



**REGULAR MEETING  
RIVERBEND WATER RESOURCES DISTRICT  
PUBLIC NOTICE OF BOARD OF DIRECTORS' MEETING  
WEDNESDAY, APRIL 26, 2023  
12:00 P.M.  
228 TEXAS AVENUE, SUITE A, NEW BOSTON, TX 75570**

*Notice is hereby given pursuant to V.T.C.A., Government Code, Chapter 551, that the Board of Directors of the Riverbend Water Resources District will conduct a meeting; open to the public, on **WEDNESDAY, April 26, 2023, at 12:00 p.m.**, at the Riverbend Water Resources District ("Riverbend") office, in the **Conference Room** located at **228 Texas Avenue, Suite A, New Boston, TX 75570.***

*The Board of Directors is authorized by the Texas Open Meetings Act to convene in closed or executive session for certain purposes. These purposes include receiving legal advice from its attorney (Section 551.071); discussing real property matters (Section 551.072); discussing gifts and donations (Section 551.073); discussing personnel matters (Section 551.074); discussing security personnel or devices (Section 551.076); or discussing economic development matters (Section 551.087). If the Board of Directors makes a determination to go into executive session on any item on this agenda, the Presiding Officer will announce that an executive session will be held and will identify the item to be discussed and provision of the Open Meetings Act that authorizes the closed or executive session.*

**A G E N D A**

- I. CALL TO ORDER & ROLL CALL
- II. INVOCATION & PLEDGE
- III. PUBLIC COMMENTS

*The Board of Directors allows individuals to speak to the Board. Prior to the meeting, speakers must sign in on the public comment sheet. The time limit is five (5) minutes per speaker, subject to the provisions set forth under Section 551.007 of the Texas Government Code.*

- IV. CONSENT AGENDA ITEMS

- A. Discussion and possible action regarding March 22, 2023 Regular Meeting minutes.



V. ENTITY REPORTS

- A. Discussion and possible action regarding activities with Sulphur River Basin Authority.
- B. Discussion and possible action regarding activities with TexAmericas Center.
- C. Discussion and possible action regarding activities with REDI.

VI. AGENDA ITEMS FOR INDIVIDUAL CONSIDERATION

The Board of Directors will consider, discuss, and if appropriate, take action on the following item(s):

**A. Discussion and possible action regarding approval of a resolution approving the second quarter FY 2023 Financial Statements.**

Presentation of the second quarter financials for FY 2023 will be by Tara Houck.

**Action Item:** Consider motion for approval of RESO 20230426-01 approving the second quarter financials for FY 2023.

**B. Discussion and possible action regarding approval of a resolution approving the second quarter FY 2023 Investment Report.**

Presentation of the second quarter investment report for FY 2023 will be by Tara Houck.

**Action Item:** Consider motion for approval of RESO 20230426-02 approving the second quarter investment report for FY 2023.

**C. Discussion and possible action regarding approval of a resolution adopting the Revised 2023 Administrative Member Fund Budget, the Revised 2023 Wet Utilities Fund Budget, and the Revised 2023 Regional Water System Facilities Fund Budget of Riverbend Water Resources District.**

Presentation of the Revised 2023 Administrative Member Fund Budget, the Revised 2023 Wet Utilities Fund Budget, and the Revised 2023 Regional Water System Facilities Fund Budget by Tara Houck.



**Action Item:** Consider motion for approval of RESO 20230426-03 adopting the Revised 2023 Administrative Member Fund Budget, the Revised 2023 Wet Utilities Fund Budget, and the Revised 2023 Regional Water System Facilities Fund Budget of Riverbend Water Resources District.

**D. Discussion and possible action regarding approval of a resolution authorizing the Executive Director/CEO to negotiate and enter into an agreement with Round Table Networks, LLC for Information Technology services.**

This item pertains to the renewal of an existing contract with Round Table Networks for managed information technology services. We signed the original agreement in January 2022. The agreement at that time was for 12 months and then it would convert over to a month-to-month agreement. This proposed contract would be a 2-year agreement with the same transition to a month-to-month contract after the initial term. The prices for services are increasing by 5% as compared to the current contract. There is also a 5% escalation clause in the second year of the proposed agreement. We have been very satisfied with the services that Round Table has provided and would like to continue with this service agreement. Staff recommends approval.

**Action Item:** Consider motion for approval of RESO 20230426-04 authorizing the Executive Director/CEO to enter into and negotiate an agreement with Round Table Networks, LLC for managed IT Services.

VII. REPORTS

- A. Board Members
- B. Executive Director/CEO

VIII. EXECUTIVE SESSION

*The Board of Directors is authorized by the Texas Open Meetings Act to convene in closed or executive session for certain purposes. These purposes include receiving legal advice from its attorney (Section 551.071); discussing real property matters (Section 551.072); discussing gifts and donations (Section 551.073); discussing personnel matters (Section 551.074); discussing security personnel or devices (Section 551.076); or discussing economic development matters (Section 551.087). If the Board of Directors makes a determination to go into executive session on any item on this agenda, the Presiding Officer will announce that an executive session will be held and will identify the item to be discussed and provision of the Open Meetings Act that authorizes the closed or executive session.*



IX. NEXT REGULAR MEETING

Riverbend Regular Meeting, May 24, 2023 at 12:00 p.m. at Riverbend Offices, 228 A Texas Avenue, New Boston, Texas 75570.

X. ADJOURNMENT

*Kyle Dooley*

Kyle Dooley, Executive Director/ CEO  
Riverbend Water Resources District

\*Persons with disabilities who plan to attend the RWRD Board of Directors' meeting and who may need auxiliary aids or services are requested to contact the RWRD Administrative Offices at (903) 831-0091, as soon as possible. All reasonable efforts will be taken to make the appropriate arrangements.

**REGULAR CALLED MEETING  
RIVERBEND WATER RESOURCES DISTRICT  
WEDNESDAY, APRIL 26, 2023**

**CONSENT AGENDA ITEM IV. A.  
March 22, 2023  
Regular Meeting Minutes**

**Regular Called Meeting  
Riverbend Water Resources District  
Board Meeting Minutes**

**March 22, 2023**

228 Texas Avenue, Suite A, New Boston, Texas 75570

**MINUTES**

**I. Call to Order, Roll Call, and Establishment of Quorum and Certification of Notice**

Pursuant to a notice posted on the District website, the Chair, Van Alexander, President of the Board, called the meeting to order at 12:10 p.m.

**Directors Present:**

Steve Mayo, Vice President  
Fred Milton, Treasurer  
Sonja Hubbard, Secretary  
Tina Veal-Gooch, Past President

**Directors Absent:**

Van Alexander, President

**Administration Present:**

Kyle Dooley, Executive Director/CEO  
Eli Hunt, Director of Operations  
Tara Houck, CFO  
Becky Melton, HR Manager/Executive Assistant

**Public Present:**

Please see the attached list for additional guests.

**II. Invocation & Pledge**

Fred Milton led the invocation and the pledge of allegiance.

**III. Public Comments**

None.

**IV. Consent Agenda Items**

Item IV. A. and B. were considered under a Consent Agenda for one single motion of approval.

- A. Discussion and possible action regarding February 22, 2023 Regular Called Meeting Minutes.**
- B. Discussion and possible action regarding the review of Riverbend’s Capitalization Policy, Investment Policy, Water Conservation Plan, and Drought Contingency Plan.**

A single motion was made by **Sonja Hubbard** and seconded by **Fred Milton** to approve the Consent Agenda Items as listed above. The motion passed unanimously.

## **VI. Regional Entity Reports**

- A. Discussion and possible action regarding activities with Sulphur River Basin Authority (SRBA).**

Kyle Dooley provided that their meeting was yesterday. There were no new items of note on their agenda. Sonja Hubbard inquired about their search for a new Executive Director. Kyle provided that the board has terminated the contract with the interim Executive Director but they have not yet decided how they will move forward.

No action taken.

- B. Discussion and possible action regarding activities with TexAmericas Center (TAC).**

Scott Norton, Executive Director/CEO provided an update. The TAC Board approved the job description for a Vice President of Finance. The quarterly financials were approved as well as a lease extension with Texas Parks and Wildlife. In addition, they approved a qualified site for an Alamo tract which is in Area A. The Board approved the creation of a non-profit for a community development entity. Which will be specific to new market tax credit projects. EnviroSAFE Demil decided, instead of leasing property, they would exercise an option to buy 45 acres on the former F Line on the Lone Star footprint. The plastics recycling project is also moving forward. Several site visits have been conducted in the past few months. They have resulted in discussions on building a 200,000 square foot production facility as well as a 250,000 square foot warehouse.

No action taken.

- C. Discussion and possible action regarding activities with Ar-Tex REDI.**

Sonja Hubbard provided that the Board met with Representative Gary VanDeaver and Senator Bryan Hughes. That discussion centered around getting access to the Texas side site here close to Interstate 30. This will definitely increase the marketability of that site. There are also discussions regarding more funding for the airport expansion and possibly get some warehouses built at the airport as well.

No action taken.

## **VII. Agenda Items for Individual Consideration**

### **A. Discussion and possible action regarding approval of a resolution reviewing and updating Riverbend's Personnel Policy Manual.**

Kyle Dooley provided details on the addition of Section 5.10 Longevity Pay to the current Personnel Policy Manual. Currently, there is not a section in the manual that discusses longevity pay. Historically, longevity pay has been paid at the rate of 1% of the employee's annual salary. Staff has put together Section 5.10 Longevity Pay to update how longevity pay is calculated and to codify it in the manual moving forward. It is recommended to go to a set amount to be paid for each year of service for each employee up to 15 years of service. The upper cap for longevity pay would be \$2,000 and an employee would reach that cap at 15 years of service. Funds are available in the current budget to cover the costs of this change.

A motion was made by **Fred Milton** and seconded by **Tina Veal Gooch** to approve **RESO 20230322-01** approving the addition of section 5-10 Longevity Pay as described. The motion passed unanimously.

### **B. Discussion and possible action regarding approval of a resolution authorizing the addition of a credit card and therefore an increase in the credit limit with Texar Federal Credit Union.**

Kyle Dooley provided that this item pertains to a request to add a credit card for Eli Hunt, Director of Operations. We have had a card for Operations for a long time but, typically, if Eli was traveling on business for Riverbend, he would leave the card at the office just in case the Operations or Maintenance staff had need to use the card while he was out. As we have added several cards over the past couple of years, it would be more efficient to have a card specifically for Eli, that he could carry with him when out of the office, in addition to the ones that we have currently.

A motion was made by **Tina Veal Gooch** and seconded by **Sonja Hubbard** to approve **RESO 20230322-02** authorizing the addition of a credit card and therefore an increase in the credit limit with Texar Federal Credit Union. The motion passed unanimously.

### **C. Discussion and possible action regarding approval of a resolution authorizing the Executive Director/CEO to execute a construction contract with Francis Excavating, LLC.**

Kyle Dooley provided that this item is regarding the rehabilitation of two wastewater drying beds at the Ron Collins Wastewater facility. MTG Engineers has been hired for design and construction management services for the project, and recently requested bids for the construction project. Riverbend received three bids. They were Barnwell Industries, Francis Excavating, LLC and Texarkana Concrete Construction, Inc. The submittal proposals were evaluated by a team of RWRD staff, as described in the bid documents. Based on that evaluation, staff recommends that Francis Excavating, LLC's proposal offers the best value to RWRD. Funds are available for this project.



A motion was made by **Sonja Hubbard** and seconded by **Fred Milton** to approve **RESO 20230322-03** authorizing the Executive Director/CEO to execute a construction contract with Francis Excavating, LLC. The motion passed unanimously.

**D. Discussion and possible action regarding approval of a resolution authorizing the Executive Director/CEO to amend the current interlocal agreement with the City of Maud, Texas to include certain water services.**

Kyle Dooley provided that this item pertains to the current member services agreement between the City of Maud and Riverbend. Currently, the services agreement is specifically for Riverbend to provide wastewater service to the City of Maud for a flat monthly fee. Every year, after the initial year of the contract, a true-up will be done on the services and cost actually provided. The City of Maud had a need for help with water services also. This need just came up and required a quick turnaround. Staff, working with our legal counsel, amended the current agreement to now include providing both wastewater and water services. It would still be for a flat monthly fee to cover both water and wastewater services, and the true-up process would still be the same after the first year of the agreement. Staff is working with the City of Maud to finalize the agreement and they will be considering this contract at a future council meeting.

A motion was made by **Fred Milton** and seconded by **Tina Veal Gooch** to approve **RESO 20230322-04** authorizing the Executive Director/CEO to amend the current interlocal agreement with the City of Maud, Texas to include certain water services. The motion passed unanimously.

## **VIII. Riverbend Reports**

### **A. Board Members**

No reports.

### **B. Executive Director/CEO**

Kyle Dooley provided the following updates:

Regional Water System Project: We are waiting on comments from the USACE on the intake application that was completed and submitted in early February. Recent discussions with the Ultimate Rule Curve team have yielded information on the intake application. It has passed from the real estate review team to the operations review team to the regulatory review team. The comments from real estate and operations were minimal. The regulatory review team is expected to release more specific and detailed comments by the end of next week. During past discussions the answer on the application was that the USACE would not move forward and there was no opportunity for Riverbend to comment. Now there is an intake application review team putting comments together that can be addressed by Kyle and Pape Dawson. There is a meeting scheduled with TWDB the afternoon of March 30<sup>th</sup> to update them on where Riverbend is with the USACE and the intake application. Once we hear from the USACE, we will submit the EID for review while we wait on TWDB to approve the RFQs for publication.

Industrial Waste Water Plant: Meeting with the Army contract staff will be held on March 30<sup>th</sup> to discuss funding options and answer any questions they may have. In addition to the Army using this new proposed plant, there are also civilian entities interested in industrial waste water usage. That will change the financial responsibility for the Army.

Ultimate Rule Curve and Environmental & Cultural Resources Study: Not much change. The Programmatic Agreement is nearing completion. The open internal comment period is wrapping up. They are finishing up their hydraulic and hydrological modeling based on numbers we submitted. They will share that report with us once they complete it.

Region D: Board meeting was held on March 15<sup>th</sup>. Big discussions are going on regarding usage numbers, population data and changes in how future population numbers are calculated. Past planning cycles have allowed for stagnation in population numbers that show a decrease. This planning cycle there will be a trend to keep the population trending downward if there is history showing that. That will also mean that increases in population will continue to trend upwards if there is a history of growth. There are 2 separate methods. One is a 1.0 migration and there is a 0.5 migration. Both migrations take population projections out to 2080. But the trends will migrate slower with the 0.5 migration. Every region will face those changes and the numbers will look drastically different with this new calculation method. Fred Milton stated that the Texas Demographic Center has a population number out there for Texas. If they see an increase in one area, then it means that another area has to decrease. This will affect the planning cycle as well. Wayne Dial, City Secretary for the City of New Boston, asked if the number doesn't account for people moving in from out of state. Mr. Dooley stated that is part of the discussion in regard to piecemealing the county numbers. There was not a definitive answer.

No action taken.

## **XI. Executive Session**

The board stood at ease at 12:40 p.m.

The board reconvened in Executive Session at 12:45 p.m. with quorum pursuant to section 551.071 and 551.074 of the Texas Open Meetings Act.

The board came out of Executive Session at 1:20 p.m.

The board reconvened with quorum at 1:22 p.m.

## **X. Next Riverbend Meetings**

Riverbend Regular Meeting, Wednesday, April 26, 2023 at 12:00 p.m. at Riverbend Offices, 228 A Texas Avenue, New Boston, Texas 75570.

## **XI. Adjournment**

With no additional business to be discussed, a motion was made by **Fred Milton** and seconded by **Sonja Hubbard** to adjourn the meeting at 1:25 p.m. The motion passed unanimously.

**The minutes of the Riverbend Water Resources District Board of Directors meeting, held on March 22, 2023 were read and approved on the \_\_\_\_ day of \_\_\_\_\_, 2023.**

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**Van Alexander, President**

**Attest:**

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**Kyle Dooley, Executive Director/ CEO**

**REGULAR CALLED MEETING  
RIVERBEND WATER RESOURCES DISTRICT  
WEDNESDAY, APRIL 26, 2023**

**AGENDA ITEM IV. A.  
RWRD RESO 20230426-01  
Second Quarter FY 2023 Financials**



**RIVERBEND RESOLUTION NO. 20230426-01**

**APPROVING THE 2<sup>nd</sup> QUARTER FY 2023 FINANCIAL STATEMENTS**

**WHEREAS**, Riverbend Water Resources District is a conservation and reclamation district created under and essential to accomplish the purposes of Section 59 Article XVI, Texas Constitution, existing pursuant to and having the powers set forth in Chapter 9601 of the Special District Local Laws Code of the State of Texas; and

**WHEREAS**, Riverbend Water Resources District Board of Directors wishes to provide for the fiduciary guidance of Riverbend Water Resources funds.

**NOW, THEREFORE, BE IT RESOLVED** that the Riverbend Water Resources District accepts and approves the 2nd Quarter FY 2023 financial statements.

**PASSED and APPROVED this 26<sup>th</sup> day of April 2023**

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Van Alexander, President

ATTEST:

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Sonja Hubbard, Secretary

Attached: 2nd Quarter FY 2023 Financial Statements



**RIVERBEND WATER RESOURCES DISTRICT****STATEMENT OF NET POSITION****ENTERPRISE FUNDS****MARCH 31, 2023**

	<i>Regional Water System Administration Fund</i>	<i>Regional Water System Facilities Fund</i>	<i>Wet Utilities Fund</i>	<i>Total</i>
<b>ASSETS</b>				
Current assets:				
Cash and cash equivalents	\$ 110,341	\$ -	\$ 267,870	\$ 378,211
Accounts receivable	18,659	7,370	2,395,337	2,421,366
Interest receivable		432,349		432,349
Interfund accounts	21,498	-	12,193	33,691
Restricted assets:				
Cash and cash equivalents restricted for bond debt reserves	-	4,695,274	685,971	5,381,245
Cash and cash equivalents restricted for construction	-	18,282,099	20,035	18,302,134
Investments restricted for construction	-	74,804,538		74,804,538
Cash and cash equivalents restricted for operations	-	-	903,830	903,830
Prepaid expenses	-	-	81,944	81,944
Inventories	-	-	83,326	83,326
Total current assets	<u>150,498</u>	<u>98,221,630</u>	<u>4,450,506</u>	<u>102,822,634</u>
Noncurrent assets:				
Cash and cash equivalents - restricted for bond debt reserves	-	2,815,726	1,912,345	4,728,071
Capital assets (net of accumulated depreciation):				
Equipment	-	-	363,443	363,443
Utility system	-	-	15,589,148	15,589,148
Intangible assets	-	-	249,847	249,847
Construction in progress	-	16,508,157	27,335	16,535,492
Total capital assets	<u>-</u>	<u>16,508,157</u>	<u>16,229,773</u>	<u>32,737,930</u>
Total noncurrent assets	<u>-</u>	<u>19,323,883</u>	<u>18,142,118</u>	<u>37,466,001</u>
<b>TOTAL ASSETS</b>	<u>150,498</u>	<u>117,545,513</u>	<u>22,592,624</u>	<u>140,288,635</u>
<b>LIABILITIES</b>				
Current liabilities:				
Accounts payable	13,672	338,466	73,782	425,920
Payroll liabilities	-	-	56,157	56,157
Interfund accounts	12,193	21,498	-	33,691
Due to North East Texas Regional Water Planning Group	-	-	-	-
Accrued interest payable	-	710,315	121,511	831,826
Accrued compensated absences - current portion	-	-	21,553	21,553
Revenue bonds payable - current portion	-	3,150,000	410,000	3,560,000
Total current liabilities	<u>25,865</u>	<u>4,220,279</u>	<u>683,003</u>	<u>4,929,147</u>
Long-term liabilities:				
Accrued compensated absences - long term	-	-	59,762	59,762
Revenue bonds payable - long term	-	104,895,000	6,595,000	111,490,000
Total long-term liabilities	<u>-</u>	<u>104,895,000</u>	<u>6,654,762</u>	<u>111,549,762</u>
<b>TOTAL LIABILITIES</b>	<u>25,865</u>	<u>109,115,279</u>	<u>7,337,765</u>	<u>116,478,909</u>
<b>NET POSITION</b>				
Net investment in capital assets	-	1,771,993	10,107,110	11,879,103
Restricted for bond reserves	-	7,240,404	2,602,151	9,842,555
Restricted for construction	-	1,798	20,035	21,833
Unrestricted	124,633	(583,961)	2,525,563	2,066,235
<b>TOTAL NET POSITION</b>	<u>\$ 124,633</u>	<u>\$ 8,430,234</u>	<u>\$ 15,254,859</u>	<u>\$ 23,809,726</u>

## RIVERBEND WATER RESOURCES DISTRICT

### STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION

#### ENTERPRISE FUNDS

FOR THE THREE MONTHS ENDED MARCH 31, 2023

	<i>Regional Water System Administration Fund</i>	<i>Regional Water System Facilities Fund</i>	<i>Wet Utilities Fund</i>	<i>Total</i>
<b>OPERATING REVENUES</b>				
Charges for services:				
Member fees	\$ 95,108	\$ -	\$ -	\$ 95,108
Army volumetric charge	-	-	1,537,375	1,537,375
Army water supply charge	-	-	116,572	116,572
Commercial and residential charge	-	-	105,396	105,396
Infrastructure Services	-	-	53,459	53,459
Other revenue	-	-	4,210	4,210
Total operating revenues	<u>95,108</u>	<u>-</u>	<u>1,817,012</u>	<u>1,912,120</u>
<b>OPERATING EXPENSES</b>				
Accounting and audit	4,500	-	-	4,500
Analyticals	-	-	52,818	52,818
Capital replacement	-	-	15,283	15,283
Community relations	1,399	-	-	1,399
Conferences & seminars	525	-	-	525
Consulting	90,000	-	349	90,349
Dues and memberships	4,311	-	-	4,311
Engineering services	4,625	-	-	4,625
Equipment maintenance, repair and fuel	-	-	14,197	14,197
Equipment rental	-	-	79	79
Insurance	-	-	27,339	27,339
Materials	-	-	113,984	113,984
Meetings expense	2,260	-	-	2,260
Military affairs	-	-	-	-
Miscellaneous	469	-	-	469
Permits	-	-	32,118	32,118
Repairs	-	-	79,240	79,240
Salaries, wages, payroll taxes and benefits	89,291	-	492,226	581,517
Supplies	-	-	30,750	30,750
Travel and training	3,686	-	-	3,686
Utilities	-	-	87,983	87,983
Waste disposal	-	-	14,575	14,575
Water purchase cost	-	-	144,557	144,557
Web design and maintenance	1,660	-	-	1,660
Infrastructure services	-	-	59,376	59,376
Overhead allocation - water	-	-	102,528	102,528
Overhead allocation - wastewater	-	-	111,436	111,436
Overhead allocation - industrial wastewater	-	-	112,348	112,348
Total operating expenses before depreciation	<u>202,726</u>	<u>-</u>	<u>1,491,185</u>	<u>1,693,911</u>
Operating income (loss) before depreciation	(107,618)	-	325,827	218,209
Depreciation	-	-	420,934	420,934
Operating income (loss)	<u>(107,618)</u>	<u>-</u>	<u>(95,107)</u>	<u>(202,725)</u>
<b>NONOPERATING REVENUES (EXPENSES)</b>				
Facility charges revenue	-	-	732,946	732,946
Minimum monthly payments	-	2,182,740	-	2,182,740
Interest revenue	34	1,191,344	21,556	1,212,934
Project admin fees	-	-	5,944	5,944
Unrealized gain (loss) on investment	-	569,110	-	569,110
Interest expense	-	(776,391)	(134,032)	(910,423)
Wire fees	-	(629)	-	(629)
Franchise fees expense	-	-	(79,266)	(79,266)
Special projects expense	(4,200)	-	-	(4,200)
Total nonoperating revenues (expenses)	<u>(4,166)</u>	<u>3,166,174</u>	<u>547,148</u>	<u>3,709,785</u>
<b>Income (loss) before transfers</b>	(111,784)	3,166,174	452,041	3,506,431
<b>Transfers in (out)</b>	115,000	-	(115,000)	-
<b>Changes in net position</b>	3,216	3,166,174	337,041	3,506,431
<b>Net position, beginning of year</b>	121,417	5,264,060	14,917,818	20,303,295
<b>Net position, end of year</b>	<u>\$ 124,633</u>	<u>\$ 8,430,234</u>	<u>\$ 15,254,859</u>	<u>\$ 23,809,726</u>

## RIVERBEND WATER RESOURCES DISTRICT

**SUPPLEMENTARY INFORMATION  
BUDGETARY COMPARISON SCHEDULE  
REGIONAL WATER SYSTEM ADMINISTRATION  
FOR THE THREE MONTHS ENDED MARCH 31, 2023**

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Budget</u>	<u>% of Budget</u>
<b>OPERATING REVENUES</b>				
Charges for services	\$ 192,158	\$ 95,108	\$ (97,050)	49.49%
Total operating revenues	<u>192,158</u>	<u>95,108</u>	<u>(97,050)</u>	<u>49.49%</u>
<b>OPERATING EXPENSES</b>				
Advertising	1,400	-	1,400	0.00%
Accounting & audit	4,500	4,500	-	100.00%
Community relations	8,000	1,399	6,601	17.49%
Conferences & seminars	4,700	525	4,175	11.17%
Consulting	200,000	90,000	110,000	45.00%
Dues & memberships	7,883	4,311	3,572	54.69%
Engineering services	20,000	4,625	15,375	23.13%
Legal & professional fees	27,500	-	27,500	0.00%
Meetings expense	6,000	2,260	3,740	37.67%
Military affairs	11,000	-	11,000	0.00%
Office supplies & expense	3,300	469	2,831	14.21%
Regional planning projects	60,000	-	60,000	0.00%
Salaries, wages & benefits	177,763	89,291	88,472	50.23%
Subscriptions	400	-	400	0.00%
Travel & training	18,000	3,686	14,314	20.48%
Web design & maintenance	4,000	1,660	2,340	41.50%
Total operating expenses	<u>554,446</u>	<u>202,726</u>	<u>351,720</u>	<u>36.56%</u>
Operating income (loss)	<u>(362,288)</u>	<u>(107,618)</u>	<u>(254,670)</u>	<u>29.71%</u>
<b>NONOPERATING REVENUES (EXPENSES)</b>				
Interest Revenue	-	34	34	
Special projects expense	(50,000)	(4,200)	45,800	8.40%
Use of prior year equity	182,288	-	(182,288)	0.00%
Total nonoperating revenues (expenses)	<u>132,288</u>	<u>(4,166)</u>	<u>(136,454)</u>	<u>3.15%</u>
<b>Income (loss) before transfers</b>	(230,000)	(111,784)	118,216	48.60%
<b>Transfer in</b>	<u>230,000</u>	<u>115,000</u>	<u>(115,000)</u>	<u>50.00%</u>
<b>Change in net position</b>	-	3,216	3,216	
<b>Net position, beginning of year</b>	<u>121,417</u>	<u>121,417</u>	<u>-</u>	<u>100.00%</u>
<b>Net position, end of year</b>	<u>\$ 121,417</u>	<u>\$ 124,633</u>	<u>3,216</u>	<u>102.65%</u>



# RIVERBEND WATER RESOURCES DISTRICT

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**SUPPLEMENTARY INFORMATION  
 BUDGETARY COMPARISON SCHEDULE  
 REGIONAL WATER SYSTEM FACILITIES FUND  
 FOR THE THREE MONTHS ENDED MARCH 31, 2023**

	<i>Budget</i>	<i>Actual</i>	<i>Variance with Budget</i>	<i>% of Budget</i>
<b>OPERATING REVENUES</b>				
Charges for services	\$ -	\$ -	\$ -	
Total operating revenues	<u>-</u>	<u>-</u>	<u>-</u>	
<b>OPERATING EXPENSES</b>				
Expenses	-	-	-	
Total operating expenses	<u>-</u>	<u>-</u>	<u>-</u>	
Operating income (loss)	<u>-</u>	<u>-</u>	<u>-</u>	
<b>NONOPERATING REVENUES (EXPENSES)</b>				
Minimum monthly payments	4,296,050	2,182,740	(2,113,310)	50.81%
Interest Revenue	1,191,063	1,191,344	281	100.02%
Interest Expense	(1,565,230)	(776,391)	788,839	49.60%
Wire fees	-	(629)	(629)	
Unrealized Gain/(Loss) on Investments	(538,532)	569,110	1,107,642	-105.68%
Bond Issuance Costs	(225,000)	-	225,000	0.00%
Total nonoperating revenues (expenses)	<u>3,158,351</u>	<u>3,166,174</u>	<u>7,823</u>	<u>100.25%</u>
<b>Change in net position before transfers</b>	3,158,351	3,166,174	7,823	100.25%
<b>Net position, beginning of year</b>	<u>\$ 5,264,060</u>	<u>5,264,060</u>	<u>-</u>	<u>100.00%</u>
<b>Net position, end of year</b>	<u>\$ 8,422,411</u>	<u>\$ 8,430,234</u>	<u>\$ 7,823</u>	<u>100.09%</u>

## RIVERBEND WATER RESOURCES DISTRICT

### SUPPLEMENTARY INFORMATION BUDGETARY COMPARISON SCHEDULE WET UTILITIES FUND FOR THE THREE MONTHS ENDED MARCH 31, 2023

	<i>Budget</i>	<i>Actual</i>	<i>Variance with Budget</i>	<i>% of Budget</i>
<b>OPERATING REVENUES</b>				
Charges for services	\$ 3,994,975	\$ 1,812,802	\$ (2,182,173)	45.38%
Other revenue	-	4,210	4,210	
Total operating revenues	<u>3,994,975</u>	<u>1,817,012</u>	<u>(2,177,963)</u>	<u>0.00%</u>
<b>OPERATING EXPENSES</b>				
Analytical	150,000	52,818	97,182	35.21%
Capital Replacement	415,100	15,283	399,817	3.68%
Consulting	60,000	349	59,651	0.58%
Equipment maintenance, repair & fuel	52,000	14,197	37,803	27.30%
Equipment rental	11,000	79	10,921	0.72%
Insurance	54,247	27,339	26,908	50.40%
Materials	235,200	113,984	121,216	48.46%
Permits	55,000	32,118	22,882	58.40%
Repairs	319,000	79,240	239,760	24.84%
Salaries, wages, payroll taxes & benefits	1,133,127	492,226	640,901	43.44%
Supplies & materials	52,600	30,750	21,850	58.46%
Utilities	188,000	87,983	100,017	46.80%
Waste disposal	70,000	14,575	55,425	20.82%
Water purchase cost	378,057	144,557	233,500	38.24%
Infrastructure services	102,679	59,376	43,303	57.83%
Overhead allocation - water	196,606	102,528	94,078	52.15%
Overhead allocation - wastewater	213,558	111,436	102,122	52.18%
Overhead allocation - industrial wastewater	215,372	112,348	103,024	52.16%
Total operating expenses	<u>3,901,545</u>	<u>1,491,185</u>	<u>2,410,360</u>	<u>38.22%</u>
Operating income (loss) before depreciation	93,430	325,827	232,397	348.74%
Depreciation	799,500	420,934	378,566	52.65%
Operating income (loss)	<u>(706,070)</u>	<u>(95,107)</u>	<u>610,963</u>	<u>-13.47%</u>
<b>NONOPERATING REVENUES (EXPENSES)</b>				
Facility charges revenues	1,504,031	732,946	(771,085)	48.73%
Interest revenue	14,000	21,556	7,556	153.97%
Project Admin Fees	41,921	5,944	(35,977)	14.18%
Interest expense	(445,885)	(134,032)	311,853	30.06%
Franchise fees expense	(109,035)	(79,266)	29,769	72.70%
Total nonoperating revenues (expenses)	<u>1,005,032</u>	<u>547,148</u>	<u>(457,884)</u>	<u>54.44%</u>
Income (loss) before transfers	298,962	452,041	153,079	151.20%
Transfers in (out)	(230,000)	(115,000)	115,000	50.00%
<b>Change in net position</b>	68,962	337,041	268,079	488.73%
<b>Net position, beginning of year</b>	<u>14,917,818</u>	<u>14,917,818</u>	<u>-</u>	<u>100.00%</u>
<b>Net position, end of year</b>	<u>\$ 14,986,780</u>	<u>\$ 15,254,859</u>	<u>\$ 268,079</u>	<u>101.79%</u>

**RIVERBEND WATER RESOURCES DISTRICT****COMPARATIVE STATEMENT OF REVENUES, EXPENSES, AND CHANGE IN NET POSITION  
REGIONAL WATER SYSTEM ADMINISTRATION  
FOR THE THREE MONTHS ENDED MARCH 31, 2023**

	<i>March 31, 2023</i>	<i>March 31, 2022</i>	<i>\$ Change</i>	<i>% Change</i>
<b>OPERATING REVENUES</b>				
Charges for services:				
Member fees	\$ 95,108	\$ 99,184	\$ (4,076)	-4.11%
Total operating revenues	95,108	99,184	(4,076)	-4.11%
<b>OPERATING EXPENSES</b>				
Accounting & audit	4,500	4,500	-	
Community relations	1,399	1,149	250	21.76%
Conferences & seminars	525	1,950	(1,425)	-73.08%
Consulting	90,000	91,531	(1,531)	-1.67%
Dues & memberships	4,311	3,831	480	12.53%
Engineering services	4,625	405	4,220	1041.98%
Legal & professional fees	-	10,638	(10,638)	-100.00%
Meetings expense	2,260	1,808	452	25.00%
Military affairs	-	2,750	(2,750)	-100.00%
Office supplies and expense	469	569	(100)	-17.57%
Salaries, wages, payroll taxes & benefits	89,291	86,111	3,180	3.69%
Travel & training	3,686	6,666	(2,980)	-44.70%
Web design & maintenance	1,660	4,121	(2,461)	-59.72%
Total operating expenses	202,726	216,029	(13,303)	-6.16%
Operating income (loss) before depreciation	(107,618)	(116,845)	9,227	7.90%
Depreciation	-	-	-	
Operating income (loss)	(107,618)	(116,845)	9,227	-7.90%
<b>NONOPERATING REVENUES (EXPENSES)</b>				
Interest revenue	34	68	(34)	-39.08%
Special projects expense	(4,200)	-	(4,200)	
Total nonoperating revenues (expenses)	(4,166)	68	(4,234)	6226.47%
<b>Income (loss) before transfers</b>	(111,784)	(116,777)	4,993	4.28%
<b>Transfers in (out)</b>	115,000	115,000	-	
<b>Change in net position</b>	3,216	(1,777)	4,993	280.98%
<b>Net position, beginning of year</b>	121,417	199,306	(77,889)	-39.08%
<b>Net position, end of year</b>	\$ 124,633	\$ 197,529	\$ (72,896)	-36.90%

**RIVERBEND WATER RESOURCES DISTRICT****COMPARATIVE STATEMENT OF REVENUES, EXPENSES, AND CHANGE IN NET POSITION  
REGIONAL WATER SYSTEM FACILITIES FUND  
FOR THE THREE MONTHS ENDED MARCH 31, 2023**

	<u>March 31, 2023</u>	<u>March 31, 2022</u>	<u>\$ Change</u>	<u>% Change</u>
<b>OPERATING REVENUES</b>				
Charges for services:	-	-	-	
Total operating revenues	-	-	-	
<b>OPERATING EXPENSES</b>				
Expenses	-	-	-	
Total operating expenses	-	-	-	
Operating income (loss)	-	-	-	
<b>NONOPERATING REVENUES (EXPENSES)</b>				
Minimum monthly payments	2,182,740	2,183,661	(921)	-0.04%
Interest Revenue	1,191,344	20,096	1,171,248	5828.26%
Unrealized gain (loss) on investment	569,110	-	569,110	
Interest Expense	(776,391)	(234,906)	(541,485)	230.51%
Wire fees	(629)	-	(629)	
Bond Issuance Costs	-	(2,355,269)	2,355,269	
Total nonoperating revenues (expenses)	<u>3,166,174</u>	<u>(386,418)</u>	<u>3,552,592</u>	<u>-919.37%</u>
<b>Income (loss) before capital contributions and transfers</b>	<u>3,166,174</u>	<u>(386,418)</u>	<u>3,552,592</u>	<u>-919.37%</u>
<b>Transfers in (out)</b>	-	-	-	
<b>Net position, beginning of year</b>	<u>5,264,060</u>	<u>4,221,294</u>	<u>1,042,766</u>	<u>24.70%</u>
<b>Net position, end of year</b>	<u>\$ 8,430,234</u>	<u>\$ 3,834,876</u>	<u>\$ 4,595,358</u>	<u>119.83%</u>

## RIVERBEND WATER RESOURCES DISTRICT

### COMPARATIVE STATEMENT OF REVENUES, EXPENSES, AND CHANGE IN NET POSITION WET UTILITIES FUND FOR THE THREE MONTHS ENDED MARCH 31, 2023

	<i>March 31, 2023</i>	<i>March 31, 2022</i>	<i>\$ Change</i>	<i>% Change</i>
<b>OPERATING REVENUES</b>				
Charges for services:				
Army volumetric charge	\$ 1,537,375	\$ 1,623,277	\$ (85,902)	-5.29%
Army water supply charge	116,572	115,123	1,449	1.26%
Commercial & residential charge	105,396	94,199	11,197	11.89%
Infrastructure services	53,459	-	53,459	
Other revenue	4,210	-	4,210	
Total operating revenues	<u>1,817,012</u>	<u>1,832,599</u>	<u>(15,587)</u>	<u>-0.85%</u>
<b>OPERATING EXPENSES</b>			-	
Analyticals	52,818	55,780	(2,962)	-5.31%
Capital Replacement	15,283	110,523	(95,240)	-86.17%
Consulting	349	26,802	(26,453)	-98.70%
Equipment maintenance, repair & fuel	14,197	23,597	(9,400)	-39.84%
Equipment rental	79	2,503	(2,424)	-96.84%
Insurance	27,339	24,362	2,977	12.22%
Materials	113,984	82,805	31,179	37.65%
Permits	32,118	32,399	(281)	-0.87%
Repairs	79,240	85,816	(6,576)	-7.66%
Salaries, wages, payroll taxes & benefits	492,226	468,967	23,259	4.96%
Supplies & materials	30,750	16,238	14,512	89.37%
Utilities	87,983	76,461	11,522	15.07%
Waste disposal	14,575	23,828	(9,253)	-38.83%
Water purchase cost	144,557	161,273	(16,716)	-10.37%
Infrastructure services	59,376	-	59,376	
Overhead allocation - water	102,528	91,094	11,434	12.55%
Overhead allocation - wastewater	111,436	99,009	12,427	12.55%
Overhead allocation - industrial wastewater	112,348	99,823	12,525	12.55%
Total operating expenses	<u>1,491,185</u>	<u>1,481,280</u>	<u>9,905</u>	<u>0.67%</u>
Operating income (loss) before depreciation	325,827	351,319	(25,492)	-7.26%
Depreciation	420,934	405,222	15,712	3.88%
Operating income (loss)	<u>(95,107)</u>	<u>(53,903)</u>	<u>(41,204)</u>	<u>76.44%</u>
<b>NONOPERATING REVENUES (EXPENSES)</b>			-	
Facility charges revenue	732,946	729,739	3,207	0.44%
Interest revenue	21,556	9,895	11,661	117.85%
Project admin fees	5,944	24,479	(18,535)	75.72%
Interest expense	(134,032)	(166,860)	32,828	19.67%
Franchise fees expense	(79,266)	(54,978)	(24,288)	-44.18%
Total nonoperating revenues (expenses)	<u>547,148</u>	<u>542,275</u>	<u>4,873</u>	<u>0.90%</u>
<b>Income (loss) before transfers</b>	452,041	488,372	(36,331)	-7.44%
<b>Transfers in (out)</b>	<u>(115,000)</u>	<u>(115,000)</u>	<u>-</u>	
<b>Change in net position</b>	337,041	373,372	(36,331)	-9.73%
<b>Net position, beginning of year</b>	<u>14,917,818</u>	<u>14,707,905</u>	<u>209,913</u>	<u>1.43%</u>
<b>Net position, end of year</b>	<u>\$ 15,254,859</u>	<u>\$ 15,081,277</u>	<u>\$ 173,582</u>	<u>1.15%</u>

**REGULAR CALLED MEETING  
RIVERBEND WATER RESOURCES DISTRICT  
WEDNESDAY, APRIL 26, 2023**

**AGENDA ITEM IV. B.  
RWRD RESO 20230426-02  
Second Quarter FY 2023  
Investment Report**



**RIVERBEND RESOLUTION NO. 20230427-02**

**APPROVING THE 2<sup>nd</sup> QUARTER FY 2023 INVESTMENT REPORT**

**WHEREAS**, Riverbend Water Resources District is a conservation and reclamation district created under and essential to accomplish the purposes of Section 59 Article XVI, Texas Constitution, existing pursuant to and having the powers set forth in Chapter 9601 of the Special District Local Laws Code of the State of Texas; and

**WHEREAS**, Riverbend Water Resources District has adopted an Investment Policy as required by law to manage the funds of Riverbend Water Resources District; and

**WHEREAS**, the Investment Policy Reporting Section XIII requires that the Investment Officer prepare and sign a quarterly investment report that includes activity on all interest-bearing accounts held by Riverbend Water Resources District.

**NOW, THEREFORE, BE IT RESOLVED** that the Riverbend Water Resources District accepts and approves the 2nd Quarter FY 2023 Investment Report.

**PASSED and APPROVED this 26<sup>th</sup> day of April 2023**

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Van Alexander, President

ATTEST:

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Sonja Hubbard, Secretary

Attached: 2nd Quarter FY 2023 Investment Report



**RIVERBEND WATER RESOURCES DISTRICT**

**SCHEDULE OF INVESTMENTS**

**ENTERPRISE FUNDS**

For the Three Months Ended March 31, 2023

Funds	Identification Number	Maturity Date	Balance 12/31/2022	Interest Income 03/31/2023	Transfers In/(Out) Per Policy	Net Deposits/ Withdrawals	Balance 03/31/2023	Accrued Int Rec 03/31/2023
<b>Administrative Fund</b>								
Operations	50003704	Daily checking	\$ 189,243	\$ -	\$ 1,049	(96,288)	\$ 94,004	\$ -
Restricted - Region D Planning	8009740	Money Market	16,196	12	(3,048)	12	13,160	-
Operations	457060	Daily savings	3,586	-	-	-	3,586	-
<b>Wet Utilities Fund</b>								
Operations	21695	Daily checking	1,154,509	-	(286,650)	(601,182)	266,677	-
Restricted bond sinking	21709	Daily checking	1,691,096	8,003	289,990	1	1,989,090	-
Restricted bond reserves	21217	Daily checking	607,967	2,592	(1,333)	-	609,226	-
Restricted construction funds	21741	Daily checking	20,028	37	(30)	-	20,035	-
Restricted operations	21733	Money Market	901,962	3,845	(1,977)	-	903,830	-
<b>Regional Water System Facilities Fund</b>								
Restricted - Minimum Monthly Payments	3011380	Daily Savings	708,221	27	(1,194,376)	1,073,308	587,180	-
Restricted - 2020A Construction	2037890	Money Market	987	24	703,729	(704,066)	674	-
Restricted - 2020B Construction	50022709	Money Market	1,170	1	15,168	(15,216)	1,123	-
Restricted - 2020A Revenue	8009732	Money Market	2,689,207	2,090	(2,339,335)	-	351,962	-
Restricted - 2020B Revenue	8009716	Money Market	2,250,684	1,863	(1,154,492)	1	1,098,056	-
Restricted - 2020A Interest & Redemption	8009813	Money Market	666,330	1,109	3,057,161	-	3,724,600	-
Restricted - 2020B Interest & Redemption	8009724	Money Market	115,777	383	1,633,042	-	1,749,202	-
Restricted - 2020A Construction Escrow	82-4416-01-0	Bot Short-Term Cash Fund	1,830,260	16,043	(625,286)	-	1,221,017	4,505
Restricted - 2020B Construction Escrow	82-4405-01-3	Bot Short-Term Cash Fund	2,421,334	23,574	(5,096)	(1,083)	2,438,729	8,961
Restricted - 2022A Construction Escrow	82-5428-01-4	Bot Short-Term Cash Fund	6,382,590	58,721	(87,432)	1,729,402	8,083,281	21,509
Restricted - 2022B Construction Escrow	82-5429-01-2	Bot Short-Term Cash Fund	5,334,100	58,150	(1,084)	1,146,109	6,537,275	25,958
Restricted - 2022A Construction Escrow	82-5428-01-4	U.S. Treasury Notes	45,980,826	438,351	-	(1,536,054)	44,883,123	234,881
Restricted - 2022B Construction Escrow	82-5429-01-2	U.S. Treasury Notes	30,653,550	311,240	-	(1,043,375)	29,921,415	136,536
<b>Total - All Funds</b>			<b>\$ 103,619,623</b>	<b>\$ 926,066</b>	<b>\$ -</b>	<b>\$ 2,530,997</b>	<b>\$ 104,497,245</b>	<b>\$ 432,350</b>

The investment schedule of Riverbend Water Resources District is in compliance with the Public Funds Investment Act and the District's Investment Policy.



Tara Houck, CPA  
Chief Financial Officer



**REGULAR CALLED MEETING  
RIVERBEND WATER RESOURCES DISTRICT  
WEDNESDAY, APRIL 26, 2023**

**AGENDA ITEM IV. C.  
RWRD RESO 20230426-03  
Revised FY 2023 Budgets**



**RIVERBEND RESOLUTION NO. 20260426-03**

**ADOPTING THE REVISED FY 2023 ADMINISTRATIVE MEMBER FUND BUDGET,  
THE REVISED FY 2023 WET UTILITY FUND BUDGET, AND THE REVISED FY 2023  
REGIONAL WATER SYSTEM FACILITY FUND BUDGET OF  
THE RIVERBEND WATER RESOURCES DISTRICT**

**WHEREAS**, Riverbend Water Resources District is a conservation and reclamation district created under and essential to accomplish the purposes of Section 59 Article XVI, Texas Constitution, existing pursuant to and having the powers set forth in Chapter 9601 of the Special District Local Laws Code of the State of Texas; and

**WHEREAS**, Riverbend Water Resources District first adopted all FY 2023 Budgets on September 28, 2022; and

**WHEREAS**, Riverbend Water Resources District deems it necessary to revise the FY 2023 Budgets further to incorporate necessary adjustments to certain line items.

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Directors of the Riverbend Water Resources District hereby adopts the Revised FY 2023 Administrative Member Fund Budget, the Revised FY 2023 Wet Utility Fund Budget, and the Revised FY 2023 Regional Water System Facilities Fund Budget of Riverbend Water Resources District.

**PASSED and APPROVED this 26<sup>th</sup> day of April 2023**

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Van Alexander, President

ATTEST:

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Sonja Hubbard, Secretary

Attached: Revised FY 2023 Administrative Member Fund Budget  
Revised FY 2023 Wet Utility Fund Budget  
Revised FY 2023 Regional Water System Facilities Fund Budget



**REGULAR CALLED MEETING  
RIVERBEND WATER RESOURCES DISTRICT  
WEDNESDAY, APRIL 26, 2023**

**Administrative Member  
Fund Budget**



# Budget Adjustment Report

## Adjustment Detail

For Date Range: 04/01/2023 - 04/30/2023

Account Number	Account Name	Packet Number	Post Date	Original Budget	Budget Adjustments Amount	Current Budget
Adjustment Number	Adjustment Description					
<b>Budget Code: FY2023 V2 - FY2023 V2 Budget Fiscal: FY2023</b>						
<b>Fund: 10 - Admin Fund</b>						
<b>Expense</b>						
<a href="#">10-000-64010</a>	Advertising			1,400.00	-200.00	1,200.00
BA0000005	April 2023 Budget Amendments	GLPKT00930	04/26/2023		-200.00	
<a href="#">10-000-64030</a>	Bank Service Fees			0.00	100.00	100.00
BA0000005	April 2023 Budget Amendments	GLPKT00930	04/26/2023		100.00	
<a href="#">10-000-64455</a>	Subscriptions			400.00	100.00	500.00
BA0000005	April 2023 Budget Amendments	GLPKT00930	04/26/2023		100.00	
	<b>Expense Total:</b>			<b>1,800.00</b>	<b>0.00</b>	<b>1,800.00</b>
	<b>Fund 10 Total:</b>			<b>1,800.00</b>	<b>0.00</b>	<b>1,800.00</b>
	<b>Budget Code FY2023 V2 Total:</b>			<b>1,800.00</b>	<b>0.00</b>	<b>1,800.00</b>

# Description

# Fund Summary

Description	Fund	Original Budget	Budget Adjustments	Current Budget
Budget Code: FY2023 V2 - FY2023 V2 Budget Fiscal: FY2023				
	10	1,800.00	0.00	1,800.00
Budget Code FY2023 V2 Total:		<b>1,800.00</b>	<b>0.00</b>	<b>1,800.00</b>

**REGULAR CALLED MEETING  
RIVERBEND WATER RESOURCES DISTRICT  
WEDNESDAY, APRIL 26, 2023**

**Wet Utility Fund  
Fund Budget**



# Budget Adjustment Report

## Adjustment Detail

For Date Range: 04/01/2023 - 04/30/2023

Account Number	Account Name			Original Budget	Budget Adjustments	Current Budget
Adjustment Number	Adjustment Description	Packet Number	Post Date		Amount	
<b>Budget Code: FY2023 V2 - FY2023 V2 Budget Fiscal: FY2023</b>						
<b>Fund: 30 - Wet Fund</b>						
<b>Expense</b>						
<a href="#">30-001-62804</a>	Fuel			6,500.00	8,500.00	15,000.00
BA0000005	April 2023 Budget Amendments	GLPKT00930	04/26/2023		8,500.00	
<a href="#">30-001-66000</a>	Chemicals			6,000.00	10,000.00	16,000.00
BA0000005	April 2023 Budget Amendments	GLPKT00930	04/26/2023		10,000.00	
<a href="#">30-001-66200</a>	Permits			15,000.00	-2,000.00	13,000.00
BA0000005	April 2023 Budget Amendments	GLPKT00930	04/26/2023		-2,000.00	
<a href="#">30-001-66300</a>	Facilities-Other			14,000.00	-7,000.00	7,000.00
BA0000005	April 2023 Budget Amendments	GLPKT00930	04/26/2023		-7,000.00	
<a href="#">30-001-66308</a>	Lines			143,000.00	-26,500.00	116,500.00
BA0000005	April 2023 Budget Amendments	GLPKT00930	04/26/2023		-17,500.00	
BA0000005	April 2023 Budget Amendments	GLPKT00930	04/26/2023		-6,500.00	
BA0000007	April budget amendments	GLPKT00939	04/19/2023		-25,000.00	
BA0000008	April budget adjustments	GLPKT00940	04/19/2023		22,500.00	
<a href="#">30-001-66316</a>	Plant			2,000.00	6,500.00	8,500.00
BA0000005	April 2023 Budget Amendments	GLPKT00930	04/26/2023		6,500.00	
<a href="#">30-001-66506</a>	Other Supplies			1,000.00	1,500.00	2,500.00
BA0000005	April 2023 Budget Amendments	GLPKT00930	04/26/2023		1,500.00	
<a href="#">30-001-66512</a>	Sampling			3,000.00	9,000.00	12,000.00
BA0000005	April 2023 Budget Amendments	GLPKT00930	04/26/2023		9,000.00	
<a href="#">30-001-66515</a>	Small Tools & Equipment			3,000.00	-1,500.00	1,500.00
BA0000005	April 2023 Budget Amendments	GLPKT00930	04/26/2023		-1,500.00	
<a href="#">30-002-62804</a>	Fuel			15,000.00	-10,000.00	5,000.00
BA0000005	April 2023 Budget Amendments	GLPKT00930	04/26/2023		-10,000.00	
<a href="#">30-002-65250</a>	Insurance			31,633.00	-12,000.00	19,633.00
BA0000007	April budget amendments	GLPKT00939	04/19/2023		-12,000.00	
<a href="#">30-002-66000</a>	Chemicals			65,000.00	7,500.00	72,500.00
BA0000005	April 2023 Budget Amendments	GLPKT00930	04/26/2023		7,500.00	
<a href="#">30-002-66200</a>	Permits			20,000.00	-2,500.00	17,500.00
BA0000005	April 2023 Budget Amendments	GLPKT00930	04/26/2023		-2,500.00	
<a href="#">30-002-66300</a>	Facilities-Other			33,000.00	-13,500.00	19,500.00
BA0000005	April 2023 Budget Amendments	GLPKT00930	04/26/2023		-13,500.00	
<a href="#">30-002-66316</a>	Plant			26,000.00	6,500.00	32,500.00
BA0000005	April 2023 Budget Amendments	GLPKT00930	04/26/2023		6,500.00	
<a href="#">30-002-66500</a>	Cleaning			1,200.00	500.00	1,700.00
BA0000005	April 2023 Budget Amendments	GLPKT00930	04/26/2023		500.00	
<a href="#">30-002-66506</a>	Other Supplies			5,000.00	2,500.00	7,500.00
BA0000005	April 2023 Budget Amendments	GLPKT00930	04/26/2023		2,500.00	
<a href="#">30-002-66512</a>	Sampling			9,100.00	13,500.00	22,600.00
BA0000005	April 2023 Budget Amendments	GLPKT00930	04/26/2023		13,500.00	
<a href="#">30-002-66515</a>	Small Tools & Equipment			8,000.00	-3,000.00	5,000.00
BA0000005	April 2023 Budget Amendments	GLPKT00930	04/26/2023		-3,000.00	
<a href="#">30-002-66802</a>	Drying Bed Sludge			20,000.00	-6,500.00	13,500.00
BA0000005	April 2023 Budget Amendments	GLPKT00930	04/26/2023		-6,500.00	

**Budget Adjustment Report**

**For Date Range: 04/01/2023 - 04/30/2023**

Account Number	Account Name	Packet Number	Post Date	Original Budget	Budget Adjustments	Current Budget
Adjustment Number	Adjustment Description				Amount	
<a href="#">30-002-66803</a>	Grit			3,000.00	2,500.00	5,500.00
BA0000005	April 2023 Budget Amendments	GLPKT00930	04/26/2023		2,500.00	
<a href="#">30-003-62804</a>	Fuel			5,500.00	1,500.00	7,000.00
BA0000005	April 2023 Budget Amendments	GLPKT00930	04/26/2023		1,500.00	
<a href="#">30-003-65250</a>	Insurance			3,544.00	14,500.00	18,044.00
BA0000007	April budget amendments	GLPKT00939	04/19/2023		14,500.00	
<a href="#">30-003-66300</a>	Facilities-Other			26,000.00	-4,500.00	21,500.00
BA0000005	April 2023 Budget Amendments	GLPKT00930	04/26/2023		-4,500.00	
<a href="#">30-003-66512</a>	Sampling			2,000.00	4,500.00	6,500.00
BA0000005	April 2023 Budget Amendments	GLPKT00930	04/26/2023		4,500.00	
<a href="#">30-003-66700</a>	Utilities			46,000.00	10,000.00	56,000.00
BA0000005	April 2023 Budget Amendments	GLPKT00930	04/26/2023		10,000.00	
<a href="#">30-003-66804</a>	Phosphate			30,000.00	-10,000.00	20,000.00
BA0000005	April 2023 Budget Amendments	GLPKT00930	04/26/2023		-10,000.00	
<a href="#">30-005-61000</a>	Analyticals			0.00	10,500.00	10,500.00
BA0000005	April 2023 Budget Amendments	GLPKT00930	04/26/2023		10,500.00	
<a href="#">30-005-66506</a>	Supplies			36,000.00	-10,500.00	25,500.00
BA0000005	April 2023 Budget Amendments	GLPKT00930	04/26/2023		-10,500.00	
<b>Expense Total:</b>				<b>579,477.00</b>	<b>0.00</b>	<b>579,477.00</b>
<b>Fund 30 Total:</b>				<b>579,477.00</b>	<b>0.00</b>	<b>579,477.00</b>
<b>Budget Code FY2023 V2 Total:</b>				<b>579,477.00</b>	<b>0.00</b>	<b>579,477.00</b>



# Description

# Fund Summary

Description	Fund	Original Budget	Budget Adjustments	Current Budget
Budget Code: FY2023 V2 - FY2023 V2 Budget Fiscal: FY2023				
	30	579,477.00	0.00	579,477.00
Budget Code FY2023 V2 Total:		579,477.00	0.00	579,477.00

**REGULAR CALLED MEETING  
RIVERBEND WATER RESOURCES DISTRICT  
WEDNESDAY, APRIL 26, 2023**

**Regional Water System  
Facilities Fund Budget**



# Budget Adjustment Report

## Adjustment Detail

For Date Range: 04/01/2023 - 04/30/2023

Account Number	Account Name			Original Budget	Budget Adjustments	Current Budget
Adjustment Number	Adjustment Description	Packet Number	Post Date		Amount	
<b>Budget Code: FY2023 V2 - FY2023 V2 Budget Fiscal: FY2023</b>						
<b>Fund: 20 - Facility Fund</b>						
<b>Revenue</b>						
<a href="#">20-000-76000</a>	Minimum Monthly Payments			-4,296,050.00	4,296,050.00	0.00
BA0000005	April 2023 Budget Amendments	GLPKT00930	04/26/2023		4,296,050.00	
<a href="#">20-20A-76000</a>	Minimum Monthly Payments			0.00	-4,296,050.00	-4,296,050.00
BA0000005	April 2023 Budget Amendments	GLPKT00930	04/26/2023		-4,296,050.00	
<a href="#">20-20A-80100</a>	Interest Income			-35,000.00	-30,000.00	-65,000.00
BA0000005	April 2023 Budget Amendments	GLPKT00930	04/26/2023		-30,000.00	
<a href="#">20-20B-80100</a>	Interest Income			-45,000.00	-40,000.00	-85,000.00
BA0000005	April 2023 Budget Amendments	GLPKT00930	04/26/2023		-40,000.00	
BA0000005	April 2023 Budget Amendments	GLPKT00930	04/26/2023		-400,000.00	
BA0000009	April Budget Adjustments	GLPKT00947	04/20/2023		-400,000.00	
BA0000010	April 2023 Budget Adjustments	GLPKT00948	04/20/2023		800,000.00	
<a href="#">20-22A-80100</a>	Interest Income			-666,638.00	-500,000.00	-1,166,638.00
BA0000005	April 2023 Budget Amendments	GLPKT00930	04/26/2023		-500,000.00	
<a href="#">20-22B-80100</a>	Interest Income			-444,425.00	-400,000.00	-844,425.00
BA0000009	April Budget Adjustments	GLPKT00947	04/20/2023		400,000.00	
BA0000010	April 2023 Budget Adjustments	GLPKT00948	04/20/2023		-800,000.00	
<b>Revenue Total:</b>				<b>-5,487,113.00</b>	<b>-970,000.00</b>	<b>-6,457,113.00</b>
<b>Expense</b>						
<a href="#">20-20A-90480</a>	Wire Fees			0.00	650.00	650.00
BA0000006	April 2023 Budget Adjustments	GLPKT00938	04/19/2023		650.00	
<a href="#">20-20B-90480</a>	Wire Fees			0.00	500.00	500.00
BA0000006	April 2023 Budget Adjustments	GLPKT00938	04/19/2023		500.00	
<a href="#">20-22A-90480</a>	Wire Fees			0.00	300.00	300.00
BA0000006	April 2023 Budget Adjustments	GLPKT00938	04/19/2023		300.00	
<a href="#">20-22B-90480</a>	Wire Fees			0.00	300.00	300.00
BA0000006	April 2023 Budget Adjustments	GLPKT00938	04/19/2023		300.00	
<b>Expense Total:</b>				<b>0.00</b>	<b>1,750.00</b>	<b>1,750.00</b>
<b>Fund 20 Total:</b>				<b>-5,487,113.00</b>	<b>-968,250.00</b>	<b>-6,455,363.00</b>
<b>Budget Code FY2023 V2 Total:</b>				<b>-5,487,113.00</b>	<b>-968,250.00</b>	<b>-6,455,363.00</b>

# Description

# Fund Summary

Description	Fund	Original Budget	Budget Adjustments	Current Budget
Budget Code: FY2023 V2 - FY2023 V2 Budget Fiscal: FY2023				
	20	-5,487,113.00	-968,250.00	-6,455,363.00
Budget Code FY2023 V2 Total:		-5,487,113.00	-968,250.00	-6,455,363.00

**REGULAR CALLED MEETING  
RIVERBEND WATER RESOURCES DISTRICT  
WEDNESDAY, APRIL 26, 2023**

**AGENDA ITEM IV. D.  
RWRD RESO 20230426-04  
Round Table Network, LLC Contract**



**RIVERBEND RESOLUTION NO. 20230426-04**

**AUTHORIZING THE EXECUTIVE DIRECTOR/CEO TO ENTER INTO  
NEGOTIATIONS AND EXECUTE AN INTERLOCAL  
AGREEMENT/CONTRACT FOR MANAGED INFORMATION  
TECHNOLOGY SERVICES**

**WHEREAS**, Riverbend Water Resources District is a conservation and reclamation district created under and essential to accomplish the purposes of Section 59 Article XVI, Texas Constitution, existing pursuant to and having the powers set forth in Chapter 9601 of the Special District Local Laws Code of the State of Texas; and

**WHEREAS**, Riverbend Water Resources District has a need for Managed Information Technology services for computer hardware, software, cloud and digital data related to the operations and activities of the Wet Utility, Regional Water Facilities, and the Administrative Member Services; and

**WHEREAS**, Round Table Networks, LLC provides the needed Managed Information Technology services.

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Directors of the Riverbend Water Resources District hereby authorizes the Executive Director/CEO to negotiate and enter into an agreement for Managed Information Technology Services with Round Table Networks, LLC. Any agreement must be reviewed and approved by general counsel.

**PASSED and APPROVED this 26<sup>th</sup> day of April 2023**

\_\_\_\_\_  
Van Alexander, President

**ATTEST:**

\_\_\_\_\_  
Sonja Hubbard, Secretary

Attached: Round Table Networks, LLC Agreement



# IT SERVICES AGREEMENT

Roundtable Networks, LLC  
301B Industrial Boulevard  
Nash, Texas 75569

This IT Services Agreement (“**Agreement**”) is made effective as of the Effective Date set forth herein by and between the Service Recipient Riverbend Water Resources District (hereinafter referred to as the “**Client**”) and the Provider which is Roundtable Networks, LLC, a Texas limited liability company (hereinafter referred to as “**Provider**”).

Whereas Client is the owner/lessor/licensee of certain Information Technology Systems for which Client desires Provider to perform certain Services; and

Whereas Provider desires to perform such Services on the terms and conditions set forth in this Agreement. Capitalized terms not otherwise defined in the context of this Agreement are set forth and defined in the “*Glossary of Terms*” set forth on Schedule 1 attached to this Agreement.

Whereas Provider has reviewed Client’s information technology needs as represented to Provider by Client, and Provider has proposed Services to meet those needs based upon the terms and conditions set forth in this Agreement; and

Whereas Client agrees the proposed Services by Provider meet their information technology needs.

Now, therefore, in consideration of the mutual promises set forth herein, the parties agree as follows:

1. **COMPENSATION AND TERMS.** Client agrees to pay Provider for its Services as set forth in attached Addendum A. Client’s financial obligations as outlined herein are subject to available funding from its then current revenues and nothing herein shall be construed as a requirement upon Client to incur any impermissible debt under the Texas Constitution. Unless otherwise provided herein, payments are earned by Provider and become due and payable in full on the first (1<sup>st</sup>) day of each month for the services to be rendered in that same month and are considered late on the eleventh (11<sup>th</sup>) day of each month. If this agreement is not signed on the first (1<sup>st</sup>) day of a month, the amount for the first month of service will be prorated and due upon signing of this agreement. Late payment shall accrue interest until paid at the rate of five percent (5%) per annum. Payments will be applied first to any late payments and interest, and then to any existing obligations.

The Pricing set forth in Addendum A shall not decrease during the initial ninety (90) day period.

**The Pricing set forth in Addendum A is subject to an automatic 5% annual increase if the term of this Agreement is more than one year. The increase will take effect every 365**

**days following the Effective Date, without further notice to Client.**

Any user and device counts used to calculate total monthly price due from Client may fluctuate month-to-month as supported users and devices are added or removed. This fluctuation does not constitute a material change and does not require a new contract or agreement. For the duration of this agreement, the total monthly price may not be reduced to less than sixty-five percent (65%) of the original price as calculated in Addendum A on the date of acceptance of this agreement. Client must notify Provider of any supported user or device removals or additions in a reasonable amount of time for Provider to be able to update billing. If a discrepancy in the count of supported users or devices is suspected by either party, parties will reasonably work together to reconcile the supported user and device counts. Any corrections made during such reconciliation will only apply to future invoices and amounts.

A supported user cannot be removed while the supported user is still employed by Client unless the employee's duties have sufficiently changed such that they will no longer require support from Provider in the future. A supported device cannot be removed unless the device is being permanently decommissioned from use. If a supported user or device is removed from pricing calculations, while the user remains employed or the device remains operational, and later added again, Client will pay the related per-month rate for support for the user or device as specified in Addendum A for the months between removal and re-addition, in addition to a reinstatement fee of \$100.

2. **PAYMENT.** Payment shall be made to Roundtable Networks, LLC at 301B Industrial Boulevard, Nash, Texas 75569. Client acknowledges and agrees that available payment options are Online Portal or ACH. Client may opt to have payments recur automatically. If Client declines automatic recurring payments, Client agrees to pay using Provider's online payment terminal. Any other forms of payment must be approved by Provider in advance. If Provider approves payment by check, the check must be made for the exact invoiced amount and must include the correct invoice number in the memo. If the check is not made for the exact invoiced amount, or if it does not include the correct invoice number in the memo, Provider may reject the payment. If a payment is rejected due to an error in the check amount or memo, and rejection of the payment results in late payment, interest shall accrue according to section 1. For all credit card payments, Client shall be assessed a three percent (3%) convenience fee. The payment amount is calculated according to Addendum A.

3. **INVOICING.** Client agrees to receive invoices via email and invoices under this Agreement may not be sent unless specifically requested by Client.

4. **SURCHARGE.** Provider reserves the right to refuse Services relative to consumer-grade or end-of-life equipment, services, or software, or out-of-warranty hardware. Alternatively, Provider may charge a surcharge, as further set forth in Addendum A, to provide its Services relative to consumer-grade or end-of-life equipment, services, or software, or out-of-warranty hardware. This Surcharge will appear on Client's invoices during any such period Client is utilizing any such equipment, services, software or hardware. Support provided which relates to equipment or computers which are no longer covered by a manufacturer warranty may be



provided at Provider's discretion and will not be subject to any service level commitments or other representations or warranties regarding outcomes or timing of such support.

5. **TERM.** This Agreement will remain in effect for a period of twenty-four (24) months, excluding any prorated month, and shall automatically transition to a month-to-month agreement at midnight on the last day of the twenty-fourth (24<sup>th</sup>) month, absent a written agreement to extend the terms of the Agreement or absent the early Termination of the Agreement. If this Agreement has automatically transitioned to a month-to-month agreement, either party may terminate the agreement for any reason by providing 30 days written notice to the other party. If this Agreement has automatically transitioned to a month-to-month agreement, Provider may at any time propose a new agreement which would supersede this Agreement, at which time Client must accept or decline the new agreement within 30 days, and this Agreement will terminate.

6. **REPRESENTATIONS OF PROVIDER.** Provider represents it will provide the following Services to Client:

(a) Services under this Agreement by Provider and its staff who are skilled in the operation and maintenance of the Information Technology Systems. [Please note that Services may be provided remotely, or at the Client site(s), at Provider's sole discretion. Additionally, Services does not include support related to issues caused by client performing or attempting to perform IT related tasks, including but not limited to: (i) the disconnection and/or reconnection of cables, (ii) reconfiguration of network devices, or (iii) installation of software, without the supervision or guidance of Provider. Services provided by Provider related to such issues may be billed to Client at a rate of \$200 per hour.]

(b) Services under this Agreement in a timely and proficient manner to the best of its abilities, using its knowledge and recommendations to meet or exceed services provided by similar providers in our area.

(c) Guidance regarding contracting of third party service providers to assist Client in completing tasks not directly provided by Provider including but not limited to the following services: Phone System installation, maintenance, and/or management; installation of new cables within walls, attics, ceilings, or outdoors; property security systems installation, maintenance, and/or management; printer, copier, or scanner installation, maintenance, and/or management; and audio/video system installation, maintenance, and/or management.

(d) Vendor management to include assisting supported users with interfacing (communicating) with vendors such as Internet Service Providers and software manufacturers.

(e) Assist Client with planning future upgrades, make recommendations regarding the use of information technology, offer advice to the Client in making information technology decisions impacting the business.

(f) Any additional Services outlined in attached Addendum B (an “SOW” or a “Service Addendum”).

(g) All Services will be performed on a schedule, and in a prioritized manner, as Provider deems reasonable and necessary. Exact start dates may vary or deviate from the dates Provider state to Client depending on the Service being provided and the extent to which prerequisites (if any), such as transition or onboarding activities, must be completed. Provider will respond to any notification received by Provider of any error, outage, alarm, or alert pertaining to the Environment in accordance with the priority table(s) supplied to Client. In no event will Provider be responsible for delays in its response or Provider’s provision of Services during (i) periods of delay caused by Client-Side Downtime, Vendor-Side Downtime, (ii) periods in which Provider is required to suspend the Services to protect the security or integrity of the Environment or Provider Equipment, or (iii) delays caused by a force majeure as described in this Agreement. Provider will not be responsible under any circumstances for any delays or deficiencies in the provision of, or access to, the Services to the extent that such delays or deficiencies are caused by Client-Side Downtime or Vendor-Side Downtime.

7. **REPRESENTATIONS AND AGREEMENTS OF CLIENT.**

Client represents it will:

(a) cooperate with Provider in all matters relating to the Services and appoint a Client employee to serve as the primary contact with respect to this Agreement and who will have the authority to act on behalf of Client with respect to matters pertaining to this Agreement (the “Client Contract Manager”). If no Client Contract Manager is identified in an applicable SOW or if a previously identified Client Contract Manager is no longer available to Provider, then the Client Contract Manager will be the person (i) who accepted the SOW, and/or (ii) who is generally designated by Client during the course of relationship to provide Provider with direction or guidance. Provider will be entitled to rely upon directions and guidance from the Client Contract Manager until Provider is affirmatively made aware of a change of status of the Client Contract Manager by written notice. Client agrees that it will not use a ticketing system or help desk request to notify Provider about the change of a Client Contract Manager nor leave a recorded message for Provider informing it of a change to the Client Contract Manager.

(b) provide Provider’s personnel such access to Client’s premises and such office accommodation and other facilities and equipment and networks as may reasonably be requested by Provider, for the purposes of performing the Services and each Project. Without limiting the generality of the foregoing, Client hereby grants to Provider and Provider’s designated Third Party Providers (defined below) the right to monitor, diagnose, manipulate, communicate with, retrieve information from, and otherwise access the Environment as necessary to enable Provider or Third Party Providers, as applicable, to provide the Services and/or Third Party Services. Depending on the Service, Client acknowledges that Provider may be required to install one or more

software agents into the Environment through which such access may be enabled. It is Client's responsibility to secure, at its own cost and prior to the commencement of any Services, any necessary rights of entry, licenses (including software licenses), permits or other permissions necessary for Provider or its Third Party Providers to provide Services to the Environment and, if applicable, at Client's designated premises, both physically and virtually. Proper and safe environmental conditions must be provided and assured by Client at all times. Provider shall not be required to engage in any activity or provide any Services under conditions that pose or may pose a safety or health concern to any personnel, or that would require extraordinary or non-industry standard efforts to achieve.

(c) implement and maintain reasonable physical security for all managed hardware and related Devices (defined below) in Client's physical possession or control. Client is strongly advised to adhere to the following security measures: (i) physical barriers, such as door and cabinet locks, designed to prevent unauthorized physical access to protected equipment, (ii) an alarm system to mitigate and/or prevent unauthorized access to the premises at which the protected equipment is located, (iii) fire detection and retardant systems, and (iv) periodic reviews of personnel access rights to ensure that access policies are being enforced, and to help ensure that all access rights are correct and promptly updated.

(d) respond promptly to any Provider request to provide direction, information, approvals, authorizations, or decisions that are reasonably necessary for Provider to perform Services in accordance with the requirements of this Agreement.

(e) provide such Client Materials and/or information as Provider may request, in order to carry out the Services, in a timely manner, and ensure that it is complete and accurate in all material respects (including the maintenance and preservation of all passwords, keys, access codes, activations codes and other similar words, phrases and codes) and full administrative access to Provider for Client's Office/Microsoft 365 Services.

(f) refrain from modifying or moving the Environment or installing software in the Environment unless Provider expressly authorizes such activity and to take all actions reasonably necessary to prevent any third party from making any alterations to any hardware or software subject to the Services. In all situations (including those where Provider is co-managing an Environment with Client's internal IT department), Client agrees and understands that Provider will not be responsible for changes to the Environment or issues that arises from those changes that are not authorized by Provider.

(g) ensure that all Client Equipment is in good working order and suitable for the purposes for which it is used and conforms to all relevant legal or industry standards or requirements, abide by terms of any warranty issued by any Original Equipment Manufacturer ("OEM") and related software subject to the Services, and keep in working order all files, directories, and code associated with any website controlled by Client.

(h) obtain and maintain all necessary licenses and consents and comply with all applicable Law in relation to the Services, the Environment, installation of any Provider Equipment, the use of Client Materials, and the use of the Client Equipment in relation to the Provider Equipment, in all cases before the date on which the Services are to start. If Provider asks for proof of authenticity and/or licensing, Client must provide Provider with such proof. If Provider requires certain minimum hardware or software requirements in a SOW or otherwise (“**Minimum Requirements**”), Client agrees to implement and maintain those Minimum Requirements as an ongoing requirement of Provider providing the Services.

(i) keep, maintain, and ensure all Provider Equipment, and shall not dispose of or use any Provider Equipment other than in accordance with Provider’s written instructions or authorization;

(j) notify Provider promptly of any operational or other errors or problems with regard to any hardware or software subject to the Services and not attempt to repair any such error or other problem and to maintain reasonable and appropriate levels of physical and electronic security and protection from all environmental or physical perils, loss of data and/or any harmful or malicious electronic files. Client agrees that if, in Provider’s discretion, a hardware or software issue requires vendor or OEM support, Provider may contact the vendor or OEM (as applicable) on Client behalf and invoice Client for all fees and reasonable costs involved in that process;

(k) To comply with all copyright and/or other Intellectual Property Rights of third parties, as required by any applicable Law;

(l) Except as otherwise a Service to be performed by Provider under a SOW, to perform all patches, updates on hardware or software subject to the Services in a timely manner and in accordance with the instructions provided to Client by the manufacturer in connection with such updates (“**Updates**”). If Updates are provided to Client as part of the Services, Provider will implement and follow the manufacturers’ recommendations for the installation of Updates; however, Client agrees and understands that Provider (i) does not warrant or guarantee that any Update will perform properly, (ii) will not be responsible for any downtime or losses arising from or related to the installation, use, or inability to use any Update, and (iii) reserves the right, but not the obligations, to refrain from installing an Update until Provider has determined, in its reasonable discretion, that the Updates will be compatible with the configuration of the Environment and materially beneficial to the features or functionality of the affected software or hardware subject to the Services; and

(m) To comply fully with all reasonable specifications, rules, regulations and policies governing the Services provided to Client by Provider. Such rules, regulations and policies shall be subject to change from time to time in Provider’s sole discretion.

(n) To allow Service Provider access all devices, peripherals and/or computer

processing units, including mobile devices (such as notebook computers, smart phones and tablet computers) that are connected to the Environment (collectively, “**Devices**”), regardless of whether such Devices are owned, leased or otherwise controlled by Client. Unless otherwise stated in writing by Provider, Devices may not receive or benefit from the Services while the Devices are detached from, or unconnected to, the Environment. Client is strongly advised to refrain from connecting Devices to the Environment where such devices are not previously known to Provider and are not expressly covered under a managed service plan from Provider (“**Unknown Devices**”). Provider will not be responsible for the diagnosis of, any failures due to, or remediation of any issues in the Environment caused by the connection or use of Unknown Devices in the Environment, and Provider will not be obligated to provide the Services to any Unknown Devices.

Client agrees and understands that:

(a) If Provider’s performance of its obligations under this Agreement is prevented or delayed by any act or omission of Client or its agents, subcontractors, consultants, or employees, Provider shall not be deemed in breach of its obligations under this Agreement or otherwise liable for any costs, charges, or losses sustained or incurred by Client, in each case, to the extent arising directly or indirectly from such prevention or delay. Without limiting the generality of the foregoing, Client agrees and understand that it alone, and not Provider, is responsible for Client’s own compliance with all Laws, including all confidentiality and security requirements, and any and all such requirements of the HIPAA, Gramm-Leach-Bliley Act, USA Patriot Act (along with all network rules applicable to VISA, MasterCard, Discover, and/or other networks). Unless otherwise expressly stated in a SOW, the Services are not intended, and will not be used, to bring Client into full regulatory compliance with any Law, rule, regulation, or requirement that may be applicable to Client’s business or operations. Depending on the Services provided, the Services may aid Client’s efforts to fulfill regulatory compliance; however, the Services are not (and should not be used as) a compliance solution.

(b) Client understands and agrees that data loss or network failures in its Environment may occur, whether or not foreseeable. In order to reduce the likelihood of a network failure, Client must maintain proper security for its computer and information systems, including Updates. Client will adhere to Updates and maintain specific security standards, policies, procedures set forth by the NIST Cybersecurity Framework available at <https://www.nist.gov/cyberframework>. It is understood that within the Services provided it is not the intent for Provider to provide any type of internet security monitoring, cyber security monitoring, cyber terrorism monitoring, or other cyber threats for Client unless otherwise expressly specified in a Scope of Work.

(c) Client understands and agrees that no security solution is one hundred percent effective, and any security paradigm may be circumvented and/or rendered ineffective by certain malware, such as certain ransomware or rootkits that were unknown to the malware prevention industry at the time of infection, and/or which are downloaded or installed into the Environment. Provider does not warrant or guarantee

that all malware or malicious activity will be capable of being detected, avoided, quarantined, or removed, or that any data deleted, corrupted, or encrypted by such malware (“**Impacted Data**”) will be recoverable. Unless otherwise expressly stated in an SOW, the recovery of Impacted Data is out-of- scope and not included in the Services. Moreover, unless expressly stated in an SOW, Provider will not be responsible for activating multifactor authentication in any application in or connected to the Environment. Client is strongly advised to (a) educate its employees to properly identify and react to “phishing” activity (i.e., fraudulent attempts to obtain sensitive information or encourage behavior by disguising oneself as a trustworthy entity or person through email), and (b) obtain insurance against cyberattacks, data loss, malware-related matters, and privacy-related breaches, as such incidents can occur even under a “best practice” scenario. Except as otherwise expressly set forth in this Agreement, Provider is held harmless from any costs, expenses, or damages arising from or related to such incidents.

(d) Client acknowledges that from time to time, Provider may provide Client with specific advice and directions related to the Services (“**Advice**”). For example, Advice may include increasing server or hard drive capacity, increasing CPU power, replacing obsolete equipment, or refraining from engaging in acts that disrupt the Environment or that make the Environment less secure. Client is strongly advised to follow Advice which, depending on the situation, may require Client to make additional purchases or investments in the Environment at its sole cost. Client acknowledges and agrees that Provider is not responsible for any problems or issues (such as downtime or security-related issues) caused by Client’s failure to promptly follow Advice. If, in Provider’s discretion, Client’s failure to follow Advice renders part or all of the Services economically or technically unreasonable to provide, then Service Provider may terminate the applicable Services for cause by providing notice of termination to Client. Unless specifically and expressly stated in in a SOW, any services required to remediate issues caused by Client’s failure to follow Advice, or Client’s unauthorized modification of the Environment, as well as any services required to bring the Environment up to or maintain the Minimum Requirements, are out-of-scope and not included in the Services without further remuneration to Provider

Client warrants and represents that Client knows of no Law governing Client’s business that would impede or restrict Provider’s provision of the Services, or that would require Provider to register with, or report Provider’s provision of the Services (or the results thereof), to any government or regulatory authority. Client agrees to promptly notify Provider if Client becomes subject to any of the foregoing which, in Provider discretion, may require a modification to the scope or pricing of the Services. Similarly, if Client is subject to responsibilities under any applicable Law (including, but not limited to, HIPAA, Gramm-Leach-Bliley Act, and USA Patriot Act), then Client agrees to identify to Provider any data or information subject to protection under that Law prior to providing such information to Provider or, as applicable, prior to giving Provider access to such information.

8. **TERMINATION**. Client understands and acknowledges that Provider’s investment in providing Services under this Agreement is substantial during the first several months of the

Agreement. As such, in the event the Agreement is terminated by Provider due to good cause as defined herein below during the first ninety (90) days, excluding any prorated month, an Early Termination Penalty shall be assessed in an amount equal to one (1) month's payment obligations as set forth under Addendum A.

Following the Term of this Agreement or its early termination, Client shall be given the option to purchase any networking equipment owned by Provider and installed at Client's premises for their use under this Agreement. Client shall advise Provider in writing if Client chooses to exercise this option no later than thirty (30) days prior to the expiration of the Term of this Agreement or within ten (10) days following its early termination. This equipment shall be offered to Client for purchase provided Client is current on its obligations under this Agreement as follows: During 1<sup>st</sup> year of Agreement at Provider's cost, during 2<sup>nd</sup> year of Agreement at 75% of Provider's cost, and during the 3<sup>rd</sup> year under this Agreement at 50% of Provider's cost. The payment for the equipment, if purchased under this option, is due no later the last day of the Term of the Agreement or within thirty (30) days after its early termination. In the event the networking equipment is connected to and managed by Provider's software controllers, Client shall acquire another software controller to connect and manage the equipment. Provider may remove configuration for and connection to the equipment upon the expiration of the Term of the Agreement.

Absent Client timely exercising Client's option to purchase the networking equipment, upon request on or after the Term of the Agreement, Provider shall be granted access to Client's premises to remove all such equipment, hardware, supplies and parts owned by Provider and provided by Provider to Client for use by Client under this Agreement.

The Agreement may be Terminated prior to the Term of the Agreement only upon a showing of "good cause." For purposes of this agreement, good cause is a material breach of the duties and obligations outlined herein. Prior to the early Termination of this Agreement, the non-breaching party shall provide the breaching party written notice of any such breach of this Agreement. Thereafter, the breaching party shall have thirty (30) days to remedy the breach, and if not remedied the Agreement shall be terminated effectively immediately absent further notice. If Client terminates this Agreement for good cause, its payment obligations hereunder shall terminate absent its obligation to render payment for Services already due and payable, as well as any interest and fees, as set forth herein above under paragraph 1. Upon termination, Provider shall have no further obligations under this Agreement. If Provider terminates this Agreement for good cause, its obligations under this agreement shall likewise terminate. Upon termination, Client shall remain obligated to fully satisfy its obligations to Provider under this Agreement.

9. **DEFAULT.** In addition to a party's failure to adhere to the material terms herein, the occurrence of any of the following shall likewise constitute a default and result in termination of this Agreement:

- (1) The failure to make a required payment when due;
- (2) The insolvency or bankruptcy of either party; and/or

(3) Either party's property being subject to levy, seizure, general assignment for the benefit of creditors, or application or sale for or by any creditor or government agency.

10. **EXCLUDED SERVICES.** Any services not expressly provided herein or in Addendum B are excluded from this Agreement. Provider may at its sole option decline to provide services or Services for hardware or software that are out-of-warranty or unsupported by its manufacture. Any services or Services provided relative to out-of-warranty or unsupported hardware or software by Provider does not alter or amend in any respect the Services provided and/or excluded under this Agreement.

Provider's Services do not include investigatory or forensic work. In the event such becomes necessary, Client will be required to retain a third-party specialist to perform such services.

11. **ADDITIONAL SERVICES; THIRD PARTY SERVICES/EQUIPMENT.**

(a) Client acknowledges that Provider cannot provide certain services which are typically provided by hardware manufacturers or software developers, such as, but not limited to, advanced software support, warranty services such as replacement, and the development of software updates. Provider's Services are not a replacement for services provided by hardware manufacturers or by software developers. As such, support from those hardware manufacturers or software developers may need to be secured and maintained by Client separately from this agreement, in order for Client to benefit from such services. Provider may decline to provide a service related to hardware if that service is typically provided by manufacturers of hardware. Provider may decline to provide a service related to software if that service is typically provided by developers of software. Any Additional Services to be provided by Provider are expressly stated in attached Addendum B.

(b) Portions of the Services may be acquired from, resold from, and/or rely upon the services of, third party vendors, manufacturers, or providers ("**Third Party Provider**"). Third Party Providers may provide services such as data hosting services, help desk services, malware detection services, domain registration services, data backup/recovery services, other security related services, and/or next generation technology solutions (each, a "**Third Party Service**"). Not all Third Party Services will be expressly identified as being provided by a Third Party Provider, and at all times Provider reserves the right to utilize the services of any Third Party Provider or to change Third Party Providers in its sole discretion as long as the change does not materially diminish the Services that Provider is obligated to provide to Client. Client understands and agrees that Third Party Providers are not Provider's contractors, subcontractors, or otherwise under its managerial or operational control. While Provider will endeavor to facilitate a workaround for the failure of a Third Party Service, Provider will not be responsible, and will be held harmless by Client, for any failure of any Third Party Service as well as the failure of any Third Party Provider to provide such services to



Provider or to Client.

(c) Portions of the Services may require Client to accept the terms of one or more third party end user license agreements with Third Party Providers (“EULAs”). If the acceptance of a EULA is required in order to provide the Services to Client, then Client hereby grants Provider permission to accept the EULA on Client’s behalf. EULAs may contain service levels, warranties and/or liability limitations that are different than those contained in this Agreement. Client agrees to be bound by the terms of such EULAs and will look only to the applicable Third Party Provider for the enforcement of the terms of such EULAs. If, while providing the Services, Provider is required to comply with a third-party EULA and the third party EULA is modified or amended, Provider reserves the right to modify or amend any applicable SOW with Client to ensure Provider’s continued compliance with the terms of the third party EULA.

(d) Under no circumstances will Provider be responsible for any data lost, corrupted, or rendered unreadable due to (i) communication and/or transmissions errors or related failures (whether onsite or cloud-based), (ii) equipment failures (including but not limited to silent hardware corruption-related issues), or (iii) Provider failure to backup or secure data from portions of the Environment that were not expressly designated in the applicable SOW as requiring backup or recovery services. Unless expressly stated in writing by Provider, Provider does not warrant or guarantee that any maintained storage device or functionality, data backup device or functionality, or load balancing functionality will operate in an error-free manner.

(e) All Provider Equipment is owned by Provider and is not leased to Client. Upon the termination of applicable Services, Client’s license to use the Provider Equipment shall immediately terminate, and thereafter all Provider Equipment must be returned to Provider immediately at Client’s expense. All configurations on the Provider Equipment are Provider’s proprietary information and will not be circumvented, modified, or removed by Client without Provider prior written consent.

(f) All equipment, machines, hardware, software, peripherals, or accessories purchased through Providers (“**Third Party Products**”) are generally nonrefundable once the item is ordered from Provider’s third party provider or reseller. If Client desires to return a Third Party Product, then the Third Party Provider’s return policies shall apply. Provider does not guarantee that purchased Third Party Products will be returnable, exchangeable, or that re-stocking fees can or will be avoided. Client may be responsible for the payment of all re- stocking or return-related fees charged by the third party provider or reseller as well as reasonable charges for Provider time spent in processing returns on Client’s behalf. Provider will use reasonable efforts to assign, transfer and facilitate all warranties (if any) and service level commitments (if any) for the Third Party Products to Client, but will have no liability whatsoever for the quality, functionality, or operability of any Third Party Products, and Provider will not be held liable as an insurer or guarantor of the performance, uptime, or usefulness of any Third Party Products. All Third Party Products are provided “as is” and without any warranty

whatsoever as between Provider and Client (including but not limited to implied warranties).

12. **LOCAL, STATE AND FEDERAL REGULATIONS.** Client acknowledges that while Provider may provide advice and guidance related to compliance with Laws, it is Client's sole responsibility to ensure compliance therewith and Provider assumes no responsibility for Client's failure to comply. Without limiting the generality of the foregoing, Client agrees and understand that it alone, and not Provider, is responsible for Client's own compliance with all Laws, including all confidentiality and security requirements, and any and all such requirements of the HIPAA, Gramm-Leach-Bliley Act, USA Patriot Act (along with all network rules applicable to VISA, MasterCard, Discover, and/or other networks). Unless otherwise expressly stated in a SOW, the Services are not intended, and will not be used, to bring Client into full regulatory compliance with any Law, rule, regulation, or requirement that may be applicable to Client's business or operations. Depending on the Services provided, the Services may aid Client's efforts to fulfill regulatory compliance; however, the Services are not (and should not be used as) a compliance solution.

13. **NON-SOLICITATION.** Client agrees, acknowledges and understands that Provider is engaged in a highly technical and specialized field. By and through the Services provided herein, Client will be exposed to employees of Provider. In consideration of the Services provided herein, Client agrees not to solicit Provider's employees, either directly or indirectly, for employment during the terms of this Agreement and for a period of one-hundred twenty (120) days thereafter.

14. **CONFIDENTIALITY.** Provider, and its employees, agents, or representatives will not at any time or in any manner, either directly or indirectly, use for the personal benefit of Provider, or divulge, disclose, or communicate in any manner, any information that is proprietary to Client, except as is necessary to provide Services. Provider and its employees, agents, and representatives will protect such information and treat it as strictly confidential. This provision will continue to be effective after the termination of this Agreement.

Upon termination of this Agreement, Provider shall provide Client with copies of network documentation, usernames and passwords kept by Provider solely for the performance of Services to Client.

Client acknowledges and understands that Provider cannot withhold any information it is required to report by law, or any information it is required to produce in response to a duly issued state or federal subpoena.

15. **WARRANTY; LIMITATION OF LIABILITY.** EXCEPT AS OTHERWISE PROVIDED IN THIS AGREEMENT, PROVIDER DOES NOT PROVIDE ANY EXPRESS OR IMPLIED WARRANTIES TO CLIENT RELATIVE TO ITS SERVICES TO INCLUDE, BUT NOT LIMITED TO, IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR PARTICULAR PURPOSE, MARKETABILITY AND/OR SUITABILITY.

(a) Client acknowledges and agrees that Provider would not provide any Services, or enter into any SOW or this Agreement, unless Provider could rely on the limitations described in this Agreement, including this Section.

(b) IN NO EVENT WILL PROVIDER BE LIABLE TO CLIENT OR TO ANY THIRD PARTY FOR ANY LOSS OF USE, REVENUE, OR PROFIT OR LOSS OF DATA OR FOR ANY CONSEQUENTIAL, INCIDENTAL, INDIRECT, EXEMPLARY, SPECIAL, OR PUNITIVE DAMAGES WHETHER ARISING OUT OF BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE), OR OTHERWISE, OR OTHER INDIRECT OR CONTINGENT EVENT-BASED ECONOMIC LOSS ARISING OUT OF OR IN CONNECTION WITH THE SERVICES, THIS AGREEMENT, ANY SOW, OR FOR ANY LOSS OR INTERRUPTION OF DATA, TECHNOLOGY OR SERVICES, OR FOR ANY BREACH HEREOF OR FOR ANY DAMAGES CAUSED BY ANY DELAY IN FURNISHING SERVICES UNDER THIS AGREEMENT OR ANY SOW, REGARDLESS OF WHETHER SUCH DAMAGE WAS FORESEEABLE AND WHETHER OR NOT SUCH PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

(c) IN NO EVENT WILL PROVIDER'S LIABILITY ARISING OUT OF OR RELATED TO THIS AGREEMENT, WHETHER ARISING OUT OF OR RELATED TO BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE), OR OTHERWISE (A "CLAIM"), EXCEED THE AMOUNT OF ACTUAL AND DIRECT DAMAGES, NOT TO EXCEED THE AMOUNT OF FEES PAID BY CLIENT (EXCLUDING HARD COSTS FOR LICENSES, HARDWARE, ETC.) TO PROVIDER FOR THE SPECIFIC SERVICE UPON WHICH THE APPLICABLE CLAIM(S) IS/ARE BASED DURING THE THREE (3) MONTH PERIOD IMMEDIATELY PRIOR TO THE DATE ON WHICH THE CLAIM ACCRUED OR \$5,000, WHICHEVER IS GREATER. THE FOREGOING LIMITATIONS SHALL APPLY EVEN IF THE REMEDIES LISTED IN THIS AGREEMENT FAIL OF THEIR ESSENTIAL PURPOSE. PROVIDER'S LIABILITY OBLIGATION SHALL BE FURTHER REDUCED TO THE EXTENT THAT A CLAIM IS CAUSED BY, OR THE RESULT OF, CLIENT'S NEGLIGENCE, CLIENT' WILLFUL OR INTENTIONAL MISCONDUCT, CLIENT'S GROSS NEGLIGENCE, OR TO THE EXTENT THAT CLIENT FAILED TO REASONABLY MITIGATE (OR ATTEMPT TO MITIGATE, AS APPLICABLE) THE CLAIMS.

16. **RELEASE AND HOLD HARMLESS.** Client acknowledges that in some situations Provider will supply Client with networking equipment for its use during the term of this Agreement. Client acknowledges that Provider is not the manufacturer of any such equipment and will hold Provider harmless from any defects in the equipment and from any damage resulting directly or indirectly from Client's use of the equipment, and will release Provider from any claims relative thereto.

17. **LIMITATION AND WAIVER OF DAMAGES.** Client acknowledges and agrees that the extent of its damages under this Agreement for any acts, omissions or errors relative to

Provider or the Services provided shall be limited to any amounts Client has paid Provider under the Agreement. Client expressly waives any right to any additional or further damages associated with, relating to, or resulting from the Services, this Agreement and/or Provider to include, but not limited to, actual damages, loss of use, interruption of business, lost profits, attorney's fees and costs.

18. **FORCE MAJEURE.** If performance of this Agreement or any obligation under this Agreement is prevented, restricted, or interfered with by causes beyond either party's reasonable control ("**Force Majeure**"), and if the party unable to carry out its obligations gives the other party prompt written notice of such event, then the obligations of the party invoking this provision shall be suspended to the extent necessary by such event. The term Force Majeure shall include, without limitation, acts of God, fire, explosion, vandalism, storm or other similar occurrence, orders or acts of military or civil authority, or by national emergencies, insurrections, riots, or wars, or strikes, lock-outs, work stoppages, or supplier failures. The excused party shall use reasonable efforts under the circumstances to avoid or remove such causes of non-performance and shall proceed to perform with reasonable dispatch whenever such causes are removed or ceased. An act or omission shall be deemed within the reasonable control of a party if committed, omitted, or caused by such party, or its employees, officers, agents, or affiliates.

19. **ALTERNATIVE DISPUTE RESOLUTION.** Each party is committed to a dispute prevention atmosphere during the performance of this Agreement and each party recognizes that cooperation, rather than confrontation, is an effective and efficient way to accomplish the purpose of this Agreement. In furtherance of that goal, the parties agree to take steps to establish a cooperative process for solving problems. The parties recognize that the development of a cooperative and structured team process for dealing with unexpected problems is a useful mechanism for establishing open communication and dispute prevention. The parties agree the settlement of a dispute through a negotiated settlement or through alternate dispute resolution (ADR) methods to avoid litigation will increase the opportunity for relatively inexpensive and expeditious resolution of issues in controversy. The parties further agree that when both parties recognize the existence of an issue in controversy, they will work together in a good faith effort to resolve any such controversy between themselves. If such efforts prove unsuccessful, the parties shall then submit the dispute to mediation prior to resorting to litigation. The cost of mediation will be jointly shared by the parties and mediation shall occur in Texarkana, Texas, by and through a mediator agreed upon between the parties. In the event the parties cannot agree on a mediator, the parties shall jointly submit a request to the 202<sup>ND</sup> Judicial District Court (Bowie County) and recommend a local mediator for such purposes. This recommendation will be binding upon the parties to this Agreement.

20. **ENTIRE AGREEMENT.** The Client and Provider are relying on the representations set forth herein in entering into this Agreement. As such, this Agreement contains the entire agreement of the parties, and there are no other promises or conditions in any other agreement whether oral or written concerning the subject matter of this Agreement. This Agreement supersedes any prior written or oral agreements between the parties.

21. **SEVERABILITY.** If any provision of this Agreement will be held to be invalid or

unenforceable for any reason, the remaining provisions will continue to be valid and enforceable. If a court finds that any provision of this Agreement is invalid or unenforceable, but that by limiting such provision it would become valid and enforceable, then such provision will be deemed to be written, construed, and enforced as so limited.

22. **ASSIGNMENT.** This Agreement is not assignable by Client without Provider’s written consent.

23. **AMENDMENT.** This Agreement may be modified or amended in writing, if the writing is signed by the party obligated under the amendment.

24. **PRIOR AGREEMENTS SUPERSEDED.** This Agreement constitutes the sole and only agreement of the parties and supersedes any prior understanding or written or oral agreements between the parties respecting the subject matter of this Agreement.

25. **NO SPECIAL RELATIONSHIP.** Client and Provider’s relationship under this Agreement is an ordinary commercial relationship and the parties do not intent to create the relationship of principal and agent, partnership, joint venture or any other special relationship.

26. **GOVERNING LAW AND VENUE.** This Agreement shall be construed in accordance with the laws of the State of Texas and all obligations created in this Agreement are performable in Bowie County, Texas. Venue as to any claim or controversy arising out of this Agreement, directly or indirectly, shall lie in the courts of Bowie County, Texas.

27. **NOTICE.** Any notice or communication required or permitted under this Agreement shall be sufficiently given if delivered in person, by certified mail with delivery receipt, or electronic mail to the address set forth in this Agreement or to such other address as one party may have furnished to the other in writing.

28. **WAIVER OF CONTRACTUAL RIGHT.** The failure of either party to enforce any provision of this Agreement shall not be construed as a waiver or limitation of that party’s right to subsequently enforce and compel strict compliance with every provision of this Agreement.

29. **SURVIVAL OF TERMS.** The provisions set forth under this Agreement shall survive the expiration or termination of this Agreement unless expressly provided otherwise herein to include paragraphs 1, 2, 4, 8, 13, 14, 15, 16, 17, 19 and 26.

30. **AUTHORITY.** The undersigned individuals each acknowledge that they have actual authority to enter into this Agreement personally and/or on behalf of any legal entity for which they are executing this Agreement.

31. **EXECUTION AND EFFECTIVE DATE.** This Agreement is executed between the parties on the date(s) reflected herein below and shall become effective, (“Effective Date”), on the date Provider executes this Agreement.

**Client:**

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Date)

By: \_\_\_\_\_  
(Printed Name)

Title: \_\_\_\_\_

RIVERBEND WATER RESOURCES DISTRICT  
228 Texas Avenue, Suite A, New Boston, TX 75570  
Phone: 903-831-0091  
Email Address: [kyledooley@rwr.org](mailto:kyledooley@rwr.org)

**Roundtable Networks, LLC:**

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Date)

By: \_\_\_\_\_  
(Printed Name)

Title: \_\_\_\_\_

ROUNDTABLE NETWORKS, LLC  
301B Industrial Boulevard, Nash, Texas 75569  
Phone: 903-224-8458  
Email Address: [justin.jarrett@rtnit.com](mailto:justin.jarrett@rtnit.com) / [drew.holder@rtnit.com](mailto:drew.holder@rtnit.com)  
Website: [www.rtnit.com](http://www.rtnit.com)

Schedule 1  
(Defined Terms)

“**Affiliate**” of a Person means any other Person that directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with, such Person. The term “control” (including the terms “controlled by” and “under common control with”) means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract, or otherwise.

“**Environment**” means, collectively, any computer network (cloud- based or otherwise), computer system, peripheral or device (virtual or physical) acquired, installed, maintained, monitored, or operated by Provider for Client or on Client’s behalf.

“**Client Equipment**” means any computers, equipment, systems, cabling, or facilities provided or otherwise owned by Client and used directly or indirectly in the provision of the Services.

“**Client Materials**” any documents, data, know-how, methodologies, software, and other materials provided to Provider by Client or otherwise owned by Client, including computer software, programs, reports, and specifications.

“**Client-Side Downtime**” means any period of time during which delays or deficiencies are caused by Client actions or omissions, including, but is not limited to, any period of time during which Provider requires Client participation or Provider require information, directions, or authorization from Client but cannot reach the Client Contract Manager.

“**Intellectual Property Rights**” means all (a) patents, patent disclosures, and inventions (whether patentable or not), (b) trademarks, service marks, trade dress, trade names, logos, corporate names, and domain names, together with all of the goodwill associated therewith, (c) copyrights and copyrightable works (including computer programs), and rights in data and databases, (d) trade secrets, know-how, and other confidential information, and (e) all other intellectual property rights, in each case whether registered or unregistered and including all applications for, and renewals or extensions of, such rights, and all similar or equivalent rights or forms of protection in any part of the world.

“**Law**” means any statute, law, ordinance, regulation, rule, code, order, constitution, treaty, common law, judgment, decree, other requirement, or rule of law of any federal, state, local, or foreign government or political subdivision thereof, or any arbitrator, court, or tribunal of competent jurisdiction.

“**Person**” means an individual, corporation, partnership, joint venture, corporation, governmental authority, unincorporated organization, trust, association, or other entity.

“**Project**” means a project as described in an SOW or Service Addendum.

**“Services”** mean the services to be provided by Service Provider under this Agreement, as described in more detail in a SOW or Service Addendum, and Provider’s obligations under this Agreement, including, including, but not limited to, any licenses, services, or products that Provider sells or re-sells to Client.

**“Vendor-Side Downtime”** means any delays or deficiencies caused by third party Providers, third party licensors, or “upstream” service or product vendors.



**IT SERVICES AGREEMENT  
ADDENDUM A - PRICING**

Roundtable Networks, LLC  
301B Industrial Boulevard  
Nash, Texas 75569

**One-Time Charges:**

None

**Monthly Recurring Charges:**

Per-User Per Month:

Office Employees: \$204.75

Field Technicians: \$63.00

\*Plus all applicable taxes and fees

**Client:**

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Date)

By: \_\_\_\_\_  
(Printed Name)

Title: \_\_\_\_\_

RIVERBEND WATER RESOURCES DISTRICT  
228 Texas Avenue, Suite A, New Boston, TX 75570  
Phone: 903-831-0091  
Email Address: kyledooley@rwr.org

**Roundtable Networks, LLC:**

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Date)

By: \_\_\_\_\_  
(Printed Name)

Title: \_\_\_\_\_

ROUNDTABLE NETWORKS, LLC  
301B Industrial Boulevard, Nash, Texas 75569  
Phone: 903-224-8458  
Email Address: justin.jarrett@rtnit.com / drew.holder@rtnit.com  
Website: www.rtnit.com

# IT SERVICES AGREEMENT

## ADDENDUM B - SERVICES

Roundtable Networks, LLC  
301B Industrial Boulevard  
Nash, Texas 75569

Provider represents it will provide the following Services to Client:

- (a) Manage Client's Office/Microsoft 365 Services as an administrator to include adding user accounts, modifying user accounts, disabling user accounts, setting policies, creating groups, adding and removing group memberships.
- (b) Secure for Client's use one license per supported user for Office/Microsoft 365 Licensing, for the duration of this agreement. The specific license type will be chosen at Provider's discretion unless defined in Addendum B. [Please note that additional licensing may be secured by Provider for Client and that this additional licensing will incur an additional charge according to the cost of the additional licensing.]
- (c) Network administration to include managing the configuration of network devices (routers, firewall, switches, wireless access points) and troubleshooting issues with network equipment. [Please note that hardware or software that is out-of-warranty or unsupported by the manufacture are outside the scope of these included services and any services provided relative thereto does not alter this provision.]
- (d) Server administration to include installing Windows updates, configuring Windows Server services, configuring server settings such as network interface settings, and troubleshooting server problems. [Please note that hardware or software that is out-of-warranty or unsupported by the manufacture are outside the scope of these included services and any services provided relative thereto does not alter this provision.]
- (e) IT Service Desk for supported users to call with IT related issues to request assistance.
- (f) Mobile Device Management (MDM) to include enrolling iPads, iPhones, or Android phones or tablets, that are supported devices, in an MDM service, and creating and applying policies in the MDM service. The specific service to be used is at Provider's sole discretion, and the Client device(s) to be enrolled must be compatible with the system of Provider's choice.
- (g) Antivirus Software Provision to include installing an antivirus software of Provider's choice on supported devices and configuring policies for the antivirus software.
- (h) A network filter solution of Provider's choice using the method of deployment of Provider's choosing, configuring policies for the network filtering software which may include installing a software agent on supported devices and/or configuring network devices to provide filtering (subject to the limitations under Network Administration).
- (i) Cybersecurity training to include enrolling supported users in a cybersecurity training program of Provider's choice.
- (j) Manage Client's Datto S4P4 backup appliance and pay the Datto service fees related thereto.
- (k) Domain Name System (DNS) management to include adding, updating, or removing DNS records as needed for the primary internet domain name for the company and for the proper function of email and website. This will require Client providing access to Provider for the domain name registrar where the domain name is purchased, as well as access to the DNS servers where the DNS zone for the domain is hosted. Provider may transfer the domain name registration and DNS hosting to providers of our choice in which case Provider may bill Client for the domain name registration cost separately, and in which case Client will need to facilitate domain transfer to another provider upon termination of this Agreement.
- (l) Provide a password management solution of Provider's choice.

- (m) Provide for Client's use certain network equipment deemed necessary by Provider, which may include the following device or devices: firewall(s), wireless access point(s), ethernet switch(es). The primary firewall at Client's primary office location is Client owned and not provided by Provider.

**Client:**

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Date)

By: \_\_\_\_\_  
(Printed Name)

Title: \_\_\_\_\_

RIVERBEND WATER RESOURCES DISTRICT  
228 Texas Avenue, Suite A, New Boston, TX 75570  
Phone: 903-831-0091  
Email Address: kyledooley@rwr.org

**Roundtable Networks, LLC:**

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Date)

By: \_\_\_\_\_  
(Printed Name)

Title: \_\_\_\_\_

ROUNDTABLE NETWORKS, LLC  
301B Industrial Boulevard, Nash, Texas 75569  
Phone: 903-224-8458  
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Website: www.rtnit.com