

Region 4 ESC

Contract # R210806

for

Internet Service Provider for TEA Connect Texas Program

with

Hill Country Telephone Company

Effective: August 1, 2021

The following documents comprise the executed contract between the Region 4 Education Service Center and Hill Country Telephone Company effective August 1, 2021:

- I. Supplier Contract
- II. Offer & Contract Signature Form
- III. Supplier's Response to the RFP, incorporated by reference.

APPENDIX A

CONTRACT

This Contract ("Contract") is made as of June 29, 2021 by and between Hill Country Telephone Cooperative, Inc. (HCTC) ("Contractor") and Region 4 Education Service Center ("Region 4 ESC") for the purchase of Internet Service Provider for TEA Connect Texas Program ("the products and services").

RECITALS

WHEREAS, Region 4 ESC issued Request for Proposal Number 21-08 for ("RFP"), to which Contractor provided a response ("Proposal"); and

WHEREAS, Region 4 ESC selected Contractor's Proposal and wishes to engage Contractor in providing the services/materials described in the RFP and Proposal;

WHEREAS, both parties agree and understand the following pages will constitute the Contract between the Contractor and Region 4 ESC, having its principal place of business at 7145 West Tidwell Road, Houston, TX 77092.

WHEREAS, Contractor included, in writing, any required exceptions or deviations from these terms, conditions, and specifications; and it is further understood that, if agreed to by Region 4 ESC, said exceptions or deviations are incorporated into the Contract.

WHEREAS, this Contract consists of the provisions set forth below, including provisions of all attachments referenced herein. In the event of a conflict between the provisions set forth below and those contained in any attachment, the provisions set forth below shall control.

WHEREAS, the Contract will provide that any state and local governmental entities, public and private primary, secondary and higher education entities, non-profit entities, and agencies for the public benefit ("Public Agencies") may purchase products and services at prices indicated in the Contract upon the Public Agency's registration with OMNIA Partners.

- 1) Term of agreement. The term of the Contract is for a period of three (3) years unless terminated, canceled, or extended as otherwise provided herein. Region 4 ESC shall have the right to renew the Contract for two (2) additional one-year periods or portions thereof. Region 4 ESC shall review the Contract prior to the renewal date and notify the Contractor of Region 4 ESC's intent renew the Contract. Contractor may elect not to renew by providing three hundred sixty-five days' (365) notice to Region 4 ESC. Notwithstanding the expiration of the initial term or any subsequent term or all renewal options, Region 4 ESC and Contractor may mutually agree to extend the term of this Agreement. Contractor acknowledges and understands Region 4 ESC is under no obligation whatsoever to extend the term of this Agreement.
- 2) Scope: Contractor shall perform all duties, responsibilities, and obligations, set forth in this agreement, and described in the RFP, incorporated herein by reference as though fully set forth herein.
- 3) Form of Contract. The form of Contract shall be the RFP, the Offeror's proposal and Best and Final Offer(s).

- 4) Order of Precedence. In the event of a conflict in the provisions of the Contract as accepted by Region 4 ESC, the following order of precedence shall prevail:
 - i. This Contract
 - ii. Offeror's Best and Final Offer
 - iii. Offeror's proposal
 - iv. RFP and any addenda
- 5) Commencement of Work. The Contractor is cautioned not to commence any billable work or provide any material or service under this Contract until Contractor receives a purchase order for such work or is otherwise directed to do so in writing by Region 4 ESC.
- 6) Entire Agreement (Parol evidence). The Contract, as specified above, represents the final written expression of agreement. All agreements are contained herein and no other agreements or representations that materially alter it are acceptable.
- 7) Assignment of Contract. No assignment of Contract may be made without the prior written approval of Region 4 ESC. Contractor is required to notify Region 4 ESC when any material change in operations is made (i.e., bankruptcy, change of ownership, merger, etc.).
- 8) Novation. If Contractor sells or transfers all assets or the entire portion of the assets used to perform this Contract, a successor in interest must guarantee to perform all obligations under this Contract. Region 4 ESC reserves the right to accept or reject any new party. A change of name agreement will not change the contractual obligations of Contractor.
- 9) Contract Alterations. No alterations to the terms of this Contract shall be valid or binding unless authorized and signed by Region 4 ESC.
- 10) Adding Authorized Distributors/Dealers. Contractor is prohibited from authorizing additional distributors or dealers, other than those identified at the time of submitting their proposal, to sell under the Contract without notification and prior written approval from Region 4 ESC. Contractor must notify Region 4 ESC each time it wishes to add an authorized distributor or dealer. Purchase orders and payment can only be made to the Contractor unless otherwise approved by Region 4 ESC. Pricing provided to members by added distributors or dealers must also be less than or equal to the Contractor's pricing.

11) TERMINATION OF CONTRACT

- a) Cancellation for Non-Performance or Contractor Deficiency. Region 4 ESC may terminate the Contract if purchase volume is determined to be low volume in any 12-month period. Region 4 ESC reserves the right to cancel the whole or any part of this Contract due to failure by Contractor to carry out any obligation, term, or condition of the contract. Region 4 ESC may issue a written deficiency notice to Contractor for acting or failing to act in any of the following:
 - i. Providing material that does not meet the specifications of the Contract;
 - ii. Providing work or material was not awarded under the Contract;
 - iii. Failing to adequately perform the services set forth in the scope of work and specifications;
 - iv. Failing to complete required work or furnish required materials within a reasonable amount of time;

- v. Failing to make progress in performance of the Contract or giving Region 4 ESC reason to believe Contractor will not or cannot perform the requirements of the Contract; or
- vi. Performing work or providing services under the Contract prior to receiving an authorized purchase order.

Upon receipt of a written deficiency notice, Contractor shall have ten (10) days to provide a satisfactory response to Region 4 ESC. Failure to adequately address all issues of concern may result in Contract cancellation. Upon cancellation under this paragraph, all goods, materials, work, documents, data and reports prepared by Contractor under the Contract shall immediately become the property of Region 4 ESC.

- b) Termination for Cause. If, for any reason, Contractor fails to fulfill its obligation in a timely manner, or Contractor violates any of the covenants, agreements, or stipulations of this Contract Region 4 ESC reserves the right to terminate the Contract immediately and pursue all other applicable remedies afforded by law. Such termination shall be effective by delivery of notice, to the Contractor, specifying the effective date of termination. In such event, all documents, data, studies, surveys, drawings, maps, models and reports prepared by Contractor will become the property of the Region 4 ESC. If such event does occur, Contractor will be entitled to receive just and equitable compensation for the satisfactory work completed on such documents.
- c) Delivery/Service Failures. Failure to deliver goods or services within the time specified, or within a reasonable time period as interpreted by the purchasing agent or failure to make replacements or corrections of rejected articles/services when so requested shall constitute grounds for the Contract to be terminated. In the event Region 4 ESC must purchase in an open market, Contractor agrees to reimburse Region 4 ESC, within a reasonable time period, for all expenses incurred.
- d) Force Majeure. If by reason of Force Majeure, either party hereto shall be rendered unable wholly or in part to carry out its obligations under this Agreement then such party shall give notice and full particulars of Force Majeure in writing to the other party within a reasonable time after occurrence of the event or cause relied upon, and the obligation of the party giving such notice, so far as it is affected by such Force Majeure, shall be suspended during the continuance of the inability then claimed, except as hereinafter provided, but for no longer period, and such party shall endeavor to remove or overcome such inability with all reasonable dispatch.

The term Force Majeure as employed herein, shall mean acts of God, strikes, lockouts, or other industrial disturbances, act of public enemy, orders of any kind of government of the United States or the State of Texas or any civil or military authority; insurrections; riots; epidemics; landslides; lightning; earthquake; fires; hurricanes; storms; floods; washouts; droughts; arrests; restraint of government and people; civil disturbances; explosions, breakage or accidents to machinery, pipelines or canals, or other causes not reasonably within the control of the party claiming such inability. It is understood and agreed that the settlement of strikes and lockouts shall be entirely within the discretion of the party having the difficulty, and that the above requirement that any Force Majeure shall be remedied with all reasonable dispatch shall not require the settlement of strikes and lockouts by acceding to the demands of the opposing party or parties when such settlement is unfavorable in the judgment of the party having the difficulty.

- e) Standard Cancellation. Region 4 ESC may cancel this Contract in whole or in part by providing written notice. The cancellation will take effect 30 business days after the other party receives the notice of cancellation. After the 30th business day all work will cease following completion of final purchase order.

12) Licenses. Contractor shall maintain in current status all federal, state and local licenses, bonds and permits required for the operation of the business conducted by Contractor. Contractor

CONTRACT

shall remain fully informed of and in compliance with all ordinances and regulations pertaining to the lawful provision of services under the Contract. Region 4 ESC reserves the right to stop work and/or cancel the Contract if Contractor's license(s) expire, lapse, are suspended or terminated.

- 13) Survival Clause. All applicable software license agreements, warranties or service agreements that are entered into between Contractor and Region 4 ESC under the terms and conditions of the Contract shall survive the expiration or termination of the Contract. All Purchase Orders issued and accepted by Contractor shall survive expiration or termination of the Contract.
- 14) Delivery. Conforming product shall be shipped within 7 days of receipt of Purchase Order. If delivery is not or cannot be made within this time period, the Contractor must receive authorization for the delayed delivery. The order may be canceled if the estimated shipping time is not acceptable. All deliveries shall be freight prepaid, F.O.B. Destination and shall be included in all pricing offered unless otherwise clearly stated in writing.
- 15) Inspection & Acceptance. If defective or incorrect material is delivered, Region 4 ESC may make the determination to return the material to the Contractor at no cost to Region 4 ESC. The Contractor agrees to pay all shipping costs for the return shipment. Contractor shall be responsible for arranging the return of the defective or incorrect material.
- 16) Payments. Payment shall be made after satisfactory performance, in accordance with all provisions thereof, and upon receipt of a properly completed invoice.
- 17) Price Adjustments. Should it become necessary or proper during the term of this Contract to make any change in design or any alterations that will increase price, Region 4 ESC must be notified immediately. Price increases must be approved by Region 4 ESC and no payment for additional materials or services, beyond the amount stipulated in the Contract shall be paid without prior approval. All price increases must be supported by manufacturer documentation, or a formal cost justification letter. Contractor must honor previous prices for thirty (30) days after approval and written notification from Region 4 ESC. It is the Contractor's responsibility to keep all pricing up to date and on file with Region 4 ESC. All price changes must be provided to Region 4 ESC, using the same format as was provided and accepted in the Contractor's proposal.

Price reductions may be offered at any time during Contract. Special, time-limited reductions are permissible under the following conditions: 1) reduction is available to all users equally; 2) reduction is for a specific period, normally not less than thirty (30) days; and 3) original price is not exceeded after the time-limit. Contractor shall offer Region 4 ESC any published price reduction during the Contract term.

- 18) Audit Rights. Contractor shall, at its sole expense, maintain appropriate due diligence of all purchases made by Region 4 ESC and any entity that utilizes this Contract. Region 4 ESC reserves the right to audit the accounting for a period of three (3) years from the time such purchases are made. This audit right shall survive termination of this Agreement for a period of one (1) year from the effective date of termination. Region 4 ESC shall have the authority to conduct random audits of Contractor's pricing at Region 4 ESC's sole cost and expense. Notwithstanding the foregoing, in the event that Region 4 ESC is made aware of any pricing being offered that is materially inconsistent with the pricing under this agreement, Region 4 ESC shall have the ability to conduct an extensive audit of Contractor's pricing at Contractor's

sole cost and expense. Region 4 ESC may conduct the audit internally or may engage a third-party auditing firm. In the event of an audit, the requested materials shall be provided in the format and at the location designated by Region 4 ESC.

- 19) Discontinued Products. If a product or model is discontinued by the manufacturer, Contractor may substitute a new product or model if the replacement product meets or exceeds the specifications and performance of the discontinued model and if the discount is the same or greater than the discontinued model.
- 20) New Products/Services. New products and/or services that meet the scope of work may be added to the Contract. Pricing shall be equivalent to the percentage discount for other products. Contractor may replace or add product lines if the line is replacing or supplementing products, is equal or superior to the original products, is discounted similarly or greater than the original discount, and if the products meet the requirements of the Contract. No products and/or services may be added to avoid competitive procurement requirements. Region 4 ESC may require additions to be submitted with documentation from Members demonstrating an interest in, or a potential requirement for, the new product or service. Region 4 ESC may reject any additions without cause.
- 21) Options. Optional equipment for products under Contract may be added to the Contract at the time they become available under the following conditions: 1) the option is priced at a discount similar to other options; 2) the option is an enhancement to the unit that improves performance or reliability.
- 22) Warranty Conditions. All supplies, equipment and services shall include manufacturer's minimum standard warranty and one (1) year labor warranty unless otherwise agreed to in writing.
- 23) Site Cleanup. Contractor shall clean up and remove all debris and rubbish resulting from their work as required or directed. Upon completion of the work, the premises shall be left in good repair and an orderly, neat, clean, safe and unobstructed condition.
- 24) Site Preparation. Contractor shall not begin a project for which the site has not been prepared, unless Contractor does the preparation work at no cost, or until Region 4 ESC includes the cost of site preparation in a purchase order. Site preparation includes, but is not limited to: moving furniture, installing wiring for networks or power, and similar pre-installation requirements.
- 25) Registered Sex Offender Restrictions. For work to be performed at schools, Contractor agrees no employee or employee of a subcontractor who has been adjudicated to be a registered sex offender will perform work at any time when students are or are reasonably expected to be present. Contractor agrees a violation of this condition shall be considered a material breach and may result in the cancellation of the purchase order at Region 4 ESC's discretion. Contractor must identify any additional costs associated with compliance of this term. If no costs are specified, compliance with this term will be provided at no additional charge.
- 26) Safety measures. Contractor shall take all reasonable precautions for the safety of employees on the worksite and shall erect and properly maintain all necessary safeguards for protection of workers and the public. Contractor shall post warning signs against all hazards created by its operation and work in progress. Proper precautions shall be taken pursuant to state law

and standard practices to protect workers, general public and existing structures from injury or damage.

- 27) Smoking. Persons working under the Contract shall adhere to local smoking policies. Smoking will only be permitted in posted areas or off premises.
- 28) Stored materials. Upon prior written agreement between the Contractor and Region 4 ESC, payment may be made for materials not incorporated in the work but delivered and suitably stored at the site or some other location, for installation at a later date. An inventory of the stored materials must be provided to Region 4 ESC prior to payment. Such materials must be stored and protected in a secure location and be insured for their full value by the Contractor against loss and damage. Contractor agrees to provide proof of coverage and additionally insured upon request. Additionally, if stored offsite, the materials must also be clearly identified as property of Region 4 ESC and be separated from other materials. Region 4 ESC must be allowed reasonable opportunity to inspect and take inventory of stored materials, on or offsite, as necessary. Until final acceptance by Region 4 ESC, it shall be the Contractor's responsibility to protect all materials and equipment. Contractor warrants and guarantees that title for all work, materials and equipment shall pass to Region 4 ESC upon final acceptance.
- 29) Funding Out Clause. A Contract for the acquisition, including lease, of real or personal property is a commitment of Region 4 ESC's current revenue only. Region 4 ESC retains the right to terminate the Contract at the expiration of each budget period during the term of the Contract and is conditioned on a best effort attempt by Region 4 ESC to obtain appropriate funds for payment of the contract.
- 30) Indemnity. Contractor shall protect, indemnify, and hold harmless both Region 4 ESC and its administrators, employees and agents against all claims, damages, losses and expenses arising out of or resulting from the actions of the Contractor, Contractor employees or subcontractors in the preparation of the solicitation and the later execution of the Contract. Any litigation involving either Region 4 ESC, its administrators and employees and agents will be in Harris County, Texas.
- 31) Marketing. Contractor agrees to allow Region 4 ESC to use their name and logo within website, marketing materials and advertisement. Any use of Region 4 ESC name and logo or any form of publicity, inclusive of press releases, regarding this Contract by Contractor must have prior approval from Region 4 ESC.
- 32) Certificates of Insurance. Certificates of insurance shall be delivered to the Region 4 ESC prior to commencement of work. The Contractor shall give Region 4 ESC a minimum of ten (10) days' notice prior to any modifications or cancellation of policies. The Contractor shall require all subcontractors performing any work to maintain coverage as specified.
- 33) Legal Obligations. It is Contractor's responsibility to be aware of and comply with all local, state, and federal laws governing the sale of products/services and shall comply with all laws while fulfilling the Contract. Applicable laws and regulation must be followed even if not specifically identified herein.

OFFER AND CONTRACT SIGNATURE FORM

The undersigned hereby offers and, if awarded, agrees to furnish goods and/or services in strict compliance with the terms, specifications and conditions at the prices proposed within response unless noted in writing.

Company Name Hill Country Telephone Cooperative, Inc. (HCTC)

Address 220 Carolyn Street, P. O. Box 768

City/State/Zip Ingram, Texas 78025

Telephone No. (830) 367-5333

Email Address ccook@hctc.coop

Printed Name R. Craig Cook

Title Chief Executive Officer

Authorized signature 

Accepted by Region 4 ESC:

Contract No. R210806

Initial Contract Term 8/1/2021 to 7/31/2024


Region 4 ESC Authorized Board Member

6/29/2021
Date

Margaret S. Bass
Print Name


Region 4 ESC Authorized Board Member

6/29/2021
Date

Linda Tinnerman
Print Name



Internet Equipment Lease Agreement

Thank you for choosing Hill Country Telecommunications, LLC ("HCTC")! The following is HCTC's Lease Agreement that sets forth important terms and conditions regarding your Internet service delivery equipment (the equipment) from HCTC. Please be sure to read and keep a copy of this document. It is also available at www.hctc.net.

TERMS AND CONDITIONS

By signing this agreement, you affirm that you (Customer) understand this Agreement between you and HCTC, and you accept this Agreement and its terms and conditions.

1. HCTC agrees to provide and Customer agrees to accept the Lease Agreement for Internet service delivery equipment at the address specified below.
2. The equipment is HCTC's property. The Customer may not assign, rent, or transfer the equipment or the Customer's rights or duties under this Agreement to another person or entity without HCTC's prior written consent. The Customer agrees to not mishandle, abuse, misuse, or improperly store or operate the equipment, and the Customer specifically agrees not to use the equipment with incompatible hardware, and, if the equipment is damaged by the Customer, HCTC may charge the Customer a replacement charge.
3. If the equipment malfunctions due to a manufacturing defect, or from ordinary wear and tear, HCTC will replace or repair the equipment, at its option, without charge, so long as (a) the Customer notifies HCTC that the equipment's basic operations are not functioning properly, and cooperate with the HCTC representative to evaluate the circumstances; and, (b) the Rental Agreement for the equipment is in effect and has not been terminated. If the equipment is broken, damaged, or rendered inoperable for any reason other than a manufacturing defect, the Customer will be responsible for the reasonable replacement cost of the equipment which could be up to the total cost of the equipment.
4. Monthly lease charges will be billed one month in advance on the Customer's Internet bill and may be prorated for partial months of service.
5. Following the expiration of the Customer's initial Internet Service Plan subject to any applicable law, HCTC may (a) terminate this agreement; (b) change any of the rates, terms, or conditions of this Agreement; or (c) continue service under the terms of this agreement on a month-to-month basis until Customer terminates agreement, subject to the provisions of Paragraph 6 below, or HCTC enacts option (a) or (b) as described in this paragraph. HCTC will notify you 30 days prior to the effective date of the termination or change in rates, terms, or conditions, and, if applicable, a new Agreement will be provided to you. The notice may be included with the Customer's monthly bill. The Customer must return the equipment within 30 days of a termination notice. If the Customer does not return the equipment within 30 days following such a change in rates, terms, or conditions, this will constitute agreement to the new rates, terms, or conditions. Price decreases may be made on five business days' notice.
6. If the Customer's HCTC Internet service is terminated, or is subject to termination, for any reason, including but not limited to the Customer's cancellation of that service or failure to pay, this Agreement shall be deemed terminated as of the termination of the HCTC Internet service, and Customer will be obligated to return the equipment and/or pay any replacement charge for the equipment.
7. HCTC, ITS AFFILIATES, AND CONTRACTORS SHALL NOT BE LIABLE FOR ANY INDIRECT, INCIDENTAL, SPECIAL, RELIANCE, PUNITIVE OR CONSEQUENTIAL DAMAGES OR FOR ANY LOST OR IMPUTED PROFITS OR REVENUES OR LOST DATA OR COSTS OF COVER ARISING FROM OR RELATED TO THE MODEM AND/OR ROUTER OR THIS AGREEMENT, REGARDLESS OF THE BASIS UNDER WHICH SUCH LIABILITY IS ASSERTED AND REGARDLESS OF WHETHER HCTC HAS BEEN ADVISED OF THE POSSIBILITY OF ANY SUCH LIABILITY, LOSS OR DAMAGE. THE CUSTOMER'S EXCLUSIVE REMEDY FOR ANY AND ALL CLAIMS OF DAMAGE RELATED TO THE EQUIPMENT, AND/OR FOR ANY AND ALL CLAIMS IN CONNECTION WITH THIS AGREEMENT OR YOUR RELATIONSHIP WITH HCTC SHALL BE LIMITED TO THE TOTAL RENT PAID OR PAYABLE BY YOU TO HCTC UNDER THIS AGREEMENT DURING THE MOST RECENT SIX-MONTH PERIOD PRECEDING THE OCCURRENCE OF THE EVENT GIVING RISE TO THE ALLEGED CLAIM.
8. In the event of any inconsistency between this Agreement and any other documents related to the equipment exchanged between the Customer and HCTC, the provisions of this Agreement shall control. This is the entire agreement between the parties related to rental of the equipment. This agreement can only be modified by a signed, written agreement from both parties.
9. Notices or correspondence related to this Agreement should be sent to the following address: HCTC, PO Box 768, 220 Carolyn Street, Ingram, Texas 78025

PHYSICAL ADDRESS

Name: _____

Physical Address: _____

City/State/Zip: _____

ACCEPTED BY

Customer Signature: _____

HCTC Internet Account No. _____

BILLING ADDRESS

Name: _____

Mailing Address: _____

City/State/Zip: _____

Printed Name: _____

Date: _____



Communications Service Agreement

By accessing Internet or other communications services provided by Hill Country Telecommunications, LLC, ("HCTC"), the customer agrees to the following terms and conditions of service, intending to be legally bound thereby:

- Customer agrees and understands that the only warranty or guarantee made concerning the fitness, quality, design, condition, capacity, suitability, reliability, or performance of any hardware or software sold or provided to customer by HCTC is made by the manufacturer of said product and set forth in the literature or documentation accompanying the product. Customer agrees and understands that HCTC makes no warranty whatsoever as to such product. HCTC shall not be liable in any event for loss of use, profit, revenue, consequential damage, or any claim for damage resulting from the use of purchased hardware, use of the Internet and software, or interruption of such service for any cause. In the unlikely event HCTC is found liable in any manner whatsoever, then and in that event the liability of HCTC for any cause shall never exceed the actual amount paid to HCTC by the customer, without interest.
- Customer agrees and understands that HCTC has no control of information and services provided through the Internet and the customer hereby expressly releases, holds harmless and agrees to indemnify HCTC from any and every claim which might be made by any person by virtue of customer's access to and use of the Internet.
- Customer agrees and understands that the Internet is unrestricted and uncensored, and that certain material may be distasteful, and/or unsuitable for children. Customer agrees and understands that HCTC has no control over other Internet sites and that it is the customer's sole responsibility to prevent viewing of inappropriate material by children.
- By executing this agreement and/or using the system, the customer expressly agrees to abide by all system rules as published from time to time by HCTC. Customer hereby acknowledges receipt of a current copy of the system rules in effect at the time of activation. System rules may be modified at any time by HCTC, with such changes to be published on the HCTC Home Page. Customer agrees to accept HCTC's interpretation of all system rules.
- HCTC agrees to use its best reasonable efforts to keep all electronic mail (E-mail) messages private and confidential and agrees that the customer is the sole owner of any E-mail messages posted by customer to the system. In the event HCTC reasonably believes customer is violating system rules, HCTC may review customer's E-mail. If it is determined that a violation has occurred, HCTC may exercise the remedies provided in Section 6 of this agreement. Customer acknowledges and agrees that the recipients of e-mail are under no obligation to keep it confidential, and that in the event governmental authorities investigate or seize the system, customer E-mail may be reviewed.
- If HCTC has reason to believe customer is in violation of any system rules, or is conducting any activities it believes harmful to HCTC, the system, or other users, customer expressly agrees that HCTC may exercise any or all of the following remedies:
 - HCTC may immediately terminate customer's access to the system and shall have no obligation to return E-mail or other files stored on the system.
 - HCTC may report the matter to the proper authorities and fully cooperate within any official investigation.
 - HCTC may exercise any other right, remedy or action which is appropriate in view of the nature of the violation of system rules or other harmful activity.
- Customer agrees to pay for all services used in a timely manner, in accordance with HCTC's billing policies. Customer agrees and understands that base service is billed one month in advance, and that any overages are billed one month in arrears.
- Customer recognizes and acknowledges that any software provided by HCTC for access to the system is copyrighted material, and that customer may not sell, give, transfer, or copy said software without the express written permission of the copyright holder and HCTC.
- Customer acknowledges and agrees that any passwords issued by HCTC for system access are for the sole use of customer, and that customer may not allow others to use their password to access the system. Violation of this article shall be cause for immediate termination of service.
- Customer may not resell any services purchased from HCTC without the express written consent of HCTC.
- Customer agrees to all terms and conditions in the above application for HCTC Internet Services.
- Customer hereby agrees and consents to the obtaining by HCTC of any and all personal credit and/or financial information and does hereby agree and consent to HCTC's use thereof for the purposes of waiving any security deposit or determining whether or not service to customer should be initiated or continued. Customer agrees to indemnify, hold harmless, and release HCTC from any claim made as a result of the use and/or obtaining of such information. HCTC reserves the right to charge a security deposit.
- Customer agrees he has read and agrees to all the terms and conditions shown on both the front and reverse side of this application for service.
- Acceptance of this application is at HCTC's sole discretion and shall be evidenced by its duly authorized signature in the space provided hereon.
- Upon acceptance by HCTC, this Customer Service Agreement and any exhibits, riders, amendments or supplements attached hereto shall constitute the entire Agreement between Customer and HCTC and shall supersede any prior or contemporaneous understandings or written or oral agreements between the parties respecting the subject matter within.
- Customer assents to any terms and conditions of this agreement which are additional or are different from those proposed either orally or in writing by customer.
- At the sole discretion of HCTC, service may be commenced prior to or subsequent to the obtaining and verifying of credit and financial information as authorized herein. HCTC reserves the right to demand a deposit and/or terminate service if, in the sole discretion of HCTC, customer's credit or financial information proves unsatisfactory during the term of this agreement.
- Customer certifies and warrants that the information given in this application is true and correct.
- Prices charged for services under this agreement are subject to change without notice.
- No right or remedy herein conferred upon or reserved to HCTC is exclusive of any other right or remedy herein or by law or equity provided or permitted, but each shall be cumulative of every other right or remedy given hereunder or now or hereafter existing at law or equity and may be enforced concurrently or from time to time.
- Customer hereby waives and agrees not to assert any and all existing or future claims, defenses, and offsets against any payment due hereunder. Customer agrees to pay all charges due hereunder, regardless of any claim, defense or offset which may be exerted by Customer or on Customer's behalf.
- A delegation of any obligation hereunder by Customer shall not relieve Customer of said obligation.
- No term or condition of this agreement may be waived or modified except by the written consent of HCTC. Forbearance or indulgence by HCTC in any regard whatsoever shall not constitute waiver of any term or condition, nor shall it constitute a waiver as to any future default or defaults, whether of like or different character.
- Service of all notices under this agreement shall be deemed sufficient if given personally or mailed to the party involved at its respective address set forth in this agreement, by U. S. Mail, or at such address as the notified party may from time to time request in writing. Any notice mailed to such address shall be considered effective at the time of mailing.
- This agreement shall be construed under and in accordance with the laws of the State of Texas and the venue for any suit pertaining hereto shall be maintained in Kerr County, Texas. If any one or more of the provisions contained herein shall be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision hereof, and this agreement shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein.
- A service charge may be imposed for all returned checks, not to exceed the maximum allowed by law.
- HCTC assumes no responsibility for interruptions of service caused by Acts of God, force majeure, catastrophe, etc.
- A service charge may be imposed to reactivate service if service is disconnected by HCTC for nonpayment or any other cause.
- Initial activations, renewals, reactivations, and plan changes may only include those rate plans being offered at the time of activation, renewal, reactivation, or plan changes.
- Customer assumes responsibility for any and all charges associated with the use of their account.

System Rules:

- The system may not be used for any activity which may violate any criminal or civil laws. These include any activities involving drugs, gambling, prostitution, pornography, spreading computer viruses, cracking computer security systems, infringing on intellectual property, trafficking in credit card numbers, fraudulent marketing schemes, or trafficking in cellular telephone fraud information.
- The system may not be used to distribute mass unsolicited E-mail containing commercial advertisements or to post commercial advertisements to inappropriate locations on the Internet.
- The system may not be used to publish defamatory statements directed to or about other persons or entities on the Internet.
- Customers must respect the conventions and rules of news groups, mailing lists, and other networks, even if those conventions and rules are more restrictive than ours.
- The system may not be used to violate the copyright interests or other intellectual property interests of any person or entity. This includes but is not limited to the distribution or sharing of copyrighted software in violation of the copyright holder's rights.
- Customers, including Home Page Customers, may not post any material to the system which is obscene, vulgar, or blatantly offensive to the prevailing moral standards of the community.



HCTC Network Management & Acceptable Use Policy

I. General Matters

Why is HCTC providing this Policy to me?

This Network Management and Acceptable Use Policy (the "Policy") describes HCTC's policies and protocol in providing all HCTC Internet services (the "Service") and outlines your acceptable use of the Service. This Policy is in addition to any restrictions contained in the HCTC Internet Communications Service Agreement (the "Subscriber Agreement") available on our website.

What obligations do I have under this Policy?

Everyone who uses the Service must comply with this Policy. Failure to comply with this Policy could result in the suspension or termination of your Service account. If you do not agree to comply with this Policy, you must immediately stop all use of the Service and notify HCTC so it can close your account.

How will I know when HCTC changes this Policy?

HCTC may revise this Policy from time to time by posting a new version on the Web site at <http://www.hctc.net> or any successor URL(s) (the "HCTC Internet Web Site"). HCTC will use reasonable efforts to make customers aware of any changes to this Policy, which may include sending email announcements or posting information on the HCTC Internet Web Site. Revised versions of this Policy are effective immediately upon posting. You should conform your use of the Service to the most recent version of the Policy and pay attention when you are notified of changes.

Where do I send questions about or report violations of the Policy?

Questions concerning this Policy and reports of violations of it may be sent at <http://hctc.net/contact-us/>. To report illegal content on the Internet go to www.fcc.gov. Child exploitation or other incidents involving the Internet which violate criminal laws should be reported to law enforcement authorities at <http://www.justice.gov/criminal/ceos/>.

II. Prohibited Uses and Activities Prohibited Uses and Activities

What uses and activities does HCTC prohibit?

In general, the Policy prohibits uses and activities involving the Service that are illegal, infringe the rights of others, or interfere with or diminish the use and enjoyment of the Service by others. For example, these prohibited uses and activities include, but are not limited to, using the Service, Customer Equipment, or any HCTC provided equipment, either individually or in combination with another, to:

Conduct and information restrictions:

- Undertake or accomplish any unlawful purpose. This includes, but is not limited to, posting, storing, transmitting or disseminating information, data or material which is libelous, obscene, unlawful, threatening or defamatory, or which infringes the intellectual property rights of any person or entity, or which in any way constitutes or encourages conduct that would constitute a criminal offense, or otherwise violate any local, state, federal, or non-U.S. law, order, or regulation.
- Post, store, send, transmit, or disseminate any information or material which a reasonable person could deem to be unlawful.
- Upload, post, publish, transmit, reproduce, create derivative works of, or distribute in any way information, software or other material obtained through the Service or otherwise that is protected by copyright or other proprietary right, without obtaining any required permission of the owner.
- Transmit unsolicited bulk or commercial messages, commonly known as "spam."

- Send very large numbers of copies of the same or substantially similar messages, empty messages, or messages which contain no substantive content, or send very large messages or files that disrupts a server, account, blog, newsgroup, chat, or similar service.
- Initiate, perpetuate, or in any way participate in any pyramid or other illegal scheme.
- Participate in the collection of very large numbers of email addresses, screen names, or other identifiers of others (without their prior consent), a practice sometimes known as spidering or harvesting, or participate in the use of software (including "spyware") designed to facilitate this activity.
- Collect responses from unsolicited bulk messages.
- Falsify, alter, or remove message headers.
- Falsify references to HCTC or its network, by name or other identifier, in messages.
- Impersonate any person or entity, engage in sender address falsification, forge anyone else's digital or manual signature, or perform any other similar fraudulent activity (for example, "phishing").
- Violate the rules, regulations, terms of service, or policies applicable to any network, server, computer database, service, application, system, or Web site that you access or use.

Technical restrictions:

- Use the Service or facilities for web-hosting, e-mail hosting, or other unusually high-bandwidth consumption unless you have made special subscription arrangements with HCTC and the usage does not otherwise violate law or regulation.
- Access any other person's computer or computer system, network, software, or data without his or her knowledge and consent; breach the security of another user or system; or attempt to circumvent the user authentication or security of any host, network, or account. This includes, but is not limited to, accessing data not intended for you, logging into or making use of a server or account you are not expressly authorized to access, or probing the security of other hosts, networks, or accounts without express permission to do so.
- Use or distribute tools or devices designed or used for compromising security or whose use is otherwise unauthorized, such as password guessing programs, decoders, password gatherers, keystroke loggers, analyzers, cracking tools, packet sniffers, encryption circumvention devices, or Trojan Horse programs. Unauthorized port scanning is strictly prohibited.
- Copy, distribute, or sublicense any proprietary software provided in connection with the Service by HCTC or any third party, except that you may make one copy of each software program for back-up purposes only.
- Distribute programs that make unauthorized changes to software (cracks).
- Use or run dedicated, stand-alone equipment or servers from the location to which HCTC provides your services (the "Premises") that provide network content or any other services to anyone outside of your Premises local area network ("Premises LAN"), also commonly referred to as public services or servers. Examples of prohibited equipment and servers include, but are not limited to, email, Web hosting, file sharing, and proxy services and servers.
- Use or run programs from the Premises that provide network content or any other services to anyone outside of your Premises LAN, except for personal and non-commercial residential use.
- Service, alter, modify, or tamper with any equipment provided to you by HCTC in connection with the provision of the Service ("HCTC Equipment") or permit any other person to do so who is not authorized by HCTC.

Network and usage restrictions:

- Restrict, inhibit, or otherwise interfere with the ability of any other person, regardless of intent, purpose or knowledge, to use or enjoy the Service (except for tools for safety and security functions such as parental controls, for example), including, without limitation, posting or transmitting any information or software which contains a worm, virus, or other harmful feature, or generating levels of traffic sufficient to impede others' ability to use, send, or retrieve information
- Restrict, inhibit, interfere with, or otherwise disrupt or cause a performance degradation, regardless of intent, purpose or knowledge, to the Service or any HCTC (or HCTC supplier) host, server, backbone network, node or service, or otherwise cause a performance degradation to any facilities used by HCTC to deliver the Service

- Resell the Service or otherwise make available to anyone outside the Premises the ability to use the Service (for example, through Wi-Fi or other methods of networking), in whole or in part, directly or indirectly. The Service is for personal use by the subscriber only and you agree not to use the Service for operation as an Internet service provider or for any business enterprise or purpose (whether or not for profit)
- HCTC reserves the right to suspend or terminate Service accounts where data consumption is not characteristic of a typical user of the Service subscribed to as determined by HCTC in its sole discretion
- Connect the HCTC Equipment to any computer outside of your Premises
- Interfere with computer networking or telecommunications service to any user, host or network, including, without limitation, denial of service attacks, flooding of a network, overloading a service, improper seizing and abusing operator privileges, and attempts to "crash" a host
- Accessing and using the Service with anything other than a dynamic Internet Protocol ("IP") address that adheres to the dynamic host configuration protocol ("DHCP"). You may not configure the Service or any related equipment to access or use a static IP address or use any protocol other than DHCP unless you are subject to a Service plan that expressly permits you to do so
- HCTC conducts several security initiatives, and offers security tools for our customers at www.hctc.net.

III. Customer Conduct and Features of the Service

What obligations do I have under this Policy?

In addition to being responsible for your own compliance with this Policy, you are also responsible for any use or misuse of the Service that violates this Policy, even if it was committed by a friend, family member, or guest with access to your Service account. Therefore, you must take steps to ensure that others do not use your account to gain unauthorized access to the Service by, for example, strictly maintaining the confidentiality of your Service login and password. In all cases, you are solely responsible for the security of any device you choose to connect to the Service, including any data stored or shared on that device. HCTC recommends against enabling file or printer sharing unless you do so in strict compliance with all security recommendations and features provided by the manufacturer of the applicable file or printer sharing devices. Any files or devices you choose to make available for shared access on a home LAN, for example, should be protected with a strong password or as otherwise appropriate.

It is your responsibility to secure your data and your equipment which connects to the Service from external threats such as viruses, spam, bot nets, and other methods of intrusion.

How does HCTC address inappropriate content and transmissions?

HCTC reserves the right to refuse to transmit or post, and to remove or block, any information or materials, in whole or in part, that it, in its sole discretion, deems to be in violation of Sections II or III of this Policy, which are transmitted to or placed upon a system within HCTC's control e.g. HCTC's website or sites hosted by HCTC. Absent special circumstances, such as requests from law enforcement, HCTC has no right to and does not monitor content merely transmitted by its Service or initiated by or stored on your system. However, HCTC and its affiliates, suppliers, and agents have the right to monitor transmissions which violate this Policy which HCTC, in its reasonable discretion, believes violate this Policy or could be otherwise harmful to HCTC's network or customers using the Service, e.g. spam, malware, suspicious addresses, etc., and to block or remove them in accordance with this Policy, the Subscriber Agreement, and applicable law.

What requirements apply to electronic mail?

The Service may not be used to communicate or distribute email or other forms of communications in violation of Section II of this Policy. As described below in Section IV of this Policy, HCTC uses reasonable network management tools and techniques to protect customers from receiving spam and from sending spam (often without their knowledge over an infected computer).

HCTC is not responsible for deleting or forwarding any email sent to the wrong email address by you or by someone else trying to send email to you. HCTC is also not responsible for forwarding email sent to any account that has been suspended or terminated. This email will be returned to the sender, ignored, deleted, or stored temporarily at HCTC's sole discretion. In the event that HCTC believes in its sole discretion that any subscriber name, account name, or email address (collectively, an "identifier") on the Service may be used for, or is being used for, any misleading, fraudulent, or other improper or illegal purpose, HCTC (i) reserves the right to block access to and prevent the use of any of these identifiers and (ii) may at any time require any customer to change his or her identifier. In addition, HCTC may at any time reserve any identifiers on the Service for HCTC's own purposes. In the event that a Service account is terminated for any reason, all email associated with that account (and any secondary accounts) will be permanently deleted as well.

HCTC Internet email has a 30 MB message size limit with a limit at 150 recipients per email.

What requirements apply to instant, video, and audio messages?

Each user is responsible for the contents of his or her instant, video, and audio messages and the consequences of any of these messages. HCTC assumes no responsibility for the timeliness, mis-delivery, deletion, or failure to store these messages. In the event that a Service account is terminated for any reason, all instant, video, and audio messages associated with that account (and any secondary accounts) would be permanently deleted as well.

Does HCTC employ network security practices in addition to the congestion management technique?

Yes. As described above, HCTC employs a number of practices to help prevent unwanted communications such as spam as well as protect the security of our customers and network. HCTC limits the number of login, SMTP, DNS, and DHCP transactions per second (at levels far above 'normal' rates) that customers can send to HCTC's servers in order to protect them against Denial of Service (DoS) attacks. We do not disclose the exact rate limits in order to maintain the effectiveness of these measures, which ensure that these critical services are available for all of our customers.

IV. Network Management and Limitations on Data Consumption

What are HCTC's practices concerning net neutrality in its network management?

- **Transparency:** The commercial terms for HCTC internet accounts can be found at www.hctc.net.
- **No Blocking and No Unreasonable Discrimination:** HCTC does not block lawful content, applications, services, or non-harmful devices, subject to reasonable network management. HCTC does not unreasonably discriminate in transmitting lawful network traffic over its broadband internet access service.
- **Reasonable Network Management:** HCTC's data network has redundant data backbone facilities and equipment that instantaneously re-routes traffic in the event of a cable cut or other outage. We monitor our network's performance around the clock. We measure capacity utilization at each routing and switching node within our network. When peak utilization consistently exceeds 75% of capacity at a node, HCTC will analyze overall network consumption and may augment capacity to prevent customers from experiencing blockages. Although we do not dedicate capacity to individual customers utilizing our mass-market Internet access products, as that would be highly inefficient, we manage our data network capacity to avoid blockages. Because our network design and build strategy is aimed at avoiding blockages, it is unnecessary to have data traffic management policies for those rare instances when peak utilization exceeds capacity.

Does HCTC discriminate against particular types of online content?

No. HCTC provides its customers with full access to all the lawful content, services, and applications that the Internet has to offer.

Why does HCTC manage its network?

HCTC manages its network with one goal: to deliver the best possible broadband Internet experience to all of its customers. High-speed bandwidth and network resources are not unlimited. Managing the network is essential to promote the use and enjoyment of the Internet by all of our customers. We use reasonable network management

practices that are consistent with industry standards. We also try to use tools and technologies that are minimally intrusive. Just as the Internet continues to change and evolve, so too will our network management practices as we seek to address the challenges and threats on the Internet.

All Internet service providers need to manage their networks and HCTC is no different. In fact, many of them use the same or similar tools that HCTC does. If we didn't manage our network, our customers would be subject to the negative effects of spam, viruses, security attacks, network congestion, and other risks and degradations of the service. By engaging in reasonable and responsible network management, HCTC can deliver the best possible broadband Internet experience to all of its customers.

Does HCTC block P2P traffic or applications like BitTorrent, Gnutella, or others?

No. HCTC does not block P2P traffic or applications like BitTorrent, Gnutella, or others as part of its current network congestion management technique. HCTC does not manage congestion based on the applications being used by customers, nor does it manage type of content that is generating traffic congestion. Accordingly, customer traffic is congestion managed not based on the applications or content being used but based on current network conditions and recent amounts of data transferred by users.

How does HCTC manage its network?

HCTC uses various tools and techniques in managing its network, delivering the Service, and ensuring compliance with this Policy and the Subscriber Agreement. These tools and techniques are dynamic, like the network and its usage, and can and do change frequently. For example, these network management activities may include (i) identifying spam and preventing its delivery to customer email accounts, (ii) detecting malicious Internet traffic and preventing the distribution of viruses or other harmful code or content, (iii) temporarily lowering the priority of traffic for users who are the top contributors to current network congestion, and (iv) using other tools and techniques that HCTC may be required to implement in order to meet its goal of delivering the best possible Internet experience to all of its customers.

Are there restrictions on data consumption that apply to the Service?

You must ensure that your use of the Service does not restrict, inhibit, interfere with, or degrade any other person's use of the Service, nor represent (as determined by HCTC in its sole discretion) an overly large burden on the network. In addition, you must ensure that your use of the Service does not limit or interfere with HCTC's ability to deliver and monitor the Service or any part of its network. If you use the Service in violation of the restrictions referenced above, that is a violation of this Policy. In these cases, HCTC may, in its sole discretion, suspend or terminate your Service account or request that you subscribe to a version of the Service (such as a commercial grade Internet service, if appropriate) if you wish to continue to use the Service at higher data consumption levels. HCTC may also provide versions of the Service with different speed and data consumption limitations, among other characteristics, subject to applicable Service plans. HCTC's determination of the data consumption for Service accounts is final.

V. Violation of this Acceptable Use Policy

What happens if you violate this Policy?

HCTC reserves the right immediately to suspend or terminate your Service account and terminate the Subscriber Agreement if you violate the terms of this Policy or the Subscriber Agreement.

How does HCTC enforce this Policy?

HCTC does not routinely monitor the activity of individual Service accounts for violations of this Policy. However, in the company's efforts to promote good citizenship within the Internet community, it will respond appropriately if it becomes aware of inappropriate use of the Service. HCTC has no obligation to monitor the Service and/or the network. However, HCTC reserves the right at any time to monitor bandwidth, usage, transmissions, and content in order to,

among other things, operate the Service; identify violations of this Policy; and/or protect the network, the Service and HCTC users.

HCTC prefers to inform customers of inappropriate activities and give them a reasonable period of time in which to take corrective action. HCTC also prefers to have customers directly resolve any disputes or disagreements they may have with others, whether customers or not, without HCTC's intervention. However, if the Service is used in a way that HCTC or its suppliers, in their sole discretion, believe violates this Policy, HCTC or its suppliers may take any responsive actions they deem appropriate under the circumstances, with or without notice. Neither HCTC nor its affiliates, suppliers, or agents will have any liability for any of these responsive actions. These actions are not HCTC's exclusive remedies and HCTC may take any other legal or technical actions it deems appropriate with or without notice.

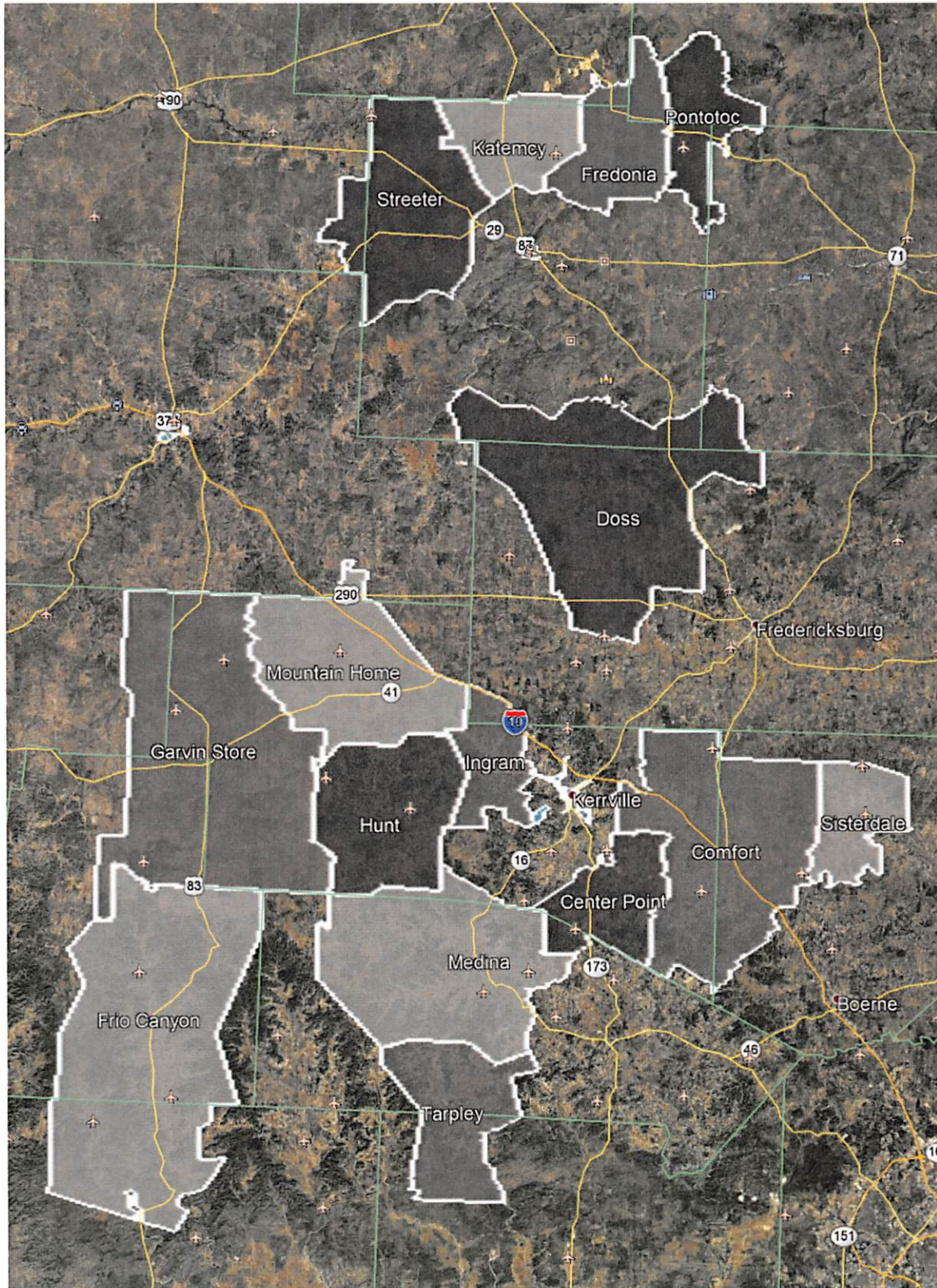
HCTC reserves the right to investigate suspected violations of this Policy, including the gathering of information from the user or users involved and the complaining party, if any, and examination of material on HCTC's servers and network. During an investigation, HCTC may suspend the account or accounts involved and/or remove or block material that potentially violates this Policy. You expressly authorize and consent to HCTC and its suppliers cooperating with (i) law enforcement authorities in the investigation of suspected legal violations, and (ii) system administrators at other Internet service providers or other network or computing facilities in order to enforce this Policy. Upon termination of your Service account, HCTC is authorized to delete any files, programs, data, email and other messages associated with your account (and any secondary accounts).

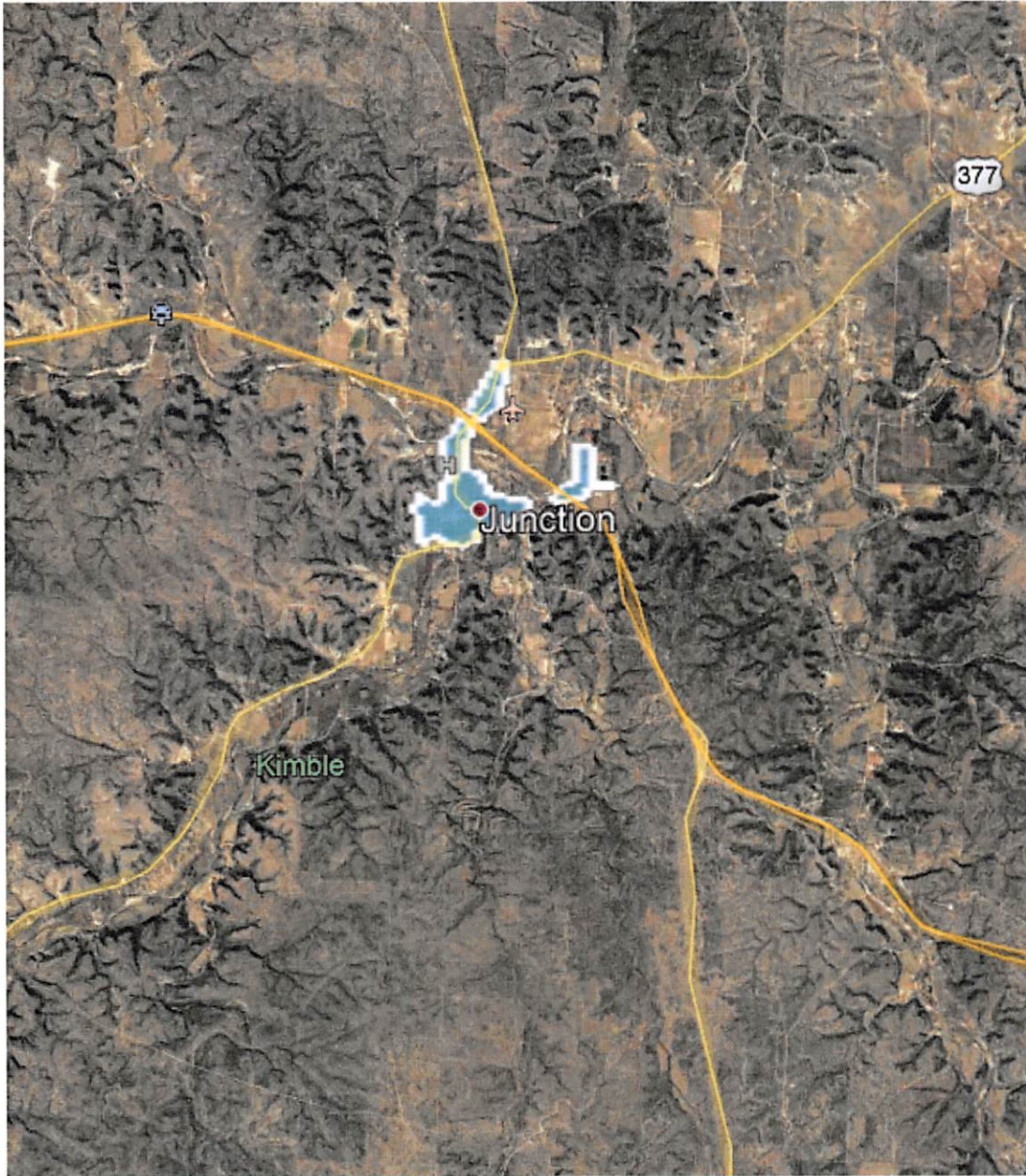
The failure of HCTC or its suppliers to enforce this Policy, for whatever reason, shall not be construed as a waiver of any right to do so at any time. You agree that if any portion of this Policy is held invalid or unenforceable, that portion will be construed consistent with applicable law as nearly as possible, and the remaining portions will remain in full force and effect. You agree to indemnify, defend and hold harmless HCTC and its affiliates, suppliers, and agents against all claims and expenses (including reasonable attorney fees) resulting from any violation of this Policy. Your indemnification obligation will survive any termination of the Subscriber Agreement.

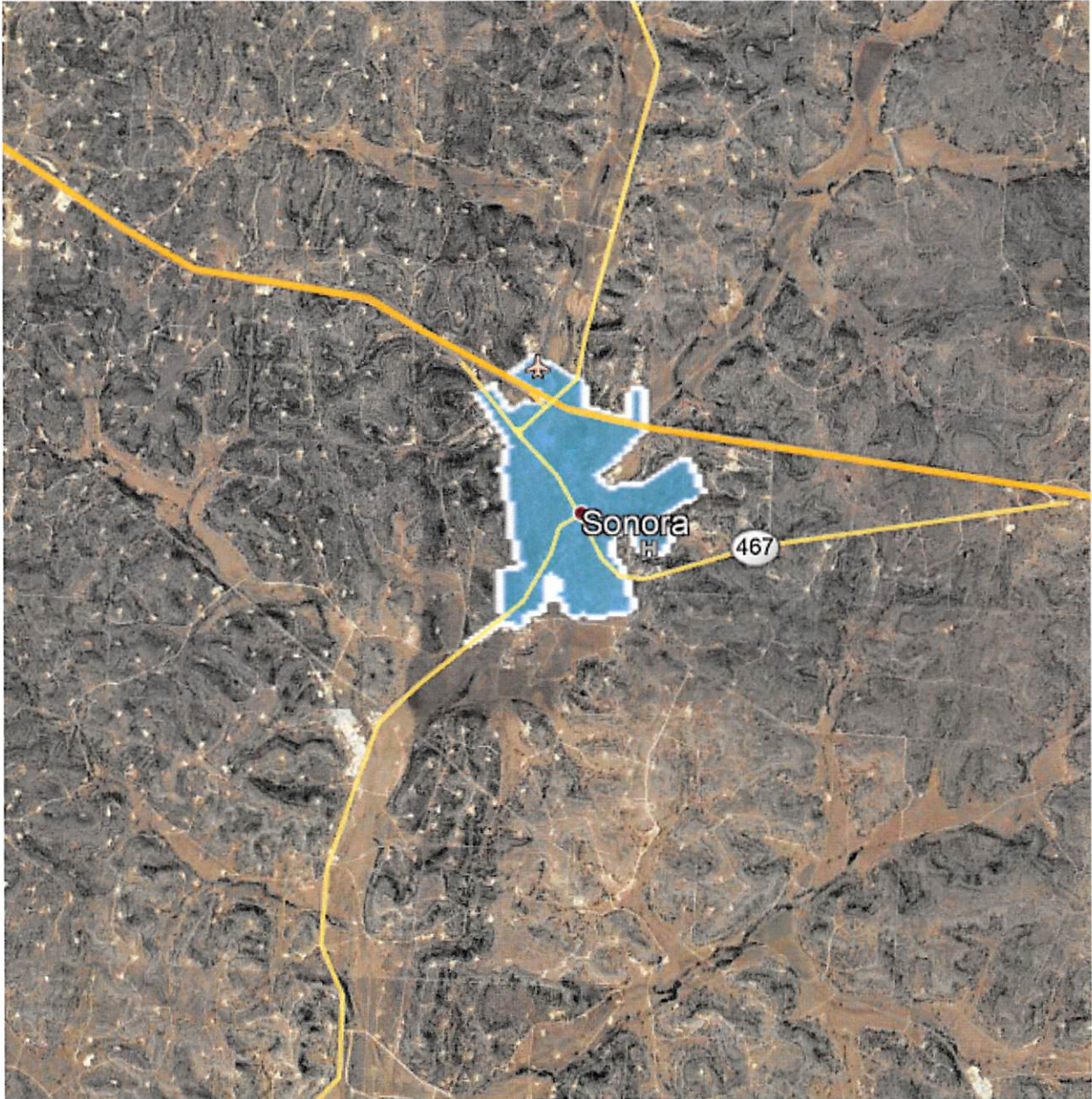
How can I contact HCTC if I have any questions about network management?

Go to the page at www.hctc.net for more information about contacting HCTC Internet Customer Service.

Please complete this form and press 'send' to submit application.







IV. EVALUATION PROCESS AND CRITERIA

1. A committee will review and evaluate all responses and make a recommendation for award of Contract(s). The recommendation for Contract awards will be based on the predetermined criteria factors outlined in this section, where each factor is assigned a point value based on its importance. In evaluating the responses, the following predetermined criteria is considered:
 - a) Products, Pricing and Availability (40 Points)
 - b) Performance Capability (30 Points)
 - c) Qualification and Experience (20 Points)
 - d) Value Add (10 Points)
2. Offeror's proposal should, at a minimum, include the following for Region 4 ESC's evaluation:

a) Products, Pricing and Availability

Texas Connect Program:

- i. Present Offeror's plans and pricing for offering service under the TEA Connect Texas Program. The Offeror's proposal should clearly outline any requirements Offeror proposes of Texas school districts and program households. Separate pricing may be submitted for urban and rural areas.
- ii. Describe Offeror's proposed equipment deposit and return strategy.
- iii. Should a student leave a school district, describe a school district's ability to terminate an individual household before the end of a school year.
- iv. Describes Offeror's content filtering capabilities. How do these capabilities align with the Childrens Internet Protection Act?
- v. Describe Offeror's coverage across Texas. Include known dead zones without service and any known plans to bring service to dead zone areas.
- vi. Describe Offeror's ability to provide multi-lingual support to households.
- vii. Is pricing available for all products and services?
- viii. Describe any shipping charges.
- ix. Provide pricing for warranties on all products and services.
- x. Describe any return and restocking fees.
- xi. Describe any additional discounts or rebates available. Additional discounts or rebates may be offered for large quantity orders, single ship to location, growth, annual spend, guaranteed quantity, etc.
- xii. Describe payment methods offered.
- xiii. Propose the frequency of updates to the Offeror's pricing structure. Describe any proposed indices to guide price adjustments. If offering a catalog contract with discounts by category, while changes in individual pricing may change, the category discounts should not change over the term of the Contract.
- xiv. Describe how future product introductions will be priced and align with Contract pricing proposed.
- xv. Provide any additional information relevant to this section.

Not to Exceed Pricing. Region 4 ESC requests pricing be submitted as not to exceed pricing. Unlike fixed pricing, the Contractor can adjust submitted pricing lower if needed but, cannot exceed original pricing submitted. Contractor must allow for lower pricing to be available for

Products, Pricing, and Availability

- I. \$49.95 – Broadband (minimum of 25Mbps and up to 50 Mbps download / 3Mbps upload)
\$8.00 – Equipment lease
\$2.00 – Local and State Taxes (not to exceed)
\$5.00 – CIPA certified filtering
\$99.00 - Installation (includes 1 hour of labor, miscellaneous connectors, and 100 feet of cable)
All prices are monthly per internet connection.
*Note: Other product and pricing information is available upon request.
For a typical installation or where adequate facilities do not exist, we may charge aid-to-construction per our Public Utility Commission approved local exchange tariff.*
- II. HCTC does not have an equipment deposit. It is requested that all equipment be returned within 2 weeks of end of service.
- III. Customer/student may cancel service at any time and should provide written notice to our Business office at busofc@hctc.net.
- IV. HCTC's is currently working on a content filtering solution. The content filtering system will meet or exceed the Children's Internet Protection Act (CIPA) requirements.
- V. Maps are included which portray HCTC's coverage area. HCTC is constantly expanding and upgrading its network. A new updated map will be provided annually or upon request.
- VI. HCTC and the technical support provided to customer is both fluent in English and Spanish.
- VII. Pricing is available for all products and services; however, we have supplied pricing for only the broadband services requested within this RFP.
- VIII. No shipping charges will be incurred in the delivery of the modems.
- IX. There is no extra pricing for warranties as all customer premise equipment is leased to the end user.
- X. HCTC does not charge for return or restocking fees.
- XI. HCTC does not provide for additional discounts or rebates.
- XII. Customers may pay invoices in-person with cash, check, MasterCard, Visa, and Discover. Online payments may be made through the HCTC Smarthub portal at www.hctc.smarthub.coop. Auto draft and ACH payment arrangements are also available.

- XIII. HCTC pricing is adjusted when warranted, mostly due to substantial changes in the regulatory environment, technology upgrades, or marketplace conditions.
- XIV. HCTC's expectation is that all future product introductions will be at equal or less than existing product pricing and as such will automatically align with proposed contract prices.
- XV. No additional relevant information to be added.

Performance Capability

- i. Services purchased through OMNIA will be processed in accordance with our normal day-to-day operations. All monthly orders are processed and invoices are mailed on the last working day of each month. Supplier Response to section 3.0 is below.
- ii. Appendix B - Exceptions included
- iii. Federal Funds Certification included
- iv. TEA Connect Texas Program Requirements
 - a. All available HCTC services meet the minimum 25 Mbps download and 3 Mbps upload bandwidth speeds. The majority of our services will greatly exceed those requirements.
 - b. HCTC utilizes fully redundant ringed network services in over 75% of our broadband connections.
 - c. HCTC does not utilize data caps or throttling.
 - d. Content filtering will be accomplished per the required specification.
 - e. HCTC does not de-prioritize customers at any time.
- v. HCTC monitors the core network links for utilization. We augment when the core aggregate is greater than 70% utilization at peak. For school districts, we monitor the actual connection as most ISDs have their own technical department to manage utilization.
- vi. In emergency situations HCTC will activate its Emergency Operations Plan (EOP). The detailed plan is intended to serve as the guide during a disaster or catastrophe within our service territory. It outlines the requirements for systematic restoration of service and return to normal working conditions from emergency situations.

The EOP is developed and managed in accordance with HCTC's business policies and the requirements of the Public Utility Commission of Texas Substantive Rule §26.51.
- vii. To protect our core network, we have DDoS mitigation practices in place to protect our domain. We also have the capability to filter malicious traffic should we find that it may cause harm to our internet network. At this time, we do not encrypt our services. Please see attached HCTC Cyber Certification from Dynetics.
- viii. Maintenance notifications are provided to customers with SLAs (Service Level Agreements), and priority business customers such as school districts, city and

- county offices, hospitals, and certain other strategic enterprises in which public safety or critical infrastructure would otherwise be at risk. HCTC does not send out notices about planned outages to the general public as these are performed during our regularly scheduled maintenance window (12am- 6am).
- ix. Emergency requests / orders are handled on a case-by-case basis. There are many factors that go into activating services and as such, there isn't a one procedure fits all. All emergency requests are immediately prioritized and resolved based upon our facilities, capacity, and capability.
 - x. Our average installation time is 5 business days.
 - xi. HCTC does not have an equipment deposit. All equipment should be returned within 2 weeks of end of service.
 - xii. HCTC utilizes a 24/7 help desk (call center) in which historically 80% of trouble calls are resolved on a first-call basis. Escalated tickets are worked during our regular business hours of 8a to 5p Monday through Friday.
 - xiii. HCTC bills all completed orders at the end of each month. The customer bills are mailed on the 1st of the month and payment is due on the 16th unless that date falls on a weekend. When that happens, the bill is due the following Monday after the 16th. Customers may pay invoices in-person with cash, check, MasterCard, Visa, and Discover. Online payments may be made through the HCTC smarthub portal at www.hctc.smarthub.coop. Auto draft and ACH payment arrangements are also available.
 - xiv. As a cooperative, our customer transition plans are very personal and one-to-one on an as needed basis.
 - xv. HCTC remains strong financially. The Company did not require the use of any emergency funds amidst the pandemic, while it continued to grow its revenues, increased cash reserves and maintained 100% of its employee base. The Company continues to meet budgeted benchmarks for 2021.
 - xvi. HCTC's website link is www.hctc.net From the corporate site an existing user may access their account for payment, access their company web mail, and look up new services for their service address. A new customer may learn about the company as well as check their address for available services.
 - xvii. No additional information



In recognition of implementing the requisite cyber risk management controls necessary for Effective Cybersecurity as defined by the Dynerics Cyber Resilience Certification Program, and by enrolling in the requisite Dynerics Cyber Resilience Sustainment Program

HCTC

has been certified by Dynerics, Inc. on this May 1, 2019 as achieving



Cyber Resilience Level 2

Certified by: 

Craig Mitchell
Principal Cyber Analyst



ASSESS



OPTIMIZE



TEST



CERTIFY

2 May 2019

Dynerics Inc. certifies that HCTC has achieved a Cyber Resilience Level – 2 Certification through on-site audits.

As a result of this certification, sustainment of these security controls will be externally validated periodically by Dynerics cybersecurity professionals to ensure a CRL-2 cybersecurity posture is maintained.

The Dynerics approach to cybersecurity is focused on managing risk. Any organization that has access to the Internet assumes a certain amount of risk. We recognize that today’s cyber adversary has changed their tactics, techniques, and procedures from what they were 10 years ago. Although perimeter security is important, initial attack vectors seldom result from an attacker exploiting a weakness in an external firewall. The initial attack vector of today’s cyber-criminal is often through the use of a well-crafted phishing email. Once an employee clicks the malicious link or opens the malicious attachment the attacker has access to the victim’s computer with the same permissions as the victim employee. From that initial foothold, the adversary will attempt to escalate privileges and/or pivot to shared resources or other workstations to locate data they can use for nefarious purposes. For this reason, we firmly believe in the concept of “Assume Perimeter Breach”. To embrace this concept **does not** imply “Assume Impact”. On the contrary, if you embrace the concept of “Assume Perimeter Breach” you’re forced to continuously monitor internally for malicious activity and implement internal security controls that cause an adversary to “make noise”. Rather than focusing on preventing every attack, the goal becomes detection and recognition of a breach early enough to remove the adversary **before** there’s impact. Understanding the motivations, capabilities, and tactics of the threat is critical to identifying cybersecurity controls that provide an acceptable level of risk. Our experience and expertise in offensive and defensive cybersecurity has resulted in a concise set of “Highly Effective Cybersecurity Controls”.

We’ve organized these controls into increasingly secure sets from “*Essential*”, to “*Enhanced*”, to “*Layered*”. CRL-2 Certification signifies the successful implementation of “*Enhanced Security Controls*” which are proven to be effective against sophisticated, targeted, motivated cyber threats.

This certification demonstrates HCTC’s “Due Diligence” and “Due Care” responsibilities for protecting data and assets under their control.

A circular seal with a blue border. The top half of the border contains the text "DYNETICS CERTIFIED" and the bottom half contains "CYBER RESILIENCE LEVEL 2". Inside the border, there are several white stars. The center of the seal features a white chess knight piece standing on a shield with a blue and white geometric pattern.

Gregory G. Jackson
Gregory G. Jackson
Cyber Risk Lead
Dynerics, Inc.

3.0 Supplier Response

3.1 Company

- A. Born as a Cooperative in February, 1951, Hill Country Telephone Cooperative has grown and evolved into HCTC, the company you see today. The Cooperative was formed on February 13, 1951, for the purpose of furnishing telephone service in rural areas of the Texas Hill Country. Larger telecom companies had deemed the areas as unprofitable and had passed them by on the way to larger cities.

Operating under the cooperative principles and governed by a Board of Directors, Hill Country Telephone Cooperative grew and expanded by offering state-of-the art technologies to rural subscribers. When changes in regulation permitted the delivery of telephone service in competitive markets, Hill Country Telecommunications was established as a subsidiary of the company to capitalize on those changes and diversify the services offered. Hill Country Telephone Cooperative and Hill Country Telecommunications provided a plethora of telecommunications related products and services, including high-speed Internet, data storage, networking/IT solutions, and more, across 15 counties in the Texas Hill Country (including competitive markets in Mason, Kerrville, Fredericksburg, Junction, and Sonora) spanning almost 3,000 square miles.

Recently, both the parent Cooperative and its subsidiary have combined their branding and customer communication efforts under the moniker of HCTC. Realizing the importance of access to high-speed Internet for rural economic development, HCTC has embarked on a mission to make higher bandwidth available throughout its service area. As the future of communications is unfolding and revealing broadband as the preferred technology, HCTC is strategically positioning itself to meet the ever-changing needs of its members and customers, today and into the future.

- B. HCTC – Ingram (Corporate Office)

220 Carolyn Street
Ingram, TX 78025
830.367.5333

HCTC -Comfort (Retail Support Office)

712 Front Street
Comfort, TX 78013
830.995.4400

HCTC – Mason (Retail Support Office)

817 S San Antonio Street
Mason, TX 76856
325.347.8877

HCTC – Junction (Retail Support Office)

1501 Main Street
Junction, TX 76849
325.446.2420

HCTC – Sonora (Retail Support Office)

205-A Hwy 277 North
Sonora, TX 76950
325.413.1000

C. Annual sales (consolidated)

- a. 2020 – 39.5M
- b. 2019 – 38.1M
- c. 2018 – 34M
- d. Our HCTC DUN number is 00-682-4007. We are working with Dunn and Bradstreet to have our information updated. An updated report will be available later this month.

D. The HCTC campus includes a 20,000-gallon water storage tank for use in various non-potable water needs. All new lighting is LED based and designed to conserve energy.

E. HCTC utilizes LinkedIn Learning which has a large emphasis on diversity. The HCTC leadership team encourages employees to utilize the system and recently awarded employees for its use.

F. Certifications

- a. No
- b. No
- c. No
- d. No
- e. No

G. HCTC uses a mix of subcontractors who are familiar with the cooperative culture. While no contractor specifically meets minority-owned standards, their hiring practices seem to reflect the general local population of the counties in which they operate.

H. HCTC is vastly different from its competitors in that it is incorporated as a cooperative. In this type of corporate structure, the company culture is very responsive to the needs of the customers (members) and less reactive to fluctuating market conditions and/or stock price. For the last 70 years, our customers and our communities have seen other telecommunications companies come and go while HCTC has remained firmly planted. Being that most companies in this industry purchase similar equipment, the competitive advantage greatly goes to HCTC for being a customer focused Cooperative.

I. Supplier is neither owned nor operated by any person that has been convicted of a felony.

J. No actions have been taken against the supplier for disbarment or suspension.

3.2 Distribution, Logistics

A. HCTC will handle all processing, handling, and shipping of products and services to the end user.

B. HCTC's distribution is handled from the headquarters facility in Ingram, Texas. Other retail support locations are in Mason, Junction, Sonora, and Comfort, Texas.

3.3 Marketing and Sales

- A. Upon award notification, HCTC will provide a detailed ninety-day plan as per RFP specification.
- B. Upon award notification, HCTC will provide a detailed ninety-day plan as per RFP specification which include announcement on social media and company website, co-branded material, and ongoing marketing and promotions.
- C. HCTC has no existing regional or national supplier contracts.
- D. HCTC agrees to provide its logo(s) to OMNIA Partners and agrees to provide permission for reproduction of such logo in marketing communications and promotions. We also understand that we will need OMNIA Partners permission to reproduce their logo.
- E. Executive Support
 - i. Craig Cook, Chief Executive Officer, ccook@hctc.coop, and (830) 367-5333
 - ii. Marketing – Bernice Fischer, Manager – Marketing and Sales, bfischer@hctc.coop, and (830) 367-5333.
 - iii. Sales – David Thomas, Sales Manager, dthomas@hctc.coop, and (830) 367-5333.
 - iv. Sales Support – Denise Salter, Manager - Customer Service and Billing, dsalter@hctc.coop, and (830) 367-5333.
 - v. Financial Reporting – Samantha Munoz, Director of Accounting & Finance, smunoz@hctc.coop, and (830) 367-5333.
 - vi. Accounts Payable – Rose Adami, Accounting Supervisor, radami@hctc.coop, and (830) 367-5333.
 - vii. Contracts – Margie Dominguez, Manager – Compliance and Administration, mdominguez@hctc.coop, and (830) 367-5333.

EXHIBIT F
FEDERAL FUNDS CERTIFICATIONS

FEDERAL CERTIFICATIONS
ADDENDUM FOR AGREEMENT FUNDED BY U.S. FEDERAL GRANT

TO WHOM IT MAY CONCERN:

Participating Agencies may elect to use federal funds to purchase under the Master Agreement. This form should be completed and returned.

DEFINITIONS

Contract means a legal instrument by which a non-Federal entity purchases property or services needed to carry out the project or program under a Federal award. The term as used in this part does not include a legal instrument, even if the non-Federal entity considers it a contract, when the substance of the transaction meets the definition of a Federal award or subaward

Contractor means an entity that receives a contract as defined in Contract.

Cooperative agreement means a legal instrument of financial assistance between a Federal awarding agency or pass-through entity and a non-Federal entity that, consistent with 31 U.S.C. 6302-6305:

(a) Is used to enter into a relationship the principal purpose of which is to transfer anything of value from the Federal awarding agency or pass-through entity to the non-Federal entity to carry out a public purpose authorized by a law of the United States (see 31 U.S.C. 6101(3)); and not to acquire property or services for the Federal government or pass-through entity's direct benefit or use;

(b) Is distinguished from a grant in that it provides for substantial involvement between the Federal awarding agency or pass-through entity and the non-Federal entity in carrying out the activity contemplated by the Federal award.

(c) The term does not include:

(1) A cooperative research and development agreement as defined in 15 U.S.C. 3710a; or

(2) An agreement that provides only:

(i) Direct United States Government cash assistance to an individual;

(ii) A subsidy;

(iii) A loan;

(iv) A loan guarantee; or

(v) Insurance.

Federal awarding agency means the Federal agency that provides a Federal award directly to a non-Federal entity

Federal award has the meaning, depending on the context, in either paragraph (a) or (b) of this section:

(a)(1) The Federal financial assistance that a non-Federal entity receives directly from a Federal awarding agency or indirectly from a pass-through entity, as described in § 200.101 Applicability; or

(2) The cost-reimbursement contract under the Federal Acquisition Regulations that a non-Federal entity receives directly from a Federal awarding agency or indirectly from a pass-through entity, as described in § 200.101 Applicability.

(b) The instrument setting forth the terms and conditions. The instrument is the grant agreement, cooperative agreement, other agreement for assistance covered in paragraph (b) of § 200.40 Federal financial assistance, or the cost-reimbursement contract awarded under the Federal Acquisition Regulations.

(c) Federal award does not include other contracts that a Federal agency uses to buy goods or services from a contractor or a contract to operate Federal government owned, contractor operated facilities (GOCOs).

(d) See also definitions of Federal financial assistance, grant agreement, and cooperative agreement.

Non-Federal entity means a state, local government, Indian tribe, institution of higher education (IHE), or nonprofit organization that carries out a Federal award as a recipient or subrecipient.

Nonprofit organization means any corporation, trust, association, cooperative, or other organization, not including IHEs, that:

(a) Is operated primarily for scientific, educational, service, charitable, or similar purposes in the public interest;

- (b) Is not organized primarily for profit; and
- (c) Uses net proceeds to maintain, improve, or expand the operations of the organization.

Obligations means, when used in connection with a non-Federal entity's utilization of funds under a Federal award, orders placed for property and services, contracts and subawards made, and similar transactions during a given period that require payment by the non-Federal entity during the same or a future period.

Pass-through entity means a non-Federal entity that provides a subaward to a subrecipient to carry out part of a Federal program.

Recipient means a non-Federal entity that receives a Federal award directly from a Federal awarding agency to carry out an activity under a Federal program. The term recipient does not include subrecipients.

Simplified acquisition threshold means the dollar amount below which a non-Federal entity may purchase property or services using small purchase methods. Non-Federal entities adopt small purchase procedures in order to expedite the purchase of items costing less than the simplified acquisition threshold. The simplified acquisition threshold is set by the Federal Acquisition Regulation at 48 CFR Subpart 2.1 (Definitions) and in accordance with 41 U.S.C. 1908. As of the publication of this part, the simplified acquisition threshold is \$250,000, but this threshold is periodically adjusted for inflation. (Also see definition of § 200.67 Micro-purchase.)

Subaward means an award provided by a pass-through entity to a subrecipient for the subrecipient to carry out part of a Federal award received by the pass-through entity. It does not include payments to a contractor or payments to an individual that is a beneficiary of a Federal program. A subaward may be provided through any form of legal agreement, including an agreement that the pass-through entity considers a contract.

Subrecipient means a non-Federal entity that receives a subaward from a pass-through entity to carry out part of a Federal program; but does not include an individual that is a beneficiary of such program. A subrecipient may also be a recipient of other Federal awards directly from a Federal awarding agency.

Termination means the ending of a Federal award, in whole or in part at any time prior to the planned end of period of performance.

The following certifications and provisions may be required and apply when Participating Agency expends federal funds for any purchase resulting from this procurement process. Pursuant to 2 C.F.R. § 200.326, all contracts, including small purchases, awarded by the Participating Agency and the Participating Agency's subcontractors shall contain the procurement provisions of Appendix II to Part 200, as applicable.

APPENDIX II TO 2 CFR PART 200

(A) Contracts for more than the simplified acquisition threshold currently set at \$250,000, which is the inflation adjusted amount determined by the Civilian Agency Acquisition Council and the Defense Acquisition Regulations Council (Councils) as authorized by 41 U.S.C. 1908, must address administrative, contractual, or legal remedies in instances where contractors violate or breach contract terms, and provide for such sanctions and penalties as appropriate.

Pursuant to Federal Rule (A) above, when a Participating Agency expends federal funds, the Participating Agency reserves all rights and privileges under the applicable laws and regulations with respect to this procurement in the event of breach of contract by either party.

Does offeror agree? YES _____ *RW* Initials of Authorized Representative of offeror

(B) Termination for cause and for convenience by the grantee or subgrantee including the manner by which it will be effected and the basis for settlement. (All contracts in excess of \$10,000)

Pursuant to Federal Rule (B) above, when a Participating Agency expends federal funds, the Participating Agency reserves the right to immediately terminate any agreement in excess of \$10,000 resulting from this procurement process in the event of a breach or default of the agreement by Offeror as detailed in the terms of the contract.

Does offeror agree? YES _____ *RW* Initials of Authorized Representative of offeror

(C) Equal Employment Opportunity. Except as otherwise provided under 41 CFR Part 60, all contracts that meet the definition of "federally assisted construction contract" in 41 CFR Part 60-1.3 must include the equal opportunity clause provided under 41 CFR 60-1.4(b), in accordance with Executive Order 11246, "Equal Employment Opportunity" (30 CFR 12319, 12935, 3 CFR Part, 1964-1965 Comp., p. 339), as amended by Executive Order 11375, "Amending Executive Order 11246 Relating to Equal Employment Opportunity," and implementing regulations at 41 CFR part 60, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor."

Pursuant to Federal Rule (C) above, when a Participating Agency expends federal funds on any federally assisted construction contract, the equal opportunity clause is incorporated by reference herein.

Does offeror agree to abide by the above? YES RW Initials of Authorized Representative of offeror

(D) Davis-Bacon Act, as amended (40 U.S.C. 3141-3148). When required by Federal program legislation, all prime construction contracts in excess of \$2,000 awarded by non-Federal entities must include a provision for compliance with the Davis-Bacon Act (40 U.S.C. 3141-3144, and 3146-3148) as supplemented by Department of Labor regulations (29 CFR Part 5, "Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction"). In accordance with the statute, contractors must be required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor. In addition, contractors must be required to pay wages not less than once a week. The non-Federal entity must place a copy of the current prevailing wage determination issued by the Department of Labor in each solicitation. The decision to award a contract or subcontract must be conditioned upon the acceptance of the wage determination. The non-Federal entity must report all suspected or reported violations to the Federal awarding agency. The contracts must also include a provision for compliance with the Copeland "Anti-Kickback" Act (40 U.S.C. 3145), as supplemented by Department of Labor regulations (29 CFR Part 3, "Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States"). The Act provides that each contractor or subrecipient must be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he or she is otherwise entitled. The non-Federal entity must report all suspected or reported violations to the Federal awarding agency.

Pursuant to Federal Rule (D) above, when a Participating Agency expends federal funds during the term of an award for all contracts and subgrants for construction or repair, offeror will be in compliance with all applicable Davis-Bacon Act provisions.

Does offeror agree? YES RW Initials of Authorized Representative of offeror

(E) Contract Work Hours and Safety Standards Act (40 U.S.C. 3701-3708). Where applicable, all contracts awarded by the non-Federal entity in excess of \$100,000 that involve the employment of mechanics or laborers must include a provision for compliance with 40 U.S.C. 3702 and 3704, as supplemented by Department of Labor regulations (29 CFR Part 5). Under 40 U.S.C. 3702 of the Act, each contractor must be required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of 40 hours in the work week. The requirements of 40 U.S.C. 3704 are applicable to construction work and provide that no laborer or mechanic must be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence.

Pursuant to Federal Rule (E) above, when a Participating Agency expends federal funds, offeror certifies that offeror will be in compliance with all applicable provisions of the Contract Work Hours and Safety Standards Act during the term of an award for all contracts by Participating Agency resulting from this procurement process.

Does offeror agree? YES RW Initials of Authorized Representative of offeror

(F) Rights to Inventions Made Under a Contract or Agreement. If the Federal award meets the definition of "funding agreement" under 37 CFR §401.2 (a) and the recipient or subrecipient wishes to enter into a contract with a small business firm or nonprofit organization regarding the substitution of parties, assignment or performance of experimental, developmental, or research work under that "funding agreement," the recipient or subrecipient must comply with the requirements of 37 CFR Part 401, "Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements," and any implementing regulations issued by the awarding agency.

Pursuant to Federal Rule (F) above, when federal funds are expended by Participating Agency, the offeror certifies that during the term of an award for all contracts by Participating Agency resulting from this procurement process, the offeror agrees to comply with all applicable requirements as referenced in Federal Rule (F) above.

Does offeror agree? YES RW Initials of Authorized Representative of offeror

(G) Clean Air Act (42 U.S.C. 7401-7671q.) and the Federal Water Pollution Control Act (33 U.S.C. 1251-1387), as amended— Contracts and subgrants of amounts in excess of \$150,000 must contain a provision that requires the non-Federal award to agree to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. 7401-7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. 1251- 1387). Violations must be reported to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA)

Pursuant to Federal Rule (G) above, when federal funds are expended by Participating Agency, the offeror certifies that during the term of an award for all contracts by Participating Agency member resulting from this procurement process, the offeror agrees to comply with all applicable requirements as referenced in Federal Rule (G) above.

Does offeror agree? YES _____ *RW* _____ Initials of Authorized Representative of offeror

(H) Debarment and Suspension (Executive Orders 12549 and 12689)—A contract award (see 2 CFR 180.220) must not be made to parties listed on the government wide exclusions in the System for Award Management (SAM), in accordance with the Executive Office of the President Office of Management and Budget (OMB) guidelines at 2 CFR 180 that implement Executive Orders 12549 (3 CFR part 1986 Comp., p. 189) and 12689 (3 CFR part 1989 Comp., p. 235), "Debarment and Suspension." SAM Exclusions contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549.

Pursuant to Federal Rule (H) above, when federal funds are expended by Participating Agency, the offeror certifies that during the term of an award for all contracts by Participating Agency resulting from this procurement process, the offeror certifies that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation by any federal department or agency. If at any time during the term of an award the offeror or its principals becomes debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation by any federal department or agency, the offeror will notify the Participating Agency.

Does offeror agree? YES _____ *RW* _____ Initials of Authorized Representative of offeror

(I) Byrd Anti-Lobbying Amendment (31 U.S.C. 1352)—Contractors that apply or bid for an award exceeding \$100,000 must file the required certification. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 U.S.C. 1352. Each tier must also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the non-Federal award.

Pursuant to Federal Rule (I) above, when federal funds are expended by Participating Agency, the offeror certifies that during the term and after the awarded term of an award for all contracts by Participating Agency resulting from this procurement process, the offeror certifies that it is in compliance with all applicable provisions of the Byrd Anti-Lobbying Amendment (31 U.S.C. 1352). The undersigned further certifies that:

(1) No Federal appropriated funds have been paid or will be paid for on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of congress, or an employee of a Member of Congress in connection with the awarding of a Federal contract, the making of a Federal grant, the making of a Federal loan, the entering into a cooperative agreement, and the extension, continuation, renewal, amendment, or modification of a Federal contract, grant, loan, or cooperative agreement.

(2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of congress, or an employee of a Member of Congress in connection with this Federal grant or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying", in accordance with its instructions.

(3) The undersigned shall require that the language of this certification be included in the award documents for all covered sub-awards exceeding \$100,000 in Federal funds at all appropriate tiers and that all subrecipients shall certify and disclose accordingly.

Does offeror agree? YES _____ *RW* _____ Initials of Authorized Representative of offeror

RECORD RETENTION REQUIREMENTS FOR CONTRACTS INVOLVING FEDERAL FUNDS

When federal funds are expended by Participating Agency for any contract resulting from this procurement process, offeror certifies that it will comply with the record retention requirements detailed in 2 CFR § 200.333. The offeror further certifies that offeror will retain all records as required by 2 CFR § 200.333 for a period of three years after grantees or subgrantees submit final expenditure reports or quarterly or annual financial reports, as applicable, and all other pending matters are closed.

Does offeror agree? YES _____ *RW* _____ Initials of Authorized Representative of offeror

CERTIFICATION OF COMPLIANCE WITH THE ENERGY POLICY AND CONSERVATION ACT

When Participating Agency expends federal funds for any contract resulting from this procurement process, offeror certifies that it will comply with the mandatory standards and policies relating to energy efficiency which are contained in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act (42 U.S.C. 6321 et seq.; 49 C.F.R. Part 18).

Does offeror agree? YES *RC* Initials of Authorized Representative of offeror

CERTIFICATION OF COMPLIANCE WITH BUY AMERICA PROVISIONS

To the extent purchases are made with Federal Highway Administration, Federal Railroad Administration, or Federal Transit Administration funds, offeror certifies that its products comply with all applicable provisions of the Buy America Act and agrees to provide such certification or applicable waiver with respect to specific products to any Participating Agency upon request. Purchases made in accordance with the Buy America Act must still follow the applicable procurement rules calling for free and open competition.

Does offeror agree? YES *RC* Initials of Authorized Representative of offeror

CERTIFICATION OF ACCESS TO RECORDS – 2 C.F.R. § 200.336

Offeror agrees that the Inspector General of the Agency or any of their duly authorized representatives shall have access to any documents, papers, or other records of offeror that are pertinent to offeror's discharge of its obligations under the Contract for the purpose of making audits, examinations, excerpts, and transcriptions. The right also includes timely and reasonable access to offeror's personnel for the purpose of interview and discussion relating to such documents.

Does offeror agree? YES *RC* Initials of Authorized Representative of offeror

CERTIFICATION OF APPLICABILITY TO SUBCONTRACTORS

Offeror agrees that all contracts it awards pursuant to the Contract shall be bound by the foregoing terms and conditions.

Does offeror agree? YES *RC* Initials of Authorized Representative of offeror

Offeror agrees to comply with all federal, state, and local laws, rules, regulations and ordinances, as applicable. It is further acknowledged that offeror certifies compliance with all provisions, laws, acts, regulations, etc. as specifically noted above.

Offeror's Name: Hill Country Telephone Cooperative, Inc. (HCTC)

Address, City, State, and Zip Code: 220 Carolyn Street, P. O. Box 768, Ingram, Texas 78025

Phone Number: (830) 367-5333 Fax Number: (830) 367-5994

Printed Name and Title of Authorized Representative: R. Craig Cook, Chief Executive Officer

Email Address: ccook@hctc.coop

Signature of Authorized Representative: *R. Craig Cook* Date: 5-14-21

FEMA SPECIAL CONDITIONS

Awarded Supplier(s) may need to respond to events and losses where products and services are needed for the immediate and initial response to emergency situations such as, but not limited to, water damage, fire damage, vandalism cleanup, biohazard cleanup, sewage decontamination, deodorization, and/or wind damage during a disaster or emergency situation. By submitting a proposal, the Supplier is accepted these FEMA Special Conditions required by the Federal Emergency Management Agency (FEMA).

"Contract" in the below pages under FEMA SPECIAL CONDITIONS is also referred to and defined as the "Master Agreement".

"Contractor" in the below pages under FEMA SPECIAL CONDITIONS is also referred to and defined as "Supplier" or "Awarded Supplier".

Conflicts of Interest

No employee, officer, or agent may participate in the selection, award, or administration of a contract supported by a FEMA award if he or she has a real or apparent conflict of interest. Such a conflict would arise when the employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of these parties, has a financial or other interest in or a tangible personal benefit from a firm considered for award. 2 C.F.R. § 200.318(c)(1); See also Standard Form 424D, ¶ 7; Standard Form 424B, ¶ 3. i. FEMA considers a "financial interest" to be the potential for gain or loss to the employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of these parties as a result of the particular procurement. The prohibited financial interest may arise from ownership of certain financial instruments or investments such as stock, bonds, or real estate, or from a salary, indebtedness, job offer, or similar interest that might be affected by the particular procurement. ii. FEMA considers an "apparent" conflict of interest to exist where an actual conflict does not exist, but where a reasonable person with knowledge of the relevant facts would question the impartiality of the employee, officer, or agent participating in the procurement. c. Gifts. The officers, employees, and agents of the Participating Public Agency nor the Participating Public Agency ("NFE") must neither solicit nor accept gratuities, favors, or anything of monetary value from contractors or parties to subcontracts. However, NFE's may set standards for situations in which the financial interest is de minimus, not substantial, or the gift is an unsolicited item of nominal value. 2 C.F.R. § 200.318(c)(1). d. Violations. The NFE's written standards of conduct must provide for disciplinary actions to be applied for violations of such standards by officers, employees, or agents of the NFE. 2 C.F.R. § 200.318(c)(1). For example, the penalty for a NFE's employee may be dismissal, and the penalty for a contractor might be the termination of the contract.

Contractor Integrity

A contractor must have a satisfactory record of integrity and business ethics. Contractors that are debarred or suspended as described in Chapter III, ¶ 6.d must be rejected and cannot receive contract awards at any level.

Public Policy

A contractor must comply with the public policies of the Federal Government and state, local government, or tribal government. This includes, among other things, past and current compliance with the:

- a. Equal opportunity and nondiscrimination laws
- b. Five affirmative steps described at 2 C.F.R. § 200.321(b) for all subcontracting under contracts supported by FEMA financial assistance; and FEMA Procurement Guidance June 21, 2016 Page IV- 7
- c. Applicable prevailing wage laws, regulations, and executive orders

Affirmative Steps

For any subcontracting opportunities, Contractor must take the following Affirmative steps:

1. Placing qualified small and minority businesses and women's business enterprises on solicitation lists;
2. Assuring that small and minority businesses, and women's business enterprises are solicited whenever they are potential sources;
3. Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority businesses, and women's business enterprises;
4. Establishing delivery schedules, where the requirement permits, which encourage participation by small and minority businesses, and women's business enterprises; and

5. Using the services and assistance, as appropriate, of such organizations as the Small Business Administration and the Minority Business Development Agency of the Department of Commerce.

Prevailing Wage Requirements

When applicable, the awarded Contractor (s) and any and all subcontractor(s) agree to comply with all laws regarding prevailing wage rates including the Davis-Bacon Act, applicable to this solicitation and/or Participating Public Agencies. The Participating Public Agency shall notify the Contractor of the applicable pricing/prevailing wage rates and must apply any local wage rates requested. The Contractor and any subcontractor(s) shall comply with the prevailing wage rates set by the Participating Public Agency.

Federal Requirements

If products and services are issued in response to an emergency or disaster recovery the items below, located in this FEMA Special Conditions section of the Federal Funds Certifications, are activated and required when federal funding may be utilized.

2 C.F.R. § 200.326 and 2 C.F.R. Part 200, Appendix II, Required Contract Clauses

1. Termination for Convenience:

The right to terminate this Contract for the convenience of the Participating Public Agency is retained by the Participating Public Agency. In the event of a termination for convenience by the Participating Public Agency, the Participating Public Agency shall, at least ten (10) calendar days in advance, deliver written notice of the termination for convenience to Contractor. Upon Contractor's receipt of such written notice, Contractor immediately shall cease the performance of the Work and shall take reasonable and appropriate action to secure and protect the Work then in place. Contractor shall then be paid by the Participating Public Agency, in accordance with the terms and provisions of the Contract Documents, an amount not to exceed the actual labor costs incurred, the actual cost of all materials installed and the actual cost of all materials stored at the project site or away from the project site, as approved in writing by the Participating Public Agency but not yet paid for and which cannot be returned, and actual, reasonable and documented demobilization costs, if any, paid by Contractor and approved by the Participating Public Agency in connection with the Scope of Work in place which is completed as of the date of termination by the Participating Public Agency and that is in conformance with the Contract Documents, less all amounts previously paid for the Work. No amount ever shall be owed or paid to Contractor for lost or anticipated profits on any part of the Scope of Work not performed or for consequential damages of any kind.

2. Equal Employment Opportunity:

The Participating Public Agency highly encourages Contractors to implement Affirmative Action practices in their employment programs. This means Contractor should not discriminate against any employee or applicant for employment because of race, color, religion, sex, pregnancy, sexual orientation, political belief or affiliation, age, disability or genetic information.

During the performance of this contract, the contractor agrees as follows:

(1) The contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, sexual orientation, gender identity, or national origin. The contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, sexual orientation, gender identity, or national origin. Such action shall include, but not be limited to the following: Employment, upgrading, demotion, or transfer, recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting officer setting forth the provisions of this nondiscrimination clause.

(2) The contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, sexual orientation, gender identity, or national origin.

(3) The contractor will not discharge or in any other manner discriminate against any employee or applicant for employment because such employee or applicant has inquired about, discussed, or disclosed the compensation of the employee or applicant or another employee or applicant. This provision shall not apply to instances in which an employee who has access to the compensation information of other employees or applicants as a part of such employee's essential job functions discloses the compensation of such other employees or applicants to individuals who do not otherwise have access to such information, unless such disclosure is in response to a formal complaint or charge, in furtherance of an investigation, proceeding, hearing, or action, including an investigation conducted by the employer, or is consistent with the contractor's legal duty to furnish information.

(4) The contractor will send to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding, a notice to be provided by the agency contracting officer, advising the labor union or workers' representative of the contractor's commitments under section 202 of Executive Order 11246 of September 24, 1965, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

(5) The contractor will comply with all provisions of Executive Order 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.

(6) The contractor will furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the contracting agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

(7) In the event of the contractor's non-compliance with the nondiscrimination clauses of this contract or with any of such rules, regulations, or orders, this contract may be canceled, terminated or suspended in whole or in part and the contractor may be declared ineligible for further Government contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

(8) The contractor will include the provisions of paragraphs (1) through (8) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to section 204 of Executive Order 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontract or purchase order as may be directed by the Secretary of Labor as a means of enforcing such provisions including sanctions for noncompliance: *Provided*, however, that in the event the contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction, the contractor may request the United States to enter into such litigation to protect the interests of the United States.

3. "During the performance of this contract, the contractor agrees as follows:

(1) The contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin. The contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, color, religion, sex, or national origin. Such action shall include, but not be limited to the following: Employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided setting forth the provisions of this nondiscrimination clause.

(2) The contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive considerations for employment without regard to race, color, religion, sex, or national origin.

(3) The contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice to be provided advising the said labor union or workers' representatives of the

contractor's commitments under this section, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

- (4) The contractor will comply with all provisions of Executive Order 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.
- (5) The contractor will furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the administering agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.
- (6) In the event of the contractor's noncompliance with the nondiscrimination clauses of this contract or with any of the said rules, regulations, or orders, this contract may be canceled, terminated, or suspended in whole or in part and the contractor may be declared ineligible for further Government contracts or federally assisted construction contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, and such other sanctions as may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided bylaw.
- (7) The contractor will include the portion of the sentence immediately preceding paragraph (1) and the provisions of paragraphs (1) through (7) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to section 204 of Executive Order 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontract or purchase order as the administering agency may direct as a means of enforcing such provisions, including sanctions for noncompliance: Provided, however, That in the event a contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the administering agency the contractor may request the United States to enter into such litigation to protect the interests of the United States."

4. Davis Bacon Act and Copeland Anti-Kickback Act.

- a. Applicability of Davis-Bacon Act. The Davis-Bacon Act only applies to the emergency Management Preparedness Grant Program, Homeland Security Grant Program, Nonprofit Security Grant Program, Tribal Homeland Security Grant Program, Port Security Grant Program, and Transit Security Grant Program. **It does not apply to other FEMA grant and cooperative agreement programs, including the Public Assistance Program.**
- b. All prime construction contracts in excess of \$2,000 awarded by non-Federal entities must include a provision for compliance with the Davis-Bacon Act (40 U.S.C. §§ 3141-3144 and 3146-3148) as supplemented by Department of Labor regulations at 29 C.F.R. Part 5 (Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction)). See 2 C.F.R. Part 200, Appendix II, ¶ D.
- c. In accordance with the statute, contractors must be required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor. In addition, contractors must be required to pay wages not less than once a week.
- d. The non-Federal entity must place a copy of the current prevailing wage determination issued by the Department of Labor in each solicitation. The decision to award a contract or subcontract must be conditioned upon the acceptance of the wage determination. The non-Federal entity must report all suspected or reported violations to the Federal awarding agency.

- e. In contracts subject to the Davis-Bacon Act, the contracts must also include a provision for compliance with the Copeland "Anti-Kickback" Act (40 U.S.C. § 3145), as supplemented by Department of Labor regulations at 29 C.F.R. Part 3 (Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States). The Copeland Anti- Kickback Act provides that each contractor or subrecipient must be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he or she is otherwise entitled. The non-Federal entity must report all suspected or reported violations to FEMA.
- f. The regulation at 29 C.F.R. § 5.5(a) does provide the required contract clause that applies to compliance with both the Davis-Bacon and Copeland Acts. However, as discussed in the previous subsection, the Davis-Bacon Act does not apply to Public Assistance recipients and subrecipients. **In situations where the Davis-Bacon Act does not apply, neither does the Copeland "Anti-Kickback Act."** However, for purposes of grant programs where both clauses do apply, FEMA requires the following contract clause:

"Compliance with the Copeland "Anti-Kickback" Act.

- (1) Contractor. The contractor shall comply with 18 U.S.C. § 874, 40U.S.C. § 3145, and the requirements of 29 C.F.R. pt. 3 as may be applicable, which are incorporated by reference into this contract.
- (2) Subcontracts. The contractor or subcontractor shall insert in any subcontracts the clause above and such other clauses as the FEMA may by appropriate instructions require, and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for the compliance by any subcontractor or lower tier subcontractor with all of these contract clauses
- (3) Breach. A breach of the contract clauses above may be grounds for termination of the contract, and for debarment as a contractor and subcontractor as provided in 29 C.F.R. § 5.12."

5. Contract Work Hours and Safety Standards Act.

- a. **Applicability:** This requirement applies to all FEMA grant and cooperative agreement programs.
- b. Where applicable (see 40 U.S.C. § 3701), all contracts awarded by the non-Federal entity in excess of \$100,000 that involve the employment of mechanics or laborers must include a provision for compliance with 40 U.S.C. §§ 3702 and 3704, as supplemented by Department of Labor regulations at 29 C.F.R. Part 5. See 2 C.F.R. Part 200, Appendix II, ¶ E.
- c. Under 40 U.S.C. § 3702, each contractor must be required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of 40 hours in the workweek.
- d. The requirements of 40 U.S.C. § 3704 are applicable to construction work and provide that no laborer or mechanic must be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence.
- e. The regulation at 29 C.F.R. § 5.5(b) provides the required contract clause concerning compliance with the Contract Work Hours and Safety Standards Act:

"Compliance with the Contract Work Hours and Safety Standards Act.

- (1) Overtime requirements. No contractor or subcontractor contracting for any part of the contract work which may require or involve the employment of laborers or mechanics shall require or permit any such laborer or mechanic in any workweek in which he or she is employed on such work to work in excess of forty hours in such workweek unless such laborer or mechanic receives compensation at a rate not less than one and one-half times the basic rate of pay for all hours worked in excess of forty hours in such workweek.
- (2) Violation; liability for unpaid wages; liquidated damages. In the event of any violation of the clause set forth in paragraph (1) of this section the contractor and any subcontractor responsible therefor shall be liable for the unpaid wages. In addition, such contractor and subcontractor shall be liable to the United States (in the case of work done under contract for the District of Columbia or a territory, to such District or to such territory), for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer or mechanic, including watchmen and guards, employed in violation of the clause set forth in paragraph (1) of this section, in the sum of \$10 for each calendar day on which such individual was required or permitted to work in excess of the standard workweek of forty hours without payment of the overtime wages required by the clause set forth in paragraph (1) of this section.
- (3) Withholding for unpaid wages and liquidated damages. The (write in the name of the Federal agency or the loan or grant recipient) shall upon its own action or upon written request of an authorized representative of the Department of Labor withhold or cause to be withheld, from any moneys payable on account of work performed by the contractor or subcontractor under any such contract or any other Federal contract with the same prime contractor, or any other federally-assisted contract subject to the Contract Work Hours and Safety Standards Act, which is held by the same prime contractor, such sums as may be determined to be necessary to satisfy any liabilities of such contractor or subcontractor for unpaid wages and liquidated damages as provided in the clause set forth in paragraph (2) of this section.
- (4) Subcontracts. The contractor or subcontractor shall insert in any subcontracts the clauses set forth in paragraph (1) through (4) of this section and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for compliance by any subcontractor or lower tier subcontractor with the clauses set forth in paragraphs (1) through (4) of this section."

6. Rights to Inventions Made Under a Contract or Agreement.

- a. Stafford Act Disaster Grants. This requirement **does not apply to the Public Assistance, Hazard Mitigation Grant Program, Fire Management Assistance Grant Program, Crisis Counseling Assistance and Training Grant Program, Disaster Case Management Grant Program, and Federal Assistance to Individuals and Households – Other Needs Assistance Grant Program, as**

FEMA awards under these programs do not meet the definition of "funding agreement."

- b. If the FEMA award meets the definition of "funding agreement" under 37 C.F.R. § 401.2(a) and the non-Federal entity wishes to enter into a contract with a small business firm or nonprofit organization regarding the substitution of parties, assignment or performance of experimental, developmental, or research work under that "funding agreement," the non-Federal entity must comply with the requirements of 37 C.F.R. Part 401 (Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements), and any implementing regulations issued by FEMA. See 2 C.F.R. Part 200, Appendix II, ¶ F.

- c. The regulation at 37 C.F.R. § 401.2(a) currently defines "funding agreement" as any contract, grant, or cooperative agreement entered into between any Federal agency, other than the Tennessee Valley Authority, and any contractor for the performance of experimental, developmental, or research work funded in whole or in part by the Federal government. This term also includes any assignment, substitution of parties, or subcontract of any type entered into for the performance of experimental, developmental, or research work under a funding agreement as defined in the first sentence of this paragraph.

7. **Clean Air Act and the Federal Water Pollution Control Act.** Contracts of amounts in excess of \$150,000 must contain a provision that requires the contractor to agree to comply with all applicable standards, orders, or regulations issued pursuant to the Clean Air Act (42 U.S.C. §§ 7401-7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. §§ 1251-1387). Violations must be reported to FEMA and the Regional Office of the Environmental Protection Agency. See 2 C.F.R. Part 200, Appendix II, ¶ G.

- a. **The following provides a sample contract clause concerning compliance for contracts of amounts in excess of \$150,000:**

"Clean Air Act

- (1) The contractor agrees to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act, as amended, 42 U.S.C. § 7401 et seq.
- (2) The contractor agrees to report each violation to the (name of the state agency or local or Indian tribal government) and understands and agrees that the (name of the state agency or local or Indian tribal government) will, in turn, report each violation as required to assure notification to the (name of recipient), Federal Emergency Management Agency, and the appropriate Environmental Protection Agency Regional Office.
- (3) The contractor agrees to include these requirements in each subcontract exceeding \$150,000 financed in whole or in part with Federal assistance provided by FEMA.

Federal Water Pollution Control Act

- (1) The contractor agrees to comply with all applicable standards, orders or regulations issued pursuant to the Federal Water Pollution Control Act, as amended, 33 U.S.C. 1251 et seq.
- (2) The contractor agrees to report each violation to the (name of the state agency or local or Indian tribal government) and understands and agrees that the (name of the state agency or local or Indian tribal government) will, in turn, report each violation as required to assure notification to the (name of recipient), Federal Emergency Management Agency, and the appropriate Environmental Protection Agency Regional Office.
- (3) The contractor agrees to include these requirements in each subcontract exceeding \$150,000 financed in whole or in part with Federal assistance provided by FEMA."

8. **Debarment and Suspension.**

- a. **Applicability:** This requirement applies to all FEMA grant and cooperative agreement programs.
- b. Non-federal entities and contractors are subject to the debarment and suspension regulations implementing Executive Order 12549, *Debarment and Suspension* (1986) and Executive Order 12689, *Debarment and Suspension* (1989) at 2 C.F.R. Part 180 and the Department of Homeland Security's regulations at 2 C.F.R. Part 3000 (Non procurement Debarment and Suspension).

- c. These regulations restrict awards, subawards, and contracts with certain parties that are debarred, suspended, or otherwise excluded from or ineligible for participation in Federal assistance programs and activities. See 2 C.F.R. Part 200, Appendix II, ¶ H; and *Procurement Guidance for Recipients and Subrecipients Under 2 C.F.R. Part 200 (Uniform Rules): Supplement to the Public Assistance Procurement Disaster Assistance Team (PDAT) Field Manual Chapter IV, ¶ 6.d, and Appendix C, ¶ 2 [hereinafter PDAT Supplement].* A contract award must not be made to parties listed in the SAM Exclusions. SAM Exclusions is the list maintained by the General Services Administration that contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549. SAM exclusions can be accessed at www.sam.gov. See 2 C.F.R. § 180.530; PDAT Supplement, Chapter IV, ¶ 6.d and Appendix C, ¶ 2.
- d. In general, an “excluded” party cannot receive a Federal grant award or a contract within the meaning of a “covered transaction,” to include subawards and subcontracts. This includes parties that receive Federal funding indirectly, such as contractors to recipients and subrecipients. The key to the exclusion is whether there is a “covered transaction,” which is any non-procurement transaction (unless excepted) at either a “primary” or “secondary” tier. Although “covered transactions” do not include contracts awarded by the Federal Government for purposes of the non-procurement common rule and DHS’s implementing regulations, it does include some contracts awarded by recipients and subrecipient.
- e. Specifically, a covered transaction includes the following contracts for goods or services:
 - (1) The contract is awarded by a recipient or subrecipient in the amount of at least \$25,000.
 - (2) The contract requires the approval of FEMA, regardless of amount.
 - (3) The contract is for federally required audit services.
 - (4) A subcontract is also a covered transaction if it is awarded by the contractor of a recipient or subrecipient and requires either the approval of FEMA or is in excess of \$25,000.
- d. The following provides a debarment and suspension clause. It incorporates an optional method of verifying that contractors are not excluded or disqualified:

“Suspension and Debarment

- (1) This contract is a covered transaction for purposes of 2 C.F.R. pt. 180 and 2 C.F.R. pt. 3000. As such the contractor is required to verify that none of the contractor, its principals (defined at 2 C.F.R. § 180.995), or its affiliates (defined at 2 C.F.R. § 180.905) are excluded (defined at 2 C.F.R. § 180.940) or disqualified (defined at 2 C.F.R. § 180.935).
- (2) The contractor must comply with 2 C.F.R. pt. 180, subpart C and 2 C.F.R. pt. 3000, subpart C and must include a requirement to comply with these regulations in any lower tier covered transaction it enters into.
- (3) This certification is a material representation of fact relied upon by (insert name of subrecipient). If it is later determined that the contractor did not comply with 2 C.F.R. pt. 180, subpart C and 2 C.F.R. pt. 3000, subpart C, in addition to remedies available to (name of state agency serving as recipient and name of subrecipient), the Federal Government may pursue available remedies, including but not limited to suspension and/or debarment.
- (4) The bidder or proposer agrees to comply with the requirements of 2 C.F.R. pt. 180, subpart C and 2 C.F.R. pt. 3000, subpart C while this offer is valid and throughout the

period of any contract that may arise from this offer. The bidder or proposer further agrees to include a provision requiring such compliance in its lower tier covered transactions.”

9. Byrd Anti-Lobbying Amendment.

- a. Applicability: This requirement applies to all FEMA grant and cooperative agreement programs.
- b. Contractors that apply or bid for an award of \$100,000 or more must file the required certification. See 2 C.F.R. Part 200, Appendix II, ¶ I; 44 C.F.R. Part 18; *PDAT Supplement*, Chapter IV, 6.c; Appendix C, ¶ 4.
- c. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 U.S.C. § 1352. Each tier must also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the non-Federal award. See *PDAT Supplement*, Chapter IV, ¶ 6.c and Appendix C, ¶ 4.
- d. The following provides a Byrd Anti-Lobbying contract clause:

“Byrd Anti-Lobbying Amendment, 31 U.S.C. § 1352 (as amended)

Contractors who apply or bid for an award of \$100,000 or more shall file the required certification. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant, or any other award covered by 31 U.S.C. § 1352. Each tier shall also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the recipient.”

APPENDIX A, 44 C.F.R. PART 18 – CERTIFICATION REGARDING LOBBYING

Certification for Contracts, Grants, Loans, and Cooperative Agreements (To be submitted with each bid or offer exceeding \$100,000)

The undersigned [Contractor] certifies, to the best of his or her knowledge, that:

1. No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form- LLL, “Disclosure Form to Report

Lobbying," in accordance with its instructions.

3. The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by 31, U.S.C. § 1352 (as amended by the Lobbying Disclosure Act of 1995). Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

The Contractor, Hill Country Telephone Cooperative, Inc., certifies or affirms the truthfulness and accuracy of each statement of its certification and disclosure, if any. In addition, the Contractor understands and agrees that the provisions of 31 U.S.C. § 3801 et seq., apply to this certification and disclosure, if any.



Signature of Contractor's Authorized Official

R. Craig Cook, Chief Executive Officer

Name and Title of Contractor's Authorized Official

5-14-21

Date"

10. Procurement of Recovered Materials.

- a. Applicability: This requirement applies to all FEMA grant and cooperative agreement programs.
- b. A non-Federal entity that is a state agency or agency of a political subdivision of a state and its contractors must comply with Section 6002 of the Solid Waste Disposal Act, Pub. L. No. 89-272 (1965) (codified as amended by the Resource Conservation and Recovery Act at 42 U.S.C. § 6962). See 2 C.F.R. Part 200, Appendix II, ¶ J; 2 C.F.R. § 200.322; PDAT Supplement, Chapter V, ¶ 7.
- c. The requirements of Section 6002 include procuring only items designated in guidelines of the EPA at 40 C.F.R. Part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds \$10,000 or the value of the quantity acquired by the preceding fiscal year exceeded \$10,000; procuring solid waste management services in a manner that maximizes energy and resource recovery; and establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.
- d. The following provides the clause that a state agency or agency of a political subdivision of a state and its contractors can include in contracts meeting the above contract thresholds:

"(1) In the performance of this contract, the Contractor shall make maximum use of products containing recovered materials that are EPA- designated items unless the product cannot be acquired—

- (i) Competitively within a timeframe providing for compliance with the

contract performance schedule;

(ii) Meeting contract performance requirements; or

(iii) At a reasonable price.

(2) Information about this requirement, along with the list of EPA- designate items, is available at EPA's Comprehensive Procurement Guidelines web site, <https://www.epa.gov/smm/comprehensive-procurement-guideline-cpg-program>."

11. Additional FEMA Requirements.

a. The Uniform Rules authorize FEMA to require additional provisions for non- Federal entity contracts. FEMA, pursuant to this authority, requires or recommends the following:

b. Changes.

To be eligible for FEMA assistance under the non-Federal entity's FEMA grant or cooperative agreement, the cost of the change, modification, change order, or constructive change must be allowable, allocable, within the scope of its grant or cooperative agreement, and reasonable for the completion of project scope. FEMA recommends, therefore, that a non-Federal entity include a changes clause in its contract that describes how, if at all, changes can be made by either party to alter the method, price, or schedule of the work without breaching the contract. The language of the clause may differ depending on the nature of the contract and the end-item procured.

c. Access to Records.

All non-Federal entities must place into their contracts a provision that all contractors and their successors, transferees, assignees, and subcontractors acknowledge and agree to comply with applicable provisions governing Department and FEMA access to records, accounts, documents, information, facilities, and staff. See DHS Standard Terms and Conditions, v 3.0, ¶ XXVI (2013).

d. The following provides a contract clause regarding access to records:

"Access to Records. The following access to records requirements apply to this contract:

(1) The contractor agrees to provide (insert name of state agency or local or Indian tribal government), (insert name of recipient), the FEMA Administrator, the Comptroller General of the United States, or any of their authorized representatives access to any books, documents, papers, and records of the Contractor which are directly pertinent to this contract for the purposes of making audits, examinations, excerpts, and transcriptions.

(2) The Contractor agrees to permit any of the foregoing parties to reproduce by any means whatsoever or to copy excerpts and transcriptions as reasonably needed.

(3) The contractor agrees to provide the FEMA Administrator or his authorized representatives access to construction or other work sites pertaining to the work being completed under the contract."

12. DHS Seal, Logo, and Flags.

- a. All non-Federal entities must place in their contracts a provision that a contractor shall not use the DHS seal(s), logos, crests, or reproductions of flags or likenesses of DHS agency officials without specific FEMA pre-approval. See DHS Standard Terms and Conditions, v 3.0, ¶ XXV (2013).
- b. The following provides a contract clause regarding DHS Seal, Logo, and Flags: “The contractor shall not use the DHS seal(s), logos, crests, or reproductions of flags or likenesses of DHS agency officials without specific FEMA pre- approval.”

13. Compliance with Federal Law, Regulations, and Executive Orders.

- a. All non-Federal entities must place into their contracts an acknowledgement that FEMA financial assistance will be used to fund the contract along with the requirement that the contractor will comply with all applicable federal law, regulations, executive orders, and FEMA policies, procedures, and directives.
- b. The following provides a contract clause regarding Compliance with Federal Law, Regulations, and Executive Orders: “This is an acknowledgement that FEMA financial assistance will be used to fund the contract only. The contractor will comply will all applicable federal law, regulations, executive orders, FEMA policies, procedures, and directives.”

14. No Obligation by Federal Government.

- a. The non-Federal entity must include a provision in its contract that states that the Federal Government is not a party to the contract and is not subject to any obligations or liabilities to the non-Federal entity, contractor, or any other party pertaining to any matter resulting from the contract.
- b. The following provides a contract clause regarding no obligation by the Federal Government: “The Federal Government is not a party to this contract and is not subject to any obligations or liabilities to the non-Federal entity, contractor, or any other party pertaining to any matter resulting from the contract.”

15. Program Fraud and False or Fraudulent Statements or Related Acts.

- a. The non-Federal entity must include a provision in its contract that the contractor acknowledges that 31 U.S.C. Chap. 38 (Administrative Remedies for False Claims and Statements) applies to its actions pertaining to the contract.
- b. The following provides a contract clause regarding Fraud and False or Fraudulent or Related Acts: “The contractor acknowledges that 31 U.S.C. Chap. 38 (Administrative Remedies for False Claims and Statements) applies to the contractor’s actions pertaining to thiscontract.”

Additional contract clauses per 2 C.F.R. § 200.325

For applicable construction/reconstruction/renovation and related services: A payment and performance bond are both required for 100 percent of the contract price. A “performance bond” is one executed in connection with a contract to secure fulfillment of all the contractor’s obligations under such contract. A “payment bond” is one executed in connection with a contract to assure payment as required by law of all persons supplying labor and material in the execution of the work provided in the contract.

Offeror agrees to comply with all terms and conditions outlined in the FEMA Special Conditions section of this solicitation.

Offeror's Name: Hill Country Telephone Cooperative, Inc. (HCTC)

Address, City, State, and Zip Code: 220 Carolyn Street, P. O. Box 768, Ingram, Texas 78025

Phone Number: (830) 367-5333 Fax Number: (830) 367-5994

Printed Name and Title of Authorized Representative: R. Craig Cook, Chief Executive Officer

Email Address: ccook@hctc.coop

Signature of Authorized Representative:  Date: 5-14-21

Qualifications and Experience

i. HISTORY

Originally formed in 1951 as Hill Country Telephone Cooperative, Inc., a non-profit telephone cooperative, the company rebranded in 2017 as HCTC. Today, HCTC has a strong, solid reputation as being the most reliable Internet provider in rural, central Texas. HCTC serves nearly 13,000 customers across 15 counties and over 3,000 square miles in Texas.

HCTC's main headquarters is located at 220 Carolyn Street in Ingram, Texas with remote offices in Comfort, Mason, Junction, and Sonora.

ii. REPUTATION IN MARKETPLACE

HCTC has established itself as a strong community advocate. Our reputation in the community is excellent with many organizations requesting us to provide leadership and support with both employee expertise and financial giving. Currently our employees are actively involved in approximately 40 various community organizations as both representatives of the company and as individuals.

iii. REPUTATION OF PRODUCTS AND SERVICES

In the marketplace, HCTC's products, services, technology, and commitment to our customers have never been stronger. We continue to invest in technology infrastructure that allows our customers to compete in local and global economies, provides educational opportunities, and support health-care to rural Texans through telemedicine.

iv. KEY EMPLOYEES

R. Craig Cook - Chief Executive Officer

Craig has worked in the telecommunication and broadband industries for over 30 years and currently serves as the CEO for Hill Country Telephone Cooperative ("HCTC") in Ingram, Texas. Preceding his current role, Craig served as HCTC's COO for 4 years. Craig began his career with San Marcos Telephone Company (CenturyTel of San Marcos) and has worked for national telecommunications consulting firms CHR and JSI, as well as national service providers GTE / Verizon and

CapRock Communications. Craig has a BBA in Management from Texas State University, an MBA from California Coast University, and a Telecommunications Management Certificate from the University of Dallas. Craig has served as president of the Board of Directors of the Texas Statewide Telephone Cooperative, Inc. (TSTCI), in addition to serving on TSTCI's Legislative and Regulatory Committees, and currently serves on the Regulatory and Legislative Committees of the Texas Telephone Association (TTA). On the national front, Craig currently serves on the Board of the Services Management Corporation (SMC), a subsidiary of NTCA, the Rural Broadband Association, as well NTCA's Futures Task Group and NTCA's Industry & Regulatory Policy Committee. Craig also participates on the National Exchange Carrier Association (NECA) Rate Development Task Group.

Samantha Munoz – Director of Finance

Samantha Munoz is a CPA with 10 years of telecommunications experience and is responsible for all financial reporting mechanisms including regulatory reporting, budgeting and process efficiencies. During her tenure, her processes and results driven mentality has assisted HCTC with effectively managing finances and encouraging growth.

Samantha Munoz earned her B.B.A. degree in 2001 with a concentration in Finance/Accounting and passed her CPA exam in 2005. Samantha spent nine years as a public accountant working in the fields of audit and tax. In 2010 she joined HCTC as a staff accountant and currently serves as the Director of Finance.

Scott Link - Chief Operations Officer

Scott Link worked for 16 years at AT&T. His positions spanned from network engineering design, construction operations, project management, staffing and budgetary management, and quality management roles.

Scott spent these past 2 years at HCTC as Chief Operations Officer managing Network and Plant Operations.

Relevant Industry Certifications include Six Sigma Black Belt and BSEE from Texas A&M.

Patrick Tinley - Director Network Operations

4 years as US Army Veteran as a Tank Crewman.

7 years performing Equipment Restoration for several companies.

9 years at TRC Engineering as the General Manager of Long Distance.

12+ years at HCTC as Central Office Operations Manager managing network capacity, central office switching gear, core network, IP transport, and field concentrators.

Relevant Industry Certifications include Associates Degree in Applied Sciences of Electronics and Tekelec Eagle SS7.

Randy Henckel - Director Field Operations

14 years as US Navy Veteran, Submarine Service, Reactor Controls Division Chief and Staff Instructor at Nuclear Power School.

7 years as Technology Director in K-12 Public School and as a Systems Integrator/Network Architect at numerous other K-12 Public Schools.

8 years as Network and Data Center Manager for Enterprise Business with 65+ retail and manufacturing locations.

11+ years at HCTC in Field Operations providing quality service and support for Fiber/Copper customers as well as customized network solutions.

Relevant Industry Certifications include ISC2 CISSP, Microsoft MCSE, Cisco CCNP/CCDP, Ubiquity Wireless Admin, Avaya Admin, CJIS L4.

Michael Freeman - Director Construction and Engineering

27+ years in the telecommunications industry with 20 years installing phone systems including VA Regional offices and VA Hospitals.

4 years at MCI as Phone System Installer managing network support and digital cross connects.

16+ years at HCTC. Positions spanning from residential and business installation along with repair, outside plant planning and engineering, and construction.

Relevant Industry Certifications include Nortel, Avaya IPO, NEC 2400, and Tadiran phone systems.

Randy Farrell - IT Manager

Over 30 Years in the Telecommunications Information Technology industries.

15 years at Capital Telecommunications Inc and Starvox Communications with multiple technical services roles supporting voice transport and internet data services for wholesale and business customers throughout Texas and Louisiana.

13+ years at HCTC as Information Technology Manager. Coordinating, planning, and leading computer-related activities for the IT department including Cybersecurity Certification the design and deployment and the support of multiple Internal Data Systems

Relevant Industry Certifications BSIT from Purdue Global University, CISCO CCENT CCNA, and Member IEEE Computer Society.

v. EXPERIENCE WITH SCHOOLS

HCTC has a long history of working with our local schools to help provide the services needed for their students and was one of the first to provide fiber optic connectivity to many public schools. HCTC provides wide area network services in some districts, providing for connectivity amongst multiple locations via fiber optic cable.

In our local school district, Ingram ISD, HCTC is an established partner with their newly establish P-TECH program. This program provides for a 2-year associates degree for students upon completion and high school graduation. HCTC has signed an agreement to act as both a consultant for curricula and a host for on-the-job internship training.

vi. E-RATE PROGRAM

Each school district is assigned a personal Sales Solution Specialist from HCTC. These specialists understand the e-rate funding process and are available to assist

and guide their schools during each step. In addition, HCTC currently utilizes multiple consulting agencies which offer legal and other professional assistance to train our specialists and to resolve any extraordinary situations.

The HCTC Sales Solution Specialists ensure that the e-rate process is handled as efficiently and as painfully as possible.

vii. PAST LITIGATION

HCTC has no past litigation, bankruptcy, reorganization, or state investigations of entity or current officers and directors.

viii. CUSTOMER REFERENCES

Kerrville Auto Spa

Bill and Lisa Renfrow

Business Phone Number: 830-315-2886, Cell: 830-377-3556

1010 Sidney Baker

Kerrville, TX 78028

Years of Service: 9/7/2018

Description: Car Wash

Annual Revenue: \$1,944.72

Moss Motors

Ann Moss

99 Coronado

Kerrville, TX 78028

Business Phone Number: 830-895-5858

Years of Service: 4/26/2011

Description: Auto Repair

Annual Revenue: \$3,367.56

Schreiner University

Rex Quick

2100 Memorial Blvd

Kerrville, TX 78028

Business Phone Number: 830-792-7344

Years of Service: 7/07/2017

Description: University

Annual Revenue: \$23,460.00

Hill Country Youth Ranch

Janet Taylor

3484 Highway 27 W

Ingram, TX 78025

Years of Service: 4/26/2004

Description: School

Annual Revenue: \$17,307.12

Peterson Regional Medical Center

Brian Robicheaux, Chief Information Officer
830-258-7258 brobicheaux@petersonhealth.com
Kerrville, TX

Number of years serviced: March 2010

Description of services: DIA, TLAN network, telephony, Data Center

Annual revenue: \$74,172

City of Kerrville

Charvy Tork, Director of Information Technology

830-258-1507 charvy.tork@kerrville.gov

Kerrville, TX

Number of years serviced: March 2010

Description of services: DIA, TLAN network, telephony, CPE (dark fiber and wireless build out)

Annual revenue: \$74,059

Mason County, TX

Judge Jerry Bearden, Mason County Judge and President of Commissioners Court

325-347-5556 county.judge@co.mason.tx.us

Mason, TX

Number of years serviced: November 2016

Description of services: DIA, telephony, CPE (phone system, dark fiber build out)

Annual revenue: \$28,344

Cameron-Brooks, Inc

Chuck Alvarez, President

830-997-7505 calvarez@cameron-brooks.com

Fredericksburg, TX

Number of years serviced: December 2014

Description of services: DIA, CPE (wireless network, data network services.)

Annual revenue: \$5,399

JAM Broadcasting

Justin McClure, President

830-896-1230 thecrustychicken@gmail.com

Kerrville, TX

Number of years serviced: September 2017

Description of services: DIA, Wireless connection, telephony CPE (data network configuration)

Annual revenue: \$10,337

Kerrville Aviation

Joseph Kennedy, President

830-257-8840 jkennedy@hctc.net

Number of years serviced: 7

Description of services: DIA, telephony, CPE (wireless, network and phone system maintenance)

Annual revenue: \$ 5,400

Gil Honea, Tier 3 Network Engineer, CalTech

Kerr County Federal Credit Union

And Mason State Bank

325-947-5516 gilbert.honea@caltech.com

Number of years serviced: 4

Description of services: DIA, TLAN network and telephony

Annual revenue: \$36,000

ix. ADDITIONAL INFORMATION

No additional information



October 5, 2020

FOR IMMEDIATE RELEASE

Media Contact:

Bernice Fischer

HCTC | Marketing Manager

bfischer@hctc.coop | 830.367.6226

HCTC Awarded DOER Program Award by the FCC

INGRAM, TX – October 5, 2020 – HCTC, headquartered in Ingram, Texas, announced today that once again HCTC was recognized by the FCC for their efforts to serve its residents during the pandemic.

“Recently, FCC Commissioner Geoffrey Starks created the Digital Opportunity Equity Recognition (DOER) Program to acknowledge the efforts of individuals and corporations to ‘close the digital divide in communities without access to affordable, reliable broadband,’” stated Craig Cook, Chief Executive Officer of HCTC. “In mid-September, the FCC announced the honorees of the inaugural DOER Program and HCTC was one of only 22 individuals, organizations and corporations nationwide to be recognized for its efforts,” said Cook.

Of the total 22 awardees, only 11 were service providers like HCTC, and HCTC was the only Texas company to be recognized.

“We are honored to accept the recognition that each and every one of our employees helped us earn,” states Cook. “Through the DOER program award, we’ve been recognized as a leader in our industry by going above and beyond to expand the availability of essential and affordable broadband services to those in need right here in the heart of Texas,” states Cook. “It is a privilege to be given this award and for us to continue to provide reliable Internet access to the communities we serve.”

About HCTC

Headquartered in Ingram, Texas, HCTC was established in February of 1951 as a telephone cooperative dedicated to serving the telecommunications needs of residents in rural central Texas. Through the years, HCTC has evolved as the preferred provider for fiber Internet, telephone, data storage, and business technology solutions for both residential and business customers. HCTC currently serves over 13,000 customers across 15 counties, spanning nearly 3,000 square miles. Further information may be found online [here](#). Additional information about HCTC is available via our [YouTube channel](#), on [Facebook](#), [Twitter](#), and [LinkedIn](#).

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April 15, 2020

FOR IMMEDIATE RELEASE

Media Contact:

Bernice Fischer

HCTC | Marketing Manager

bfischer@hctc.coop | 830.367.6226

HCTC is Recognized by the FCC for Going Above and Beyond the FCC's "Keep Americans Connected Pledge"

INGRAM, TX – April 15, 2020 (PRWeb) – HCTC, headquartered in Ingram, Texas, announced today that they have been recognized by the FCC for going above and beyond the FCC's pledge to "Keep Americans Connected" during the current COVID-19 pandemic.

As the primary Internet provider to communities spread over 15 counties and 3,000 square miles across rural Central Texas, HCTC is standing with the state of Texas, local and county officials, and the FCC to go above and beyond the FCC's "Keep Americans Connected Pledge" to provide Internet to Texans in need within HCTC's service areas.

"In these uncertain times, we want to let our customers know that we're working hard around the clock to keep them connected. HCTC was one of the first carriers nationwide to adopt the FCC's 'Keep Americans Connected Pledge' to ensure all of our customers stay connected during the COVID-19 pandemic, and we are now honored to be [recognized by the FCC](#)* for our commitment of going above and beyond that pledge," states Craig Cook, Chief Executive Officer of HCTC.

"We have proactively reached out to all the school districts we serve in 15 counties across Texas, in an effort to identify students and teachers in need of Internet service. We are providing Internet service free of charge through the remainder of the school year to those in need. HCTC is providing connectivity to many who have never had it, and we are investing many thousands of dollars in our communities to make this happen," states Cook. "Finally, anyone in need of extra levels of service during this time who cannot afford it will be assisted."

HCTC is proud to provide essential services to businesses, schools, hospitals, universities, and individuals all across the great state of Texas. "We are committed to help Texans #StayHome. While HCTC's primary concern remains the health and safety of our employees and customers, we are doing our part to ensure continuity of service so that our customers can rely on us to remain connected with family, friends, work, and educators, as we go through these uncharted waters together," states Cook.

About HCTC

Headquartered in Ingram, Texas, HCTC was established in February of 1951 as a telephone cooperative dedicated to serving the telecommunications needs of residents in rural central Texas. Through the years, HCTC has evolved as the preferred provider for fiber Internet, telephone, security, data storage, and business technology solutions for both residential and business customers. HCTC currently serves almost 12,000 customers across 15 counties, spanning nearly 3,000 square miles. Further information may be found [online](#). Additional information about HCTC is available via our [YouTube channel](#), on [Facebook](#), [Twitter](#), and [LinkedIn](#).

* FCC listed HCTC as "Hill Country" on their website.



March 19, 2020

FOR IMMEDIATE RELEASE

Media Contact:

Bernice Fischer

HCTC | Marketing Manager

bfischer@hctc.coop | 830.367.6226

HCTC Signs Onto the FCC's "Keep Americans Connected Pledge"

INGRAM, TX – March 19, 2020 – HCTC, headquartered in Ingram, Texas, announced today that they signed onto the FCC's pledge to "Keep Americans Connected" during the current coronavirus (COVID-19) pandemic.

Last week, the FCC issued a press release detailing its efforts to ensure that during the current pandemic, Americans who are affected will not lose access to their broadband or telephone connectivity. The FCC has termed this effort as the "Keep Americans Connected Pledge."

"Within 24 hours of the FCC's outreach to the industry seeking support for this effort, HCTC signed onto the pledge and was listed in the FCC's press release, along with a number of companies from across the nation supporting the measure, including AT&T, Sprint, Verizon, T-Mobile and a number of other smaller regional providers," states Craig Cook, Chief Executive Officer of HCTC.

As part of this pledge, HCTC has agreed that for the next 60 days they will:

- 1) not terminate service to any residential or small business customers because of their inability to pay their bills due to the disruptions caused by the coronavirus (COVID-19) pandemic;
- 2) waive any late fees that any residential or small business customers incur because of their economic circumstances related to the coronavirus (COVID-19) pandemic; and
- 3) open its Wi-Fi hotspots to any American who needs them.

"While HCTC's primary concern remains the health and safety of our employees and customers, we are doing our part to ensure continuity of service so that our customers can rely on remaining connected with family and friends as we all go through these uncharted waters together," states Cook. "We appreciate the continued support of the cooperative and our customers during these uncertain times."

About HCTC

Headquartered in Ingram, Texas, HCTC was established in February of 1951 as a telephone cooperative dedicated to serving the telecommunications needs of residents in rural central Texas. Through the years, HCTC has evolved as the preferred provider for fiber Internet, telephone, security, data storage, and business technology solutions for both residential and business customers. HCTC currently serves almost 12,000 customers across 15 counties, spanning nearly 3,000 square miles. Further information may be found online [here](#). Additional information about HCTC is available via our [YouTube channel](#).

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December 19, 2019

FOR IMMEDIATE RELEASE

Media Contact:

Bernice Fischer

HCTC | Marketing Manager

bfischer@hctc.coop | 830.367.6226

HCTC's "Giving Spirit" Campaign Brings Christmas Joy to Nearly 150 Texas Hill Country Children

INGRAM, TX – December 19, 2019 – HCTC, headquartered in Ingram, Texas, announced today that they gathered nearly 150 toys for less fortunate children in the Texas Hill Country through their "Giving Spirit" campaign and distributed those toys through several charities, including K'Star's Emergency Childrens' Shelter, Bluebonnet CASA, and Sutton County Food Pantry and Resource Center.

"We are overwhelmed in the best way by the giving spirit here in the Texas Hill Country," stated HCTC's Chief Executive Officer, Craig Cook. "This is the third year of our Christmas toy drive campaign and we could not be prouder of our long-time customers – and new customers – for their giving spirit," stated Cook. Customers who donated a toy of at least a \$15 value were eligible for upgrades to their existing service (or new service). "One sweet couple came in with a girl's bike (pink) with helmet, and a boy's bike (green) with helmet. They weren't yet customers but signed up on the spot for our Internet service. We were – and remain – humbled by their generosity and trust in our service," stated Cook.

"We are thankful for our team and for our customers," stated Bernice Fischer, Marketing Manager. "Through the giving spirit of our customers, many less fortunate children will be able to enjoy Christmas this year. We are happy to have contributed the toys we collected for K'Star Emergency Children's Shelter, Bluebonnet CASA, and Sutton County Food Pantry and Resource Center."

About HCTC

Headquartered in Ingram, Texas, HCTC was established in February of 1951 as a telephone cooperative dedicated to serving the telecommunications needs of residents in rural central Texas. Through the years, HCTC has evolved as the preferred provider for fiber Internet, telephone, security, data storage, and business technology solutions for both residential and business customers. HCTC currently serves almost 12,000 customers across 15 counties, spanning nearly 3,000 square miles. Further information may be found online [here](#). Additional information about HCTC is available via our [YouTube channel](#).

About K'Star Emergency Shelter

K'STAR is dedicated to providing a safe refuge for children who are experiencing dangerous situations at home or who have been removed from their home by Child Protective Services. Their emergency shelter offers a safe place for up to 20 children under the age of 17. Children are hosted from one to 90 days. For more information, visit them online at <http://www.kstar.org/emergency-shelter.html>.

About Bluebonnet CASA

Bluebonnet CASA provides and supports trained community Guardian Ad Litem Volunteers to advocate for the best interest of abused and neglected children involved in the court system, and to facilitate placement of these children in safe, loving and permanent homes as quickly as possible. For more information, visit them online at <https://bluebonnetcasa.org/>.

About Sutton County Food Pantry and Resource Center

The Sutton County Food Pantry and Resource Center seeks to provide for the nutritional and social service needs of residents and visitors to Sutton County. Their contact email is scrc.director@gmail.com. For more information, visit their Facebook page at <https://www.facebook.com/pg/foodresourceofsuttoncounty/about/>.

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For Immediate Release

Contact: Lauren Gaydos
703-351-2015
lgaydos@ntca.org

HCTC Wins Smart Rural Community Showcase Award

Arlington, VA, (February 23, 2021) –NTCA–The Rural Broadband Association Chief Executive Officer, Shirley Bloomfield, today announced HCTC as a winner of the 2020 Smart Rural CommunitySM (SRC) Showcase Award.

HCTC is a member of NTCA, the premier association representing nearly 850 independent, community-based telecommunications companies in rural communities across America. NTCA’s SRC program is a network of communities supported by providers who are committed to creating opportunities in their communities through high-quality broadband service. Showcase Awards are given to those SRC members that best exemplify the program’s goal of driving growth in rural communities.

“As we all grappled with the COVID-19 pandemic last year, our SRC members led the charge to ensure that their communities stayed connected during such a crucial time,” said Bloomfield. “The 2020 Showcase Award Winners are truly the best-of-the-best who went above and beyond to serve their communities. I want to congratulate HCTC for winning the 2020 Showcase Award, and also to thank them for the work they have done to keep small-town America connected.”

“We wish to thank our team members for their commitment to keeping our customers connected,” stated Chief Executive Officer of HCTC, R. Craig Cook. “Their hard work and diligence have made a huge difference in the lives of our customers. And to our customers, we want to say ‘thank you’ for trusting us to provide high-quality broadband and fiber Internet service to keep you connected to work, school, family, and friends. We are grateful for you.”

To learn more about the SRC program, click [here](#). The 2020 Showcase Award Winners were announced at the 2021 RTIME Online conference. Watch the announcement video at:
<https://www.youtube.com/watch?v=mvpkdmQAS0Q&feature=youtu.be>



###

NTCA–The Rural Broadband Association is the premier association representing nearly 850 independent, community-based telecommunications companies that are leading innovative change in smart rural communities across America. In an era of transformative technological developments, regulatory challenges, and marketplace competition, NTCA members are advancing efforts to close the digital divide by delivering robust and high-quality services over future-proof networks. Their commitment to building sustainable networks makes rural communities the fertile ground for innovation in economic development, e-commerce, health care, agriculture and education, and it contributes billions of dollars to the U.S. economy every year. For more information, visit us at www.ntca.org.



September 16, 2020

FOR IMMEDIATE RELEASE

Media Contact:

Bernice Fischer

HCTC | Marketing Manager

bfischer@hctc.coop | 830.367.6226

HCTC Gives to Local Charities Through Participation in CoBank's 2020 Sharing Success Program

INGRAM, TX – September 16, 2020 – HCTC, headquartered in Ingram, Texas, announced today that their participation in CoBank's 2020 Sharing Success Program will result in a total charitable contribution of \$20,000 to local organizations.

"In these uncertain times, HCTC wants to ensure that the most vulnerable in our communities are supported," states Craig Cook, Chief Executive Officer of HCTC. "During this COVID-19 pandemic, we know that the abused in our communities have felt trapped in their homes. That's why we wanted to give to non-profit organizations that specifically help women and children escape abusive environments."

HCTC donated \$2,500 each to Mercy Gate Ministries (Ingram Magdalene House), Arms of Hope (Medina Children's Home), The Grace Center in Fredericksburg, and the Hill Country Crisis Center. With a matching grant from CoBank, each of these organizations will receive a total of \$5,000.

"We are thankful for the matching gifts to these organizations through CoBank's 2020 Sharing Success Program," states Cook. "Through this program, we're helping women and children in Kerr, Kendall, Kimble, Gillespie, and Bandera counties. We are committed to giving back to our communities," states Cook. "We appreciate the continued support of the cooperative and our customers during these uncertain times."

About HCTC

Headquartered in Ingram, Texas, HCTC was established in February of 1951 as a telephone cooperative dedicated to serving the telecommunications needs of residents in rural central Texas. Through the years, HCTC has evolved as the preferred provider for fiber Internet, telephone, security, data storage, and business technology solutions for both residential and business customers. HCTC currently serves over 13,000 customers across 15 counties, spanning nearly 3,000 square miles. Further information may be found online [here](#). Additional information about HCTC is available via our [YouTube channel](#), on [Facebook](#), [Twitter](#), and [LinkedIn](#).

###

ACKNOWLEDGMENT AND ACCEPTANCE
OF REGION 4 ESC's OPEN RECORDS POLICY

OPEN RECORDS POLICY

All proposals, information and documents submitted are subject to the Public Information Act requirements governed by the State of Texas once a Contract(s) is executed. If an Offeror believes its response, or parts of its response, may be exempted from disclosure, the Offeror must specify page-by-page and line-by-line the parts of the response, which it believes, are exempt and include detailed reasons to substantiate the exemption. Price is not confidential and will not be withheld. Any unmarked information will be considered public information and released, if requested under the Public Information Act.

The determination of whether information is confidential and not subject to disclosure is the duty of the Office of Attorney General (OAG). Region 4 ESC must provide the OAG sufficient information to render an opinion and therefore, vague and general claims to confidentiality by the Offeror are not acceptable. Region 4 ESC must comply with the opinions of the OAG. Region 4 ESC assumes no responsibility for asserting legal arguments on behalf of any Offeror. Offeror is advised to consult with their legal counsel concerning disclosure issues resulting from this procurement process and to take precautions to safeguard trade secrets and other proprietary information.

Signature below certifies complete acceptance of Region 4 ESC's Open Records Policy, except as noted below (additional pages may be attached, if necessary).

Check one of the following responses to the Acknowledgment and Acceptance of Region 4 ESC's Open Records Policy below:

- We acknowledge Region 4 ESC's Open Records Policy and declare that no information submitted with this proposal, or any part of our proposal, is exempt from disclosure under the Public Information Act.
- We declare the following information to be a trade secret or proprietary and exempt from disclosure under the Public Information Act.

(Note: Offeror must specify page-by-page and line-by-line the parts of the response, which it believes, are exempt. In addition, Offeror must include detailed reasons to substantiate the exemption(s). Price is not confident and will not be withheld. All information believed to be a trade secret or proprietary must be listed. It is further understood that failure to identify such information, in strict accordance with the instructions, will result in that information being considered public information and released, if requested under the Public Information Act.)


5-14-21
Date


Authorized Signature & Title

ANTITRUST CERTIFICATION STATEMENTS
(Tex. Government Code § 2155.005)
Attorney General Form

I affirm under penalty of perjury of the laws of the State of Texas that:

1. I am duly authorized to execute this Contract on my own behalf or on behalf of the company, corporation, firm, partnership or individual (Company) listed below;
2. In connection with this proposal, neither I nor any representative of the Company has violated any provision of the Texas Free Enterprise and Antitrust Act, Tex. Bus. & Comm. Code Chapter 15;
3. In connection with this proposal, neither I nor any representative of the Company has violated any federal antitrust law; and
4. Neither I nor any representative of the Company has directly or indirectly communicated any of the contents of this proposal to a competitor of the Company or any other company, corporation, firm, partnership or individual engaged in the same line of business as the Company.

Company Hill Country Telephone Cooperative, Inc. (HCTC)	Contact	 Signature
Address 220 Carolyn Street P. O. Box 768 Ingram, Texas 78025	Official Authorizing Proposal	R. Craig Cook Printed Name Chief Executive Officer Position with Company
Phone (830) 367-5333		Signature
Fax (830) 367-5994		Printed Name Position with Company

CERTIFICATE OF INTERESTED PARTIES

FORM 1295

1 of 1

Complete Nos. 1 - 4 and 6 if there are interested parties.
 Complete Nos. 1, 2, 3, 5, and 6 if there are no interested parties.

**OFFICE USE ONLY
 CERTIFICATION OF FILING**

Certificate Number:
 2021-749994

Date Filed:
 05/10/2021

Date Acknowledged:

1 Name of business entity filing form, and the city, state and country of the business entity's place of business.

Hill Country Telephone Cooperative, Inc. (HCTC)
 Ingram, TX United States

2 Name of governmental entity or state agency that is a party to the contract for which the form is being filed.

Region 4 Education Service Center

3 Provide the identification number used by the governmental entity or state agency to track or identify the contract, and provide a description of the services, goods, or other property to be provided under the contract.

RFP 21-08
 Broadband Internet Service

4	Name of Interested Party	City, State, Country (place of business)	Nature of interest (check applicable)	
			Controlling	Intermediary
	Cook, R. Craig	Ingram, TX United States	X	

5 Check only if there is NO Interested Party.

6 UNSWORN DECLARATION

My name is R. CRAIG COOK, and my date of birth is 3-22-69.

My address is 220 CAROLYN (street), INGRAM (city), TX (state), 78025 (zip code), USA (country).

I declare under penalty of perjury that the foregoing is true and correct.

Executed in KERR County, State of TEXAS, on the 14TH day of MAY, 20 21.
 (month) (year)

R. Craig Cook
 Signature of authorized agent of contracting business entity
 (Declarant)

Texas Government Code 2270 Verification Form

House Bill 89 (85R Legislative Session), which adds Chapter 2270 to the Texas Government Code, provides that a governmental entity may not enter into a contract with a company without verification that the contracting vendor does not and will not boycott Israel during the term of the contract.

Furthermore, Senate Bill 252 (85R Legislative Session), which amends Chapter 2252 of the Texas Government Code to add Subchapter F, prohibits contracting with a company engaged in business with Iran, Sudan or a foreign terrorist organization identified on a list prepared by the Texas Comptroller.

I, R. Craig Cook, as an authorized representative of

Hill Country Telephone Cooperative, Inc. (HCTC), a contractor engaged by

Insert Name of Company

Region 4 Education Service Center, 7145 West Tidwell Road, Houston, TX 77092, verify by this writing that the above-named company affirms that it (1) does not boycott Israel; and (2) will not boycott Israel during the term of this contract, or any contract with the above-named Texas governmental entity in the future.

Also, our company is not listed on and we do not do business with companies that are on the Texas Comptroller of Public Accounts list of Designated Foreign Terrorists Organizations found at <https://comptroller.texas.gov/purchasing/docs/foreign-terrorist.pdf>.

I further affirm that if our company's position on this issue is reversed and this affirmation is no longer valid, that the above-named Texas governmental entity will be notified in writing within one (1) business day and we understand that our company's failure to affirm and comply with the requirements of Texas Government Code 2270 et seq. shall be grounds for immediate contract termination without penalty to the above-named Texas governmental entity.

I swear and affirm that the above is true and correct.


Signature of Named Authorized Company Representative

5-14-21
Date

MASTER SERVICE AGREEMENT
Region 4 Education Service Center
Internet Service Provider for TEA Connect Texas Program

This MASTER SERVICE AGREEMENT (the "Agreement") is made as of the Effective Date set forth below between Hill Country Telephone Cooperative, Inc., for itself and any affiliated companies providing the applicable services ("Provider"), and the Customer identified below on the signature page of this Agreement (the "Customer").

SPECIAL PROVISIONS APPLICABLE TO GOVERNMENTAL CUSTOMER: This Agreement is for the provision of certain facilities to Customer as a state or local governmental agency and is subject to (1) Provider's response(s) to any applicable Request for Proposal or similar solicitation referencing this Agreement (the "RFP Response(s)"), including, without limitation, any Customer-required contract executed by Provider in accordance with the RFP (the "RFP Contract") and (2) the additional terms and conditions as well as exceptions to the standard terms hereof as required for services to Customer as a Texas school district and set forth in **Addendum 1** attached hereto and incorporated herein by reference. In the event of a conflict between Provider's RFP Response(s), including any RFP Contract, and this Agreement, the terms of the RFP Response(s) shall control. Additionally, in the event of any conflict between Addendum 1 attached to this Agreement and the standard terms and conditions of this Agreement, the terms of Addendum 1 shall control.

WHEREAS, Provider provides communications services which Customer desires to purchase as set forth herein.

Now, therefore, it is agreed as follows:

1. **Services.** During the Term of this Agreement, Provider will provide Customer with the specific services identified on each Service Order expressly made subject to the terms hereof (the "Service" or "Services"). Each Service Order shall be subject to and shall reference this Agreement and shall become a part of this Agreement when executed by a duly authorized representative of Customer and Provider. Provider's standard Service Order form is attached to this Agreement.

2. **Term.** The term of this Agreement shall be for three years from the Effective Date set forth on the signature page below (the "Term"). Each Service Order executed during the Term of this Agreement shall set its own minimum service term (the "Service Term"). Each Service Order shall continue following the expiration of its Service Term on a month-to-month basis at the then existing monthly rates for the Service unless and until the Service Order is terminated by either party by providing the other party with at least thirty (30) days prior written notice of termination. Notwithstanding anything herein to the contrary, if the Service Term for any Service Order extends beyond the expiration of the Term of this Agreement, then this Agreement shall continue in effect until the expiration or termination of the applicable Service Term, but only as to the Service Order so affected, and subject to the termination rights of Provider and Customer under this Agreement.

3. **Pricing of Services.** During the Term, Customer shall pay Provider for the Services as set forth in each executed Service Order. With respect to each Service Order, except as provided below, Provider shall not increase pricing of ordered Services during the Service Term, but thereafter Provider may increase pricing of the Services upon thirty (30) days prior written notice. Upon receipt of such notice, Customer may accept the price increase and continue to purchase the affected Services or cancel all of the Services affected by the price increase upon written notice to Provider. Customer acknowledges that the Services furnished pursuant to this Agreement may be, in part, delivered through the use of local exchange carrier tariffed rates

and other charges of third party providers ("Telco Charges"). These charges may increase over time if the local exchange carriers or other carriers make adjustments to rate structures or the Telco Charges are otherwise adjusted to comply with regulatory action of the Public Utility Commission of Texas, the Federal Communications Commission or other governmental authority. Provider reserves the right to modify its rates for any Services provided under this Agreement to reflect any increases in Telco Charges applicable to the Services.

4. **Payment.** Non-Recurring Charges shall be invoiced upon the Service Activation Date (as hereafter defined) or otherwise as provided in the Service Order. Monthly Recurring Charges ("MRC") and other normal service charges shall be invoiced monthly in advance. All undisputed amounts owed by Customer shall be paid within thirty (30) days after the date of the invoice and Provider reserves the right to charge interest on all undisputed delinquent payments and on any disputed payments withheld by Customer that are finally determined to be owed to Provider at the lesser of 1½% per month or the maximum amount allowed by law. If Customer disputes any charges, Customer shall so notify Provider in writing setting forth the basis for the dispute and shall furnish all documentation supporting the withholding of payment within sixty (60) days of the invoice date, but shall continue to timely pay all portions of the invoices not in dispute. In the event that all undisputed charges owed pursuant to Provider's invoice are not paid in full by Customer within thirty (30) days of the due date, Provider will have the right, after providing Customer with five (5) days prior notice, in addition to its other remedies, to suspend or disconnect any Services provided pursuant to this Agreement. Prices do not include taxes and related charges (however designated), and all taxes, fees and governmental charges imposed on the provided Services shall be paid by Customer in addition to any other amounts owing (except for any taxes or fees assessed upon Provider's net income). Such amounts will be listed separately on Customer's invoices. If Customer is entitled to an exemption from any applicable taxes, Customer is responsible for presenting Provider with a valid exemption certificate. Provider will give effect to any valid exemption certificate provided in accordance with the foregoing sentence to the extent it applies to any Services billed by Provider to Customer following Provider's receipt of such exemption certificate.

5. **Delivery of Service/Ordering.**

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5.1 *Service Orders.* Upon request, Provider shall provide Customer with quotations for Services on Provider's network and/or selected third party networks. Services entirely provided through networks owned by Provider and its affiliated companies are hereafter referred to as "On-Net Services." Services provided in whole or in part utilizing third party networks provisioned by Provider through a third party carrier for the benefit of Customer are hereafter referred to as "Off-Net Services." Provider reserves the right to revoke or amend any quotation in writing prior to acceptance by Customer and execution of a written Service Order by Customer and Provider. If Customer chooses to accept the quotation for a particular service configuration, Customer shall so notify Provider and Provider shall submit a Service Order to Customer for review and acceptance. A Service Order is "accepted" by Customer when executed by an authorized representative of Customer. Customer's acceptance of a Service Order will indicate Customer's agreement as to the accuracy of the details contained on the Service Order and will constitute a contractual obligation of Customer for the Services specified in such Service Order.

5.2 *Facilities.* Provider may substitute, change or rearrange any equipment, facility or system used by Provider in providing Services at any time and from time to time, but shall not thereby alter the technical parameters of the Services provided hereunder. Customer and its end user, and not Provider, shall have sole responsibility for installation, testing and operation of any interconnection facilities and other equipment, facilities, systems or services used in connection with Provider's Services (the "Customer Facilities"), and Customer may not delay, suspend or abate payment for the Services due to any failures attributable to such Customer Facilities.

6. Installation; Outages and Credits.

6.1 *Installation.* Installation of a Service shall be deemed completed when Provider activates and turns over the particular circuit or other Service as ordered to Customer or its end user, the Service meets the service requirements set forth herein, and the Service is otherwise operative, or, if earlier, the date Customer or its end user commences use of the applicable Services other than strictly for testing purposes (the "Service Activation Date").

6.2 *Outage.* For purposes of this Agreement, the term "Outage" shall mean a total interruption in service, except for any interruption that is attributable to an Excused Outage. An "Excused Outage" shall mean any interruption, unavailability, delay, or other degradation of service related to, associated with, or caused by (i) scheduled maintenance events (with notice, if any, to be provided in accordance with Provider's normal, internal maintenance policies for residential services), (ii) Customer or end user actions or inactions, (iii) failure of Customer or end user -provided power or equipment or other Customer Facilities, (iv) any third party but excluding any such third party that is engaged by Provider by or on behalf of Customer or its end user, (v) any outage of a circuit provided by a carrier other than Provider, or (vi) a force majeure event as described in Section 12 below. The duration of any Outage will commence upon the earlier of the time when Customer or its end user reports an Outage to Provider or the time when Provider becomes aware of such Outage and will end when the Outage is

repaired and the Service meets the service requirements set forth herein, and the Service is otherwise operative and functioning.

6.3 *Credits.* Outage credits will only be provided in Provider's discretion and in accordance with its normal, internal credit policies for residential services. Credits, if issued, will only apply to MRCs for the Services and Service locations actually affected by the Outage. Credits will only be issued to Customer and will be applied to the applicable Customer invoice(s) as determined by Provider. In no case will credits be issued directly to Customer's end users. Provider does not issue credits for Excused Outages or any Outages on Off-Net Services. In the event a tariff applies to any Services or Service components, the credits and related terms, if any, set forth in the tariff will apply.

7. Indemnification and Limitations of Liability.

7.1(a) *General Indemnification.* EXCEPT AS OTHERWISE PROVIDED IN SECTION 7.2 BELOW, EACH PARTY AGREES TO INDEMNIFY, DEFEND AND HOLD HARMLESS THE OTHER PARTY AND ITS OFFICERS, DIRECTORS, SHAREHOLDERS, AGENTS, AFFILIATES AND EMPLOYEES FROM AND AGAINST ANY THIRD-PARTY CLAIMS, ACTIONS, DEMANDS AND LIABILITIES ("CLAIMS") DIRECTLY ARISING OUT OF THE INDEMNIFYING PARTY'S GROSS NEGLIGENCE OR WILLFUL MISCONDUCT IN THE PERFORMANCE OF THIS AGREEMENT. NOTWITHSTANDING ANY OTHER PROVISION HEREIN TO THE CONTRARY, NEITHER PARTY NOR THE INDEMNIFIED PARTIES OF ANY PARTY SHALL BE LIABLE TO THE OTHER PARTY FOR SPECIAL, PUNITIVE, EXEMPLARY, CONSEQUENTIAL, INCIDENTAL OR INDIRECT LOSSES OR DAMAGES INCLUDING, WITHOUT LIMITATION, LOST REVENUES OR PROFITS (OTHER THAN PROVIDER'S RIGHT TO PAYMENT UNDER THIS AGREEMENT), COST OF REPLACEMENT FACILITIES OR SERVICES (WHETHER ARISING OUT OF OUTAGES OR OTHER TRANSMISSION INTERRUPTIONS OR PROBLEMS, ANY INTERRUPTION OR DEGRADATION OF SERVICE OR OTHERWISE), WHETHER OR NOT FORESEEABLE, SUFFERED BY SUCH OTHER PARTY AS A RESULT OF THE PERFORMANCE OR NONPERFORMANCE OF ITS OBLIGATIONS UNDER THIS AGREEMENT, OR ITS ACTS OR OMISSIONS RELATED TO THIS AGREEMENT, WHETHER OR NOT ARISING FROM SOLE, JOINT OR CONCURRENT NEGLIGENCE, STRICT LIABILITY, VIOLATION OF LAW BREACH OF CONTRACT, BREACH OF WARRANTY OR ANY OTHER SOURCE EVEN IF THE PARTIES HAVE BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

7.1(b) *Limited Liabilities of Provider Group.* As used in this Agreement, the term "Provider Group" shall mean: (i) Provider; (ii) any third parties providing facilities or equipment used by Provider in furtherance of Provider's provision of Services to Customer; (iii) any affiliates of Provider or such third parties; and (iv) any director, officer, agent, servant, employee, independent contractor, or supplier of Provider, any such third parties, or any such affiliates. Customer agrees that any limitation of liability or protection to which Provider may be entitled, arising out of this Agreement or Services performed hereunder, shall fully apply to and benefit Provider Group as an indemnified party, in the same manner and to the same extent such provisions or protection apply to and benefit Provider. Further,

notwithstanding anything in this Agreement to the contrary, except for indemnity obligations arising pursuant to Section 7.1(a) above, the maximum liability of Provider for any contract or tort liability of Provider or the Provider Group or in any other circumstance in which Provider or the Provider Group may have some liability to Customer, for whatever reason arising under or related to this Agreement, shall be limited in the aggregate to an amount equal to three times the MRC under this Agreement for Services for the month preceding the time of the first incident giving rise to the liability.

7.2 Responsibilities for Users of Services. The parties agree that in no event shall Provider be responsible to Customer's end users or other users of the Services for any Claims arising out of the use of the Services or the performance or non-performance of Provider's obligations under this Agreement. Customer agrees that Customer shall be solely responsible for all such Claims and will indemnify and defend Provider and the Provider Group from any such Claim. Customer shall, in any tariff or generally in any contract governing services provided in whole or in part using the Services, provide for a limitation of liability by which the liability of each party to this Agreement is limited to the amount charged or that would have been charged for the affected service, and which provides for no liability for indirect, consequential, special, incidental, punitive or other such damages or for loss of revenue or profits of any kind or nature.

7.3 Remedies Exclusive. Customer acknowledges that the credits or other remedies, if any, provided under Section 6.3 above are the sole and exclusive remedies of Customer and its end users and the sole and exclusive liabilities of Provider with respect to any failure of Provider to provide the Services in accordance with this Agreement or in accordance with Provider's other commitments and obligations under this Agreement.

8. Warranties. EXCEPT AS EXPRESSLY SET FORTH IN THIS AGREEMENT OR IN ANY APPLICABLE SERVICE ORDER, Provider MAKES NO WARRANTIES OR REPRESENTATIONS, EXPRESS OR IMPLIED, EITHER IN FACT OR BY OPERATION OF LAW, STATUTORY OR OTHERWISE, INCLUDING WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, APPLICABLE TO THE SERVICES.

9. Cancellation of Services.

9.1 Voluntary Cancellation by Customer. In addition to the other rights of cancellation or termination contained in this Agreement, Customer may terminate Service after the Service Activation Date and prior to the end of the Service Term upon prior written notice to Provider. In the event that Customer does so, Customer shall pay Provider a termination charge equal to all unpaid amounts for Service provided through the date of termination, plus one hundred percent (100%) of the remaining Monthly Recurring Charges for the terminated Service applicable to the remainder of the Service Term.

9.2 Upon Breach by Customer. In addition to its other rights, Provider may terminate this Agreement: (i) if Customer fails to make any payment required to be made by Customer under this

Agreement and any such failure remains uncorrected for five (5) days after written notice by Provider, or (ii) if Customer fails to perform or observe any other material term or obligation contained in this Agreement, and any such failure remains uncorrected for thirty (30) calendar days after written notice specifying the nature of the default. If Provider terminates the Agreement due to default by Customer, all remaining unpaid charges for the Services, including any previously waived or credited charges applicable to the Services or their installation, any charges applicable to the remainder of the Service Term for each Service as calculated in Section 9.1 above, and any cancellation or termination charges related to the Service for which Provider becomes liable to any third party for Off-Net Services shall be and become immediately due and payable to Provider.

9.3 Not a Penalty. The parties acknowledge that the cancellation or termination charges set forth in this Section 9 are a genuine estimate of the actual damages that Provider will suffer and are not a penalty.

9.4 Cancellation before Service Activation Date. In the event of cancellation of a Service Order prior to the Service Activation Date, no cancellation charges will apply except that Customer shall be charged for all documented out-of-pocket costs, fees and expenses reasonably incurred in connection therewith.

10. Responsibility for Charges. Customer is responsible for all Non-Recurring Charges and MRCs on and after the Service Activation Date.

11. Change Requests. Customer may submit a change to a previously submitted Service Order at any time prior to the Service Activation Date. If in the reasonable discretion of Provider a requested change would result in a material change to the Service Order such as, but not limited to, a change in the endpoints or the speed or capacity of the Service, then Provider may require Customer to sign a new Service Order reflecting revised pricing. In the event that Customer requests such changes, Customer shall be charged for all documented third party costs, fees and expenses reasonably incurred in connection therewith. Except as otherwise specifically stated in this Section 11, there are no fees or charges for changes to a Service Order.

12. Force Majeure. With the exception of Customer's payment obligations, neither party shall be liable for any delay or failure in performance of any part of this Agreement to the extent such delay or failure is caused by fire, flood, explosion, accident, fiber cut, war, strike, embargo, governmental requirement, civil or military authority, Act of God, inability to secure materials, labor or transportation upon reasonable commercial terms, acts or omission of common carriers or warehousemen, or any other causes beyond their reasonable control. Any such delay or failure shall suspend the Agreement until such force majeure ceases, and the applicable Service Term shall be extended by the length of the suspension. In the event Provider is unable to deliver Service as a result of a force majeure event, Customer shall not be obligated to pay Provider for the affected Service for so long as Provider is unable to deliver the affected Service. The Party claiming relief under this Section 12 shall notify the other Party of the occurrence or existence of the force majeure event relied on and the cessation or termination of such event. Customer may cancel or terminate an affected Service without incurring any liability or charges thereby if a force majeure event persists beyond thirty (30) days.

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13. Assignment. Neither party may assign this Agreement without the written consent of the other party, except that either party may assign its rights and/or obligations hereunder: (a) to any subsidiary, parent company or affiliate of such party; (b) pursuant to any sale or transfer of substantially all of the assets of such party; or (c) pursuant to any financing, merger or reorganization of such party.

14. Complete Agreement. This Agreement, and the Service Orders made subject to this Agreement set forth the full agreement of the parties with respect to the subject matter hereof and supersede any prior agreement or understanding. If any provision hereof is held by a court to be invalid, void or unenforceable, the remainder of this Agreement shall nevertheless remain unimpaired and in effect. No term or condition of this Agreement shall be modified or amended except by a writing signed by an authorized representative of both parties. However, one or more additional Service Orders may be subject to the terms and conditions of this Agreement. In the event of a conflict between the terms of this Agreement and any Service Order, the terms of this Agreement shall control.

15. No Partnership Intended. Neither this Agreement, nor the provision of Services hereunder, shall create a partnership or joint venture between the parties or result in a joint communications service offering to any third parties.

16. Non-disclosure: Publicity. Any information or documentation disclosed between the parties during the performance of this Agreement shall be subject to the terms and conditions of any applicable non-disclosure agreement then in effect between the parties. Notwithstanding the foregoing, either party may advertise the other party as a customer or supplier, as the case may be, and may, in connection with that advertising and subject to any applicable

logo/trademark usage guidelines provided in writing, use the other party's name and logo in the associated marketing and advertising materials.

17. Governing Law and Survival. This Agreement shall be governed by the laws of the State of Texas without regard to its conflicts of law provisions. The parties' rights and obligations which by their nature would extend beyond the termination, cancellation or expiration of this Agreement shall survive such termination, cancellation or expiration. If Provider is required to bring any action to enforce the payment obligations of Customer under this Agreement, Customer agrees to pay Provider's court costs and reasonable attorney's fees in addition to all other amounts due pursuant to this Agreement.

18. No Third Party Beneficiaries. This Agreement shall be binding upon, inure solely to the benefit of and be enforceable by each party hereto and their respective successors and assigns hereto, and nothing in this Agreement, express or implied, is intended to or shall confer upon any other third party any right, benefit or remedy of any nature whatsoever under or by reason of this Agreement.

19. Notice. All notices or other communications required or permitted to be made or given hereunder by one party to the other party shall be in writing and shall be deemed to have been given: (i) when hand delivered, or (ii) on the third (3rd) business day after the day of deposit in the United States mail when sent by certified mail, postage prepaid and return receipt requested; or (iii) on the next business day after the day of deposit by overnight delivery service. Such notices shall be sent to the address set forth for Customer at Customer's address for notice set forth below, and to Hill Country Telephone Cooperative, Inc. at P.O. Box 768, Ingram, TX 78025, Attn: Craig Cook, Chief Executive Officer, or at such other addresses as may hereafter be furnished in writing by either party to the other party.

Effective Date: _____, 2021

CUSTOMER:

REGION 4 EDUCATION SERVICE CENTER

By: _____

Printed Name: _____

Title: _____

Contact Person:

(_____) _____
_____ @ _____

Tax ID: _____

Address for Notice and Billing:

PROVIDER:

HILL COUNTRY TELEPHONE COOPERATIVE, INC.

By: R. Craig Cook

Printed Name: R. Craig Cook _____

Title: Chief Executive Officer _____

ADDENDUM 1

**ADDENDUM TO MASTER SERVICES AGREEMENT
FOR SERVICES TO GOVERNMENTAL CUSTOMER**

The following terms and conditions are incorporated into and form a part of the Master Services Agreement (the "Agreement") between Hill Country Telephone Cooperative, Inc., for itself and any affiliated companies providing the applicable services ("Provider"), and the governmental customer identified on the signature page of the Agreement (the "Customer"). The parties acknowledge that certain requirements are imposed with respect to the delivery of facilities and services by Provider to Customer under applicable law and the Request for Proposal or similar solicitation applicable to the facilities or services (the "RFP"), including the RFP Responses(s) and RFP Contract as defined in the Agreement. The parties intend that the Agreement shall be subject to those requirements as documented herein. In the event there is a conflict between the terms and conditions of the Agreement and this Addendum, this Addendum shall control.

1. **Agreement Term.** Notwithstanding anything in the Agreement to the contrary, the Agreement Term shall be coterminous with the term of the RFP Contract, if one applies.
2. **Service Pricing and Credits.** Notwithstanding anything in the Agreement to the contrary, Service pricing, including any increases in Service charges permitted by the Agreement, shall be consistent and in accordance with the pricing terms set out in the RFP Response(s), and credits for Outages or other identified Service issues will apply as set out in the RFP Response(s).
3. **Public Information.** The parties acknowledge and agree that the Customer and this Agreement are subject to disclosure under the Texas Public Information Act ("TPIA") and nothing contained in this Agreement shall be considered confidential or proprietary information under the Agreement. Although Customer shall notify Provider of any request for disclosure of this Agreement or any other documents or materials of Provider that Provider has marked as confidential or proprietary, nothing contained herein shall operate to cause Customer to be in contravention or violation of the TPIA.
4. **Permitted Use.** The Services provided to Customer shall be used solely for authorized educational and governmental purposes of Customer as set forth in the RFP and shall not be allowed to be used for any purpose or by any third party that is not a governmental or educational entity applicable to Customer's operations or otherwise authorized in the RFP.
5. **Payments.** So long as Provider has provided Customer with its current and accurate Federal Tax Identification Number in writing, Customer will pay Provider for goods and services in accordance with Chapter 2251 of the Texas Government Code. Any undisputed payment not made when due in accordance with Section 2251.021 of the Texas Government Code shall bear interest in the amount permitted under Section 2251.025 of the Texas Government Code. In the event of non-payment of any undisputed amounts by Customer, Provider may terminate in accordance with Chapter 2251 of the Texas Government Code.
6. **Venue; Governing Law.** Unless the RFP Contract provides for a different venue, the Texas county encompassing Customer's home office shall be the proper place of venue for suit on or in respect of the Agreement. The Agreement and all of the rights and obligations of the parties hereto and all of the terms and conditions hereof shall be construed, interpreted and applied in accordance with and governed by and enforced under the laws of the State of Texas.
7. **Entire Agreement; Modifications.** The Agreement, together with the RFP Response(s), supersedes all prior agreements, written or oral, between Provider and Customer and shall constitute the entire agreement and understanding between the parties with respect to the subject matter hereof. The Agreement and each of its provisions shall be binding upon the parties and may not be waived, modified, amended or altered except by a writing signed by Customer and Provider.
8. **Loss of Funding.** Customer certifies that its board or other governing authority (the "Board") has allocated funds for at least the first year of the Service Term for any Service Order documenting Services to be provided by Provider under the Agreement. Performance by Customer under the Agreement may be dependent upon the appropriation and allotment of funds by the Customer. If the Board fails to allocate the necessary funds for subsequent years while an applicable Service Order remains in effect, as renewed and extended, then Customer shall issue written notice to Provider and Customer may terminate the Agreement upon payment of any applicable termination fees and without further duty or obligation

hereunder, provided that Provider may immediately discontinue service and may remove and recover all applicable Provider property or equipment applicable to the Services.

9. **Limitations.** THE PARTIES ARE AWARE THAT THERE ARE CONSTITUTIONAL AND STATUTORY LIMITATIONS ON THE AUTHORITY OF CUSTOMER TO ENTER INTO CERTAIN TERMS AND CONDITIONS OF THE AGREEMENT, INCLUDING, BUT NOT LIMITED TO, THOSE TERMS AND CONDITIONS RELATING TO LIENS ON CUSTOMER'S PROPERTY; DISCLAIMERS AND LIMITATIONS OF WARRANTIES; DISCLAIMERS AND LIMITATIONS OF LIABILITY FOR DAMAGES; WAIVERS, DISCLAIMERS AND LIMITATIONS OF LEGAL RIGHTS, REMEDIES, REQUIREMENTS AND PROCESSES; LIMITATIONS OF PERIODS TO BRING LEGAL ACTION; GRANTING CONTROL OF LITIGATION OR SETTLEMENT TO ANOTHER PARTY; LIABILITY FOR ACTS OR OMISSIONS OF THIRD PARTIES; PAYMENT OF ATTORNEYS' FEES; DISPUTE RESOLUTION; INDEMNITIES; AND CONFIDENTIALITY (COLLECTIVELY, THE "LIMITATIONS"), AND TERMS AND CONDITIONS RELATED TO THE LIMITATIONS WILL NOT BE BINDING ON CUSTOMER EXCEPT TO THE EXTENT AUTHORIZED BY THE LAWS AND CONSTITUTION OF THE STATE OF TEXAS.

SERVICE ORDER FORM

This Service Order Number ____ is entered into in connection with, and pursuant to the terms of, the Master Service Agreement between Hill Country Telephone Cooperative, Inc., for itself and any affiliated companies providing the applicable services ("Provider") and _____ ("Customer") dated _____, 20____ (the "Agreement"). Defined terms have the same meaning as the Agreement except as otherwise expressly set forth herein.

Initial Services.

Type: _____
 *Minimum Term Commitment: _____

*Billing will commence on the applicable Service Activation Date and will continue for as long as Provider continues to provide Services to the applicable location. Customer must notify Provider if any end user or location no longer qualifies for the Services under Customer's program, and Provider will have the right to immediately discontinue service to such end user or location upon receipt of such notice from Customer. Customer is responsible for all Service charges from the Service Activation Date through the Service disconnection date in addition to any applicable early termination charge under the Agreement for Services terminated prior to the end of the Service Term.

Description:

Location of Service Connection	Committed Bandwidth and Services	Scheduled Delivery Date	One Time Nonrecurring Charge/ Aid to Construction	Monthly Recurring Charge
		_____, 20__	\$_____	\$_____
		_____, 20__	\$_____	\$_____
Totals:			\$_____	\$_____/month

Description of Internet Services. If Provider is providing Internet access pursuant to this Service Order, the following terms will apply:

1. **Interconnection.** The Internet access connection shall be at Provider's stated "Point of Demarcation" at the specific location. Provider, Customer, and the applicable end user will work jointly to establish and interconnect the applicable Point of Demarcation for each location. Customer and its end users are responsible for obtaining any access rights from the landlord or other third party with authority to connect to the Point of Demarcation at the specified location.
2. **Provider Equipment.** If provided by Provider pursuant to the Service Order, Equipment will belong to Provider, and, if the Equipment is to be located within Customer's or an end user's premises, Provider will be permitted to co-locate the Equipment within such premises at no charge to Provider.
3. **Compliance with Terms.** Customer and its end users shall, at all times, comply with the terms applicable to the Internet Services, including the terms and conditions of Provider's Communications Service Agreement and Provider's Network Management and Acceptable Use Policy ("AUP") for Internet access and usage by Customer and its users. The terms and conditions of service and AUP applicable to Internet access are set forth at <https://www.hctc.net/policies/> and are hereby incorporated by reference the same as if fully set forth herein. Provider may require any end user to separately agree to these terms and conditions of service and AUP at the time it provisions the Services.

Taxes and Other Charges. The MRC described above is exclusive of applicable taxes and regulatory and other charges which will be charged to Customer or its end user in accordance with the tariffs, regulatory and other governmental requirements, and other applicable requirements.

CUSTOMER:

REGION 4 EDUCATION SERVICE CENTER

By: _____

Printed Name: _____

Title: _____

PROVIDER:

HILL COUNTRY TELEPHONE COOPERATIVE, INC.

By: R. Craig Cook

Printed Name: R. Craig Cook

Title: Chief Executive Officer