



**TEXAS  
REGULATORY  
CONSULTANTS**

Proposed  
Statement of Work  
for Municipality System Program

General Consulting  
&  
Field Work (Check & Services)

Prepared for

**The City of Castroville**

*To the attention of:*

*R. Scott Dixon  
703 Paris Street  
Castroville, TX 78009*

September 16, 2025

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## Section 1. Professional Services

**Texas Regulatory Consultants (TRC), LLC.**, will provide professional services for the client at a firm fixed price to **The City of Castroville** ("CLIENT") under the terms and conditions set forth in this Statement of Work ("SOW").

TRC has the ability to assist distributions systems and municipalities with a one stop shop for all regulatory compliance needs and many of the field service work required to be performed to remain in regulatory compliance. Our one stop shop can help with compliance issues that you face when dealing with the rules and regulations of operating a Gas Distribution Pipeline System.

TRC will be providing the boots on the ground personnel to perform the services and / or technical support needed in a timely manner, allowing the CLIENT to conduct other important operations. Administrative compliance work is completed from our office and delivered to our CLIENTs upon completion per the timeline or as per the discussed agreements in this document.

## Section 2. Scope Overview

**The City of Castroville** ("CLIENT") the system operator, delegates TRC to conduct the work listed in this document in order to meet required State of Texas and Federal Rules for safe pipeline operation.

TRC is committed to identifying and correcting all issues as discussed and outlined in this statement of work. All items asked to perform or complete will only be performed or completed if they have been addressed in this document or in meeting, emails per the Client's request.

Required tasks and planned work (Tasks) are outlined in Section 3 (Scope of work).

## Section 3. Scope of Work

### 3.1. Deliverables

Based on the information provided in our meetings and subsequent emails, TRC will provide the following Deliverables, provide the Service (field or administrative) and produce the Deliverables required by CFR 49 Part 192 and the State of Texas pipeline regulations, as outlined below.

1. Develop Programs and Plans
2. Records & Training
  - a) A review of current records to determine compliance requirements
  - b) A review of system Maps to determine OQ required Covered Task List for training
  - c) OQ training of required Covered Task List for employees
  - d) Conduct Public Awareness and Liaison programs
3. 49 CFR 192 Gas Inspection Intervals / Inspection Reports
  1. **Quarterly**
    - a) Rectifier, not to exceed 2 ½ months
    - b) Gas line Patrols, Business district, not to exceed 4 ½ months
    - c) Odorometer Reading, not to exceed 4 ½ months
  2. **Semi-Annual**
    - a) Gas line Patrols, outside Business district, not to exceed 7 ½ months
  3. **Annual**
    - a) Test Station CP (including casing) not to exceed 15 months
    - b) Non-critical Interference Bonds, not to exceed 15 months
    - c) Electrical Isolation, not to exceed 15 months
    - d) Exposed buried Pipe, As needed



- e) Pressure Regulating Devices, not to exceed 15 months
- f) Emergency Valves, not to exceed 15 months
- g) Pressure Relief Devices, not to exceed 15 months
- h) Valves (Isolation) other maintenance necessary for safe operations, not to exceed 15 months
- i) O&ME Plan Review, not to exceed 15 months

**4. Other items (as required)**

- a) Atmospheric Corrosion, not to exceed 36 months
- b) Phone calls and emails to answer questions

### 3.2. Project Management Services

The assigned TRC Project Manager will be responsible for providing the following services:

**Execution Deliverables**

- Project Schedule to be provided after review of CLIENT existing documentation
- Quarterly project status report and/or email

**Monitoring & Controlling**

- Scope management
- Management of Project Change Requests (PCRs), as applicable

**Closing**

- Final Project Closure Report

### 3.3. Excluded Scope

All items not specifically included in the Scope of Work section of this document are excluded. Excluded items will not be completed without a written Project Change Request and appropriate cost adjustments.

Examples of excluded scope include, are not limited to:

1. Filing of required regulatory forms with the required governing entity after first year of the contract
2. Payment of any fees to any regulatory agency
3. Engineering design / changes to CLIENT's natural gas distribution system
4. Locating of any natural gas pipelines
5. Repairs and Repair parts

## Section 4. Firm Fixed Price Information

### 4.1. Pricing

The Professional Services listed in the Scope of Work (SOW) Section will be provided at a firm, fixed price. The pricing in this SOW does not include taxes, if any, which are CLIENT'S responsibility.

Milestone	Description	Amount
1	Contract Award	\$ 35,000.00
2	End of 1st Quarter	\$ 20,000.00
3	End of 2nd Quarter	\$ 20,000.00
4	End of 3rd Quarter	\$ 20,000.00
5	End of 4th Quarter	\$ 20,000.00
	Total cost to complete this Project	<b>\$ 115,000.00</b>

TRC reserves the right to adjust our cost and schedule, should approved Project Change Requests be added to this contract. Cost of materials and other items needed in checks, services or repairs are not included in contract/agreement pricing.

#### **4.2. Travel Expenses**

Travel expenses for twelve (12) trips are included in the above Firm Fixed Price. Any additional trips will be billed at the below rates: \$400.00 per trip travel plus an additional \$250.00 per overnight stay.

#### **4.3. Invoicing**

TRC will invoice CLIENT for Professional Services per the above Milestone line items in the 4.1 Pricing Section. TRC requires a net 30 payment on our invoices, with a 2% discount if an invoice is **in full** in 15 days.

#### **4.4. Limitation**

The Firm, Fixed pricing listed above is for work performed during normal business hours (8:00 AM - 5:00 PM, Monday through Friday, local time).

This pricing assumes all the work is performed as part of a single project to be performed during normal business hours without working weekends or holidays; a delay (or escalation of the timeline) caused by CLIENT may increase the price and/or completion date.

In the event CLIENT decides to cancel the project before its completion, CLIENT shall be responsible for payment of all fees for Services performed through the date of termination and fifty percent (50%) of the remaining balance on the fixed price.

### **Section 5. Resource Scheduling**

Within 10 business days of the CLIENT existing documentation review meeting, TRC will propose the schedule for the Project Deliverables.

### **Section 6. Term of Service**

The term of service from the day of the signed agreement or from Oct 1, 2025 to September 30, 2026 whichever occurs first, term is for 1 year (12 months). An option to renew the contract on a year to year basis can be done once, an agreed to State Of Work for the next year is agreed upon.

### **Section 7. Client Responsibilities**

CLIENT is responsible for providing and/or performing the following (as applicable to this project):

1. Provide timely access to people and information including, but not limited to; the following areas:
  - a. All existing system documentation
  - b. Operations personnel knowledgeable of system.
  - c. Gas Technicians - personnel who are knowledgeable of the architecture, design of the System(s) to resolve issues that occur *during* the project. These people shall be designated in advance and be readily available to Texas Regulatory Consultants. To resolve issues as they arise, but not limited to; the following areas: System information, leak data and service plans (if needed).
1. Ensure all sites are ready for service, a safe access to all locations/meters and meter front is clear of obstructions.
2. Provide all necessary secure access to the locations where the work is to be performed, as well as the passwords or gate codes if needed.
3. CLIENT will communicate any issues or changes to both the original project plan or this SOW to TRC immediately (within 2 hours) upon discovery.



## Section 8. General Project Assumptions

Several general project assumptions are included in this SOW. General project assumptions include but are not limited to:

1. If applicable, travel that is included in TRC projects is quoted assuming three (3) weeks advance notice. All travel expenses that are incurred with less than three (3) weeks' advance notice will be subject to price adjustments.
2. Adequate staffing and project management is included for this SOW. If the CLIENT accelerates their timeline additional staffing or overtime to meet the new deadlines may be required. Changes to the CLIENT'S schedule must be communicated to the TRC Project Manager in writing within 24 hours of the change.
3. All communication that affects the technical aspects of the project will be directed through the TRC Project Manager or other appointed personnel.

Should any of the above assumptions prove to be incorrect or incomplete, TRC may modify the price, scope of work, or if applicable, project milestones. Any such modifications shall be managed by the Project Change Management Process set forth in this SOW.

## Section 9. Indemnification

TO THE FULLEST EXTENT PERMITTED BY LAW, CLIENT SHALL INDEMNIFY, DEFEND, AND HOLD HARMLESS TEXAS REGULATORY CONSULTANTS AND THEIR RESPECTIVE DIRECTORS, OFFICERS, MANAGERS, PARTNERS, EMPLOYEES, AGENTS, CLIENTS, AND END USERS (COLLECTIVELY, THE "TEXAS REGULATORY CONSULTANTS INDEMNITEES") FROM AND AGAINST ANY AND ALL ALLEGATIONS, CLAIMS, LAWSUITS, JUDGMENTS, LOSSES, CIVIL PENALTIES, LIABILITIES, DAMAGES, COSTS, AND EXPENSES, INCLUDING REASONABLE ATTORNEY'S FEES, COURT COSTS, AND THE COST OF SETTLEMENT, JUDGMENT OR VERDICT INCURRED BY OR DEMANDED FROM ANY OF THE TEXAS REGULATORY CONSULTANTS INDEMNITEES (EACH A "CLAIM"), ARISING OUT OF, RESULTING FROM OR RELATED TO: (A) ANY INJURY, DEATH, OR PROPERTY DAMAGE CAUSED BY ANY ACT OR OMISSION OF OUR CLIENT OR ITS SERVICES; (B) ANY NEGLIGENT OR GROSSLY NEGLIGENT ACTION, INACTION, OR OMISSION, OR INTENTIONAL MISCONDUCT OF THE CLIENT AND ANY OF ITS SUBCONTRACTORS IN THEIR PERFORMANCE OF DUTIES; (C) CLIENT'S BREACH OF ANY REPRESENTATION, WARRANTY, TERM, COVENANT, OR OTHER OBLIGATION UNDER THIS STATEMENT OF WORK, INCLUDING COMPLIANCE WITH ALL LAWS; (D) ANY INFRINGEMENT OR MISAPPROPRIATION OF ANY THIRD PARTY'S INTELLECTUAL PROPERTY RIGHTS BY ANY SERVICES OR DELIVERABLES DELIVERED PURSUANT TO THIS STATEMENT OF WORK; AND/OR (E) ANY CLAIMS FOR PAYMENT BY CLIENT'S EMPLOYEES, SUBCONTRACTORS, OR SUPPLIERS, WHICH INDEMNIFICATION OBLIGATION FOR SUCH CLAIMS SHALL INCLUDE REIMBURSING TEXAS REGULATORY CONSULTANTS FOR ALL COSTS ASSOCIATED WITH THE RELEASE OR EXTINGUISHMENT OF ANY LIENS THAT MAY ARISE DUE TO CLAIMED NON-PAYMENT TO CLIENT'S EMPLOYEES, SUBCONTRACTORS, OR SUPPLIERS IN CONNECTION WITH THE SERVICES. SUCH OBLIGATION SHALL NOT BE CONSTRUED TO NEGATE, ABRIDGE, OR REDUCE OTHER RIGHTS OR OBLIGATIONS OF INDEMNITY THAT WOULD OTHERWISE EXIST AS TO A PARTY OR PERSON DESCRIBED IN THIS SECTION 12. IN NO EVENT WILL CLIENT ENTER INTO ANY SETTLEMENT WHICH INDEMNIFICATION OBLIGATION FOR SUCH CLAIMS SHALL INCLUDE REIMBURSING TEXAS REGULATORY CONSULTANTS FOR ALL COSTS ASSOCIATED WITH THE RELEASE OR WITHOUT TEXAS REGULATORY CONSULTANTS PRIOR WRITTEN CONSENT. THE PROVISIONS OF THIS SECTION SHALL SURVIVE THE TERMINATION OR EXPIRATION OF THIS APPLICABLE STATEMENT OF WORK.

## Section 10. Limitation of Liability

IN NO EVENT SHALL TEXAS REGULATORY CONSULTANTS BE LIABLE TO CLIENT FOR INDIRECT, SPECIAL, PUNITIVE OR CONSEQUENTIAL DAMAGES, INCLUDING BUT NOT LIMITED TO LOST PROFITS OR ATTORNEY FEES (COLLECTIVELY, "INDIRECT DAMAGES"), REGARDLESS OF THE NATURE OF THE CLAIM, EXCEPT WHERE SUCH INDIRECT DAMAGES ARE ATTRIBUTABLE TO THE GROSS NEGLIGENCE, WILLFUL MISCONDUCT, ACT OF FRAUD OR BAD FAITH OF AN TEXAS REGULATORY CONSULTANTS INDEMNITEE. THIS SECTION AND ITS LIMITATIONS SHALL SURVIVE THE TERMINATION OF THIS AGREEMENT.

## Section 11. Statement of Work Acceptance & Approval

To authorize work to begin, please return this signed document along with a copy of the Purchase Order. Upon acceptance by TRC, a counter-signed copy will be returned to your attention.

Accepted By:

Accepted By:

\_\_\_\_\_  
Signature of Representative

**R. Scott Dixon**

\_\_\_\_\_  
Print Representative Name

**City Administrator**

\_\_\_\_\_  
Company & Title

\_\_\_\_\_  
Signature of TRC Representative

**Bill Lewis**

\_\_\_\_\_  
Print Representative Name

**TRC, Regional Manager**

\_\_\_\_\_  
Company & Title

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

Please sign and then return this complete document.

Any questions concerning this statement of work or services in general please contact Bill Lewis at (512) 466-3411.