested on the form is mandatory. Failure to provide such information will delay or may even prevent completion of the action for which the form is being completed. Information on the form is used by the Authority in the consideration of commissions to professionals.

If you consider any portion of your response to be privileged or confidential by statute or judicial decision, including trade secrets and commercial or financial information, clearly identify those portions. Remember that documents submitted to the Authority may be subject to disclosure under the Texas Public Information Act, chapter 552 of the Texas Government Code.

Responses are opened in a manner that avoids disclosure of the contents to competing responders and keeps the responses confidential during negotiations. All responses are open for public inspection after the contract is awarded, although trade secrets and confidential information in the responses may be protected from public disclosure to the extent permitted by the Public Information Act.

The Authority will honor your notations of trade secrets and confidential information and decline to release such information initially, but once a contract is awarded the final determination of whether a particular portion of your response is a trade secret or commercial or financial information that may be withheld from public inspection may be made by the Texas Attorney General or a court. In the event an open records request is received for a portion of your response that you have marked as being confidential, you will be notified of the request and have an opportunity to justify your legal position in writing to the Texas Attorney General under section 552.305 of the Texas Government Code. In the event the Texas Attorney General or a court determines that the information is not privileged under section 552.110, or another section, of the Texas Government Code or section 252.049 of the Texas Local Government Code, that information will be made available to the requester.

Marking your entire submittal CONFIDENTIAL/PROPRIETARY is not in conformance with the Texas Public Information Act and will not be effective except as otherwise recognized by the Public Information Act.

SUSPENSION AND DEBARMENT CERTIFICATION

Federal law (A-102 Common Rule and OMB Circular A-110) prohibits non-federal entities from contracting with or making sub-awards under covered transactions to parties that are suspended or debarred or whose principals are suspended or debarred. Covered transactions include procurement contracts for goods or services equal to or in excess of \$25,000 and all non-procurement transactions (e.g., sub-awards to sub-recipients).

Contractors receiving individual awards of \$25,000 or more and all sub-recipients must certify that their organization and its principals are not suspended or debarred by a federal agency.

Before an award of \$25,000 or more can be made to your firm, you must certify that your organization and its principals are not suspended or debarred by a federal agency.

I, the undersigned agent for the firm named below, certify that neither the firm nor its principals are suspended or debarred by a federal agency.

COMPANY NAME: _____

Firm's Federal Tax ID Number: _____

Signature of Company Official: _____

Printed name of company official signing above: _____

Date Signed: _____

CANADIAN RIVER MUNICIPAL WATER AUTHORITY

ATTACHMENT A

Conflict of Interest Disclosures

1. Chapter 176 (Form CIQ)

Offerors must determine if they are required under Chapter 176 of the Texas Local Government Code to file a completed conflict of interest disclosure with the Authority, disclosing familial relationships with a “local government officer”, or regarding certain gifts or other gratuities provided to, or financial or business relationships with, a local government officer or members of the officer’s family; if so, the Conflict of Interest Questionnaire (Form CIQ, available on the website of the Texas Ethics Commission) MUST be completed and submitted with Offeror’s Proposal. *NOTE:* If the factors regarding an Offeror’s obligation to file exist, the Offeror is required to file the Form CIQ disclosure for merely seeking a contract with the Authority, i.e., by merely submitting a Proposal.

For certainty, all Proposers are required to file a Form CIQ with their Proposals. If a Proposer believes it has nothing to report, it must file a Form CIQ anyway, and note on it that there have been no events requiring disclosure.

2. HGB 1295 (Form 1295)

Successful Proposers (i.e., one(s) to which a contract has been awarded) are required to provide an HB 1295 disclosure of “interested parties” (as defined in the Act; *see* Tex. Gov’t Code § 2252.908) along with the executed copy of the contract. ***The Act specifically provides that no governmental entity may have a contract unless the required disclosure has been provided; failure to provide it may mean the contract is void.*** Form 1295 and instructions regarding how to fill it out and to submit it to the Authority are available on the website of the Texas Ethics Commission (TEC).

No Form 1295 is required from Proposers not selected for a contract award; no Form 1295 is required to be filed with a Proposal, but only upon award of a contract by the Authority.

CANADIAN RIVER MUNICIPAL WATER AUTHORITY

ATTACHMENT B

REQUIRED REPRESENTATIONS, PROHIBITIONS

Representation Regarding Israel. In compliance with Texas Government Code section 2270.002, Contractor represents and warrants by its authorized signature below that it does not boycott Israel and will not boycott Israel for the term of this Agreement including any renewals or extensions. In making this verification, “boycott Israel” means refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations specifically with Israel, or with a person or entity doing business in Israel or in an Israeli-controlled territory, but does not include an action made for ordinary business purposes.

No Contracts With Proscribed Entities – Terrorism Verification. Under Texas Government Code section 2252.152, a governmental entity may not contract with, among others, the governments of Iran or Sudan, or with a designated terrorist organization; or in general with a company that does so contract. Contractor represents and warrants by its authorized signature below that, at this time and at the time of entering into any contract with the Authority and during the full term of that contract, neither respondent nor any wholly-owned subsidiary, majority-owned subsidiary, parent company, or affiliate of respondent (i) is a company listed by the Texas Comptroller under Texas Government Code section 2252.153, or (ii) engages in business with Iran, Sudan, or any foreign terrorist organization as described in Texas Government Code chapters 806 or 807, or subchapter F of Texas Government Code chapter 2252. The term “foreign terrorist organization” has the meaning assigned in Texas Government Code section 2252.151.

PROHIBITION ON BOYCOTTING ENERGY COMPANIES. As required by Section 2274.002, Texas Government Code, Contractor hereby verifies that it does not boycott any energy companies and will not boycott any energy companies during the term of any contract with the Authority. For purposes of this verification, “boycott energy company” is defined in Section 809.001, Texas Government Code, as an ordinary business purpose, refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations with a company because the company: engages in the exploration, production, utilization, transportation, sale, or manufacturing of fossil fuel-based energy and does not commit or pledge to meet environmental standards beyond applicable federal and state law; or does business with a company described above.

PROHIBITION ON DISCRIMINATION OF FIREARM ENTITY OR FIREARM TRADE ASSOCIATION. As required by Section 2274.002, Texas Government Code, Respondent hereby verifies that it does not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association, and that during the term of any contract with the Authority it will not so discriminate against a firearm entity or firearm trade association. For purposes of this verification, “discriminate against a firearm or firearm trade association” is defined in Section 2274.001, Texas Government Code, as refusing to engage in trade of any goods or services with an entity or association based solely on its status as a firearm entity or firearm trade association, refraining from continuing existing business relationship with the entity or association based solely on its status as a firearm entity or firearm trade association, or terminating an existing business relationship with an entity or association based solely on its status as a firearm entity or firearm trade association.

PROHIBITION ON AGREEMENTS WITH CERTAIN FOREIGN-OWNED COMPANIES IN CONNECTION WITH CRITICAL INFRASTRUCTURE. As required by Section 2274.0102, Texas Government Code, Respondent hereby represents and warrants that at this time, and at the time of entering into any contract with the Authority and during the term of that contract, neither Respondent, nor any wholly-owned subsidiary, majority-owned subsidiary, parent company, or affiliate of Respondent: (i) is owned by, or the majority of stock or other ownership interest of the company is owned by, persons or entities: (a) who are citizens of China, Iran, North Korea, Russia, or a designated country; or (b) a company or other entity, including a governmental entity, that is owned or controlled by citizens of or is directly controlled by the governments of China, Iran, North Korea, Russia, or a designated country; or (ii) is headquartered in China, Iran, North Korea, Russia, or a designated country. For purposes of this verification, “designated country” is defined as a country designated by the Texas governor as a threat to critical infrastructure as defined under Section 2274.0103, Texas Government Code.

CANADIAN RIVER MUNICIPAL WATER AUTHORITY

EXHIBIT 1
INSURANCE REQUIREMENTS

INSURANCE REQUIREMENTS

General Liability:

Contractor's insurance shall include blanket contractual liability with a combined single limit of a minimum of \$1,000,000 each occurrence and \$2,000,000 in the aggregate and shall include the following:

- Blanket Contractual Liability
- Personal Injury and Advertising Injury
- Products and completed operations

Professional Liability:

Contractor's insurance shall include Professional Liability coverage with a combined single limit of a minimum of \$1,000,000 each occurrence and \$3,000,000 in the aggregate.

Business Automobile Liability:

Contractor's insurance shall include Business Automobile Liability coverage with a combined single limit of at least \$500,000 per occurrence, and include coverage for but not limited to the following:

- Bodily injury and property damage
- Any and All Owned, Non-Owned or Hired vehicles, including employee owned vehicles used for business in whole or in part

Workers' Compensation and Employers Liability Insurance:

Contractor must elect to obtain workers' compensation coverage pursuant to Section 406.002 of the Texas Labor Code. Contractor shall maintain said coverage throughout the term of the contract and shall comply with all provision of Title 5 of the Texas Labor Code to ensure that the Contractor maintains the coverage. Any termination of workers' compensation insurance coverage by Contractor or any cancellation or non-renewal of workers' compensation insurance coverage for the Contractor will constitute a material breach of the contract.

Contractor's insurance will include Employer's Liability coverage with limits of at least \$500,000 each accident.

Other Insurance Requirements:

Contractor's general liability and auto liability insurance policies through policy endorsement must include wording that states that the policy shall be primary and non-contributory with respect to any insurance carried by the Authority. The certificate of insurance described below must reflect that the above wording is included in evidenced policies. The Authority must be notified at least 30 days in advance of any cancellation of any of the required policies. The Authority must receive a copy of the full policy from the selected engineering firm.