

Texas Commission on Environmental Quality Third-Party Omnibus Agreement for Multiple Supplemental Environmental Projects

SEP Titles:	Waste Collection Events School Bus Replacement/Retrofit Wastewater Treatment Assistance for Low-Income Households Cleanup of Unauthorized Dump/Tire Sites Public Water System Replacement/Repair
SEP Agreement Number:	2025-10
Third-Party Administrator:	Texas Association of Resource Conservation & Development Areas, Inc.
Effective Date:	June 16, 2025
Total Project Budget:	\$8,155,820
Expiration Date:	3 Years from the Effective Date (June 16, 2028)

Agreement Introduction

The Texas Commission on Environmental Quality (“TCEQ”), an agency of the State of Texas, and Texas Association of Resource Conservation & Development Areas, Inc. (“Third-Party Administrator” or “RC&D”), a non-profit organization under the U.S. Internal Revenue Code § 501(c)(3) of the State of Texas, (collectively, “the parties”) enter this Third-Party Omnibus Agreement for Multiple Supplemental Environmental Projects (from now on “Agreement”). This Agreement supersedes Supplemental Environmental Project (“SEP”) Agreement Nos. 2012-03, as amended, 2012-04, as amended, 2012-05, 2012-06, 2012-07, as amended, and 2017-03. The Agreement is effective on the date signed by an authorized representative of TCEQ.

RC&D is organized as a main State Office and multiple member regional RC&D Councils. The State Office will receive SEP contributions under this Agreement, deposit them in a project’s respective SEP Fund Account in accordance with Special Terms and Conditions 3.2.3., Multiple Accounts, then distribute the SEP Funds to the RC&D Councils for performance of the Project. The State Office’s distribution of funds to RC&D Councils shall be pursuant to procedures and written agreements sufficient for Third-Party Administrator to ensure compliance with this Agreement’s requirements.

Third-Party Administrator has developed several environmental enhancement projects (“Projects”) which are described in this Agreement. The parties agree that the Projects qualify as SEPs under Texas Water Code § 7.067 and TCEQ guidance on SEPs. This Agreement designates these Projects as pre-approved SEPs. Respondents to TCEQ enforcement actions may choose to contribute to an eligible pre-approved SEP that benefits the community in which their alleged violations occurred. All contributions to pre-approved SEPs are voluntary, and all funds will come directly from eligible respondents. **TCEQ will not provide any direct funding, and no amount of funding is guaranteed.**

Contact Information

Each party designates the following individual as its initial representative for implementing this Agreement and for receipt of notice or other information required by the Agreement.

Contact Information for Third-Party Administrator:

Name: Jerry Pearce
Title: Interim Executive Director
Address: P.O. Box 2533, Victoria, Texas 77902
Telephone: 361-703-5225, ext. 402
Email: txrcded@yahoo.com

Contact Information for TCEQ:

Name: Mihir Kulkarni
Title: SEP Attorney
Telephone: 512-239-2223
Email: SEPReports@tceq.texas.gov

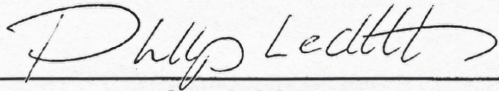
Mailing Address:
Litigation Division
Attn: SEP Attorney
Mail Code 175
Texas Commission on Environmental Quality
P.O. Box 13087
Austin, Texas 78711-3087

Overnight or Courier:
Litigation Division
Attn: SEP Attorney
Mail Code 175
Texas Commission on Environmental Quality
12100 Park 35 Circle, Bldg A
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Signature Page

**Texas Commission on
Environmental Quality**

Third-Party Administrator



Authorized Signature

Phillip Ledbetter

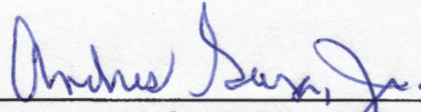
Printed Name

Director, Office of Legal Services

Title

June 16, 2025

Date



Authorized Signature

Andres Garza, Jr.

Printed Name

President

Title

June 5, 2025

Date

Agreement Documents List

This Agreement between TCEQ and Third-Party Administrator consists of the Agreement Documents listed on this page. Documents on this list include all amendments. In the event of a conflict of terms, the Agreement Documents as amended control in the order that items are listed below, with the Agreement Documents higher on the list controlling over the items lower on the list, unless the Special Terms and Conditions specify otherwise. All Agreement provisions, however, are subject to control by the latest amendment, the most specific provision, and by the applicable state and federal laws, rules, and regulations.

- Agreement Introduction
- Signature Page
- Agreement Documents List (this page)
- Special Terms and Conditions
- Estimated Project Budgets for RC&D Omnibus Agreement (pages 10-13)
 - Waste Collection Events (“Estimated Project Budget A”)
 - School Bus Replacement/Retrofit (“Estimated Project Budget B”)
 - Wastewater Treatment Assistance for Low-Income Households (“Estimated Project Budget C”)
 - Cleanup of Unauthorized Dump/Tire Sites (“Estimated Project Budget D”)
 - Public Water System Replacement/Repair (“Estimated Project Budget E”)
- Project Descriptions (pages 14-19)
- General Terms and Conditions
- Exhibit 1 - Form TCEQ-20459 Notification for a Household Hazardous Waste (“HHW”) Collection Event
- Exhibit 2 - TCEQ SEP Vehicle Disposition Form
- Exhibit 3 - TCEQ SEP Vehicle Retrofit Form

Special Terms and Conditions

The following provision is added to **General Condition 2.1., Contract Period:**

- 2.1.1. **Remittal of Amounts Owed to TCEQ.** In accordance with findings from TCEQ's desk review audit concluded in 2024 of Third-Party Administrator's performance under previous Agreements and its administration of their corresponding accounts (SEP Agreements Nos. 2012-03, as amended, 2012-04, as amended, 2012-05, 2012-06, 2012-07, as amended, and 2017-03), Third-Party Administrator shall remit \$12,552.34 to TCEQ to account for expenditure of SEP Funds to pay for unapproved expenses. This balance must not be paid from SEP Funds, as defined in General Condition 1.13. from this Agreement or any previous Agreements. At the time of this Agreement's execution, Third-Party Administrator has paid \$523.34 of the balance. The remaining amount of \$12,029 shall be paid in no more than 23 monthly payments of a minimum of \$523 each. The first monthly payment shall be paid within 30 days of TCEQ's execution of this Agreement. Subsequent payments shall each be paid not later than 30 days following the due date of the previous payment until the balance is paid in full.

Third-Party Administrator may, at its option, pay any or all the remaining balance in excess of the minimum monthly payment, at any time without penalty. If Third-Party Administrator pays an amount larger than its minimum monthly payment during any installment period, Third-Party Administrator must still meet subsequent payment deadlines and pay the minimum amount for each installment until the balance is paid in full.

If Third-Party Administrator fails to timely and satisfactorily comply with the payment requirements of this provision, including the payment schedule, TCEQ may remove Third-Party Administrator's project(s) from the Pre-Approved List and/or terminate the Agreement for cause in accordance with General Condition 2.4.2. In addition, in the event of noncompliance, TCEQ may, at its option, accelerate the maturity of the remaining installments, in which case the unpaid balance shall become immediately due and payable. In accordance with General Condition 2.4.3., Third-Party Administrator shall have a reasonable opportunity to cure noncompliance with this provision, not to exceed 7 days from the due date of a missing or incomplete payment.

The following provision is added to **General Condition 3.1., Estimated Project Budget:**

- 3.1.1. The full amount of any SEP funds received under Third-Party Administrator's previous SEPs, governed by SEP Agreement Nos. 2012-03, as amended, 2012-04, as amended, 2012-05, 2012-06, 2012-07, as amended, and 2017-03, which remains in Third-Party Administrator's checking accounts for each respective project, at the time of the execution of this Agreement will be considered when and if any new SEP contributions are allocated under this Agreement. If these funds are distributed from the previous SEP agreements to this new Agreement, SEP Agreement No. 2025-10, the funds will be subject to all terms and conditions in this new Agreement, including the potential to be subject to Audit. Third-Party Administrator shall report the SEP funds distributed from the previous SEP Agreements in its first Quarter Report(s) submitted under this Agreement.
- 3.1.2. If Third-Party Administrator is to exceed up to 10% of the cost for any line-item in this Agreement's approved budgets, Third-Party Administrator must solicit 3 estimates or bids for work or cost of any said item prior to expending SEP Funds on it. Third-Party Administrator shall use its best

professional judgment in choosing which bid to accept or estimate to act upon, and it must provide written explanation to TCEQ, upon TCEQ's request, if Third-Party Administrator does not choose the most economical estimate or bid it received.

The following provision is added to **General Condition 3.2., Maintenance of SEP Funds:**

- 3.2.3. **Multiple Accounts.** Third-Party Administrator shall maintain a dedicated checking account for each project included in this Agreement.

The following provisions are added to **General Condition 3.3., Use of SEP Funds:**

- 3.3.1. Third-Party Administrator employs and utilizes technical specialists and administrative assistants for the performance of its projects. These two positions hold different, non-overlapping responsibilities. Accordingly, for any instance of a project under this Agreement, Third-Party Administrator may pay any single person with SEP Funds to pay for their work performed for only one of those roles.
- 3.3.2. Third-Party Administrator will ensure that no more than one technical specialist and one administrative assistant work on each instance of a project.
- 3.3.3. Third-Party Administrator may approve its SEP Funds to pay for prospective work only. An application for the reimbursement of work already completed must be denied.
- 3.3.4. Third-Party Administrator may approve its SEP Funds to pay for project work only in the eligible counties and areas provided in each project's description, below.
- 3.3.5. SEP funds may be used for Record Storage if the storage of records is occurring at a commercial, third-party facility, upon written approval from TCEQ. The cost may not exceed that for the approved line-item, in the budget below.
- 3.3.6. Third-Party Administrator agrees to the indirect cost rate of \$2.50 per individual project worked, not to exceed the approved line-item cost, in the budget below. To demonstrate compliance with this provision, Third-Party Administrator will provide a total number of individual projects worked per quarter, and proof of payment. No other supporting documentation is needed, unless specifically requested by TCEQ in writing, together with an explanation as to why.
- 3.3.7. **For Waste Collection Events and Cleanups of Unauthorized Dump/Tire Sites:**
- 3.3.7.1. Third-Party Administrator may hire a contractor who invoices per container instead of per tire disposal fee.
- 3.3.7.2. Third-Party Administrator shall use only licensed haulers and appropriately authorized disposal sites for the transport and disposition of collected waste.
- 3.3.8. **For Waste Collection Events:**
- 3.3.8.1. Third-Party Administrator shall ensure that individuals qualified to make determinations regarding receiving, handling, and temporarily storing HHW are present at each collection event where HHW may be received.
- 3.3.8.2. Third-Party Administrator shall ensure that Collection Events are administrated and performed in accordance with TCEQ guidance on HHW (if relevant) and in compliance with federal, state, and local environmental laws and regulations.

3.3.9. For School Bus Replacements/Retrofits:

- 3.3.9.1. Third-Party Administrator shall ensure that Older Buses¹ to be retired are, as of their replacement through the project, currently in use and are driven on a regular route on a weekly basis for at least the past two years, with a written policy to reduce bus idling.
- 3.3.9.2. Third-Party Administrator shall limit the reimbursement or use of SEP Funds to a maximum of five school buses per school.
- 3.3.9.3. Third-Party Administrator shall ensure older diesel buses are retrofitted with one of the following three NO_x reduction technologies: a Diesel Particulate Filter, a Closed Crankcase Filtration System, or a Diesel Oxidation Catalyst. TCEQ may approve, in writing, other retrofit technologies on a case-by-case basis, if the technology has been developed and approved by EPA or the California Air Resources Board.

3.3.10. For Wastewater Treatment Assistance:

- 3.3.10.1. Third-Party Administrator shall ensure that only properly licensed contractors are utilized for repair of existing on-site wastewater treatment systems and installation of new on-site wastewater treatment systems and are performed in compliance with federal, state, and local environmental laws and regulations.

3.3.11. For Public Water System Replacement/Repair:

- 3.3.11.1. Third-Party Administrator shall ensure that engineering plans are performed and received from a properly licensed Professional Engineer.

The following provisions are added to **General Condition 4.2., Quarterly Reports:**

- 4.2.1.8. Copies of all contracts or agreements between RC&D's State Office and the member regional RC&D Councils, and between the member regional RC&D Councils and governmental entities or contractors for performance of each instance of a project performed in whole or in part during the quarter.
- 4.2.1.9. Documentation for all contracted services, including security, and all equipment and materials purchased, including detailed receipts, invoices, and work plans.
- 4.2.1.10. Detailed invoices, contracts, receipts, worklogs, and work plans for all work conducted by Administrative Assistants or Technical Specialists.
- 4.2.1.11. Dated photographs showing before and after details of each instance of a project performed, labeled with the site address for each project. If photos are provided in a format where the date cannot be verified, a certified statement, from the photographer, with the date and location of the photographs may be accepted.
- 4.2.1.12. Copies of all permits acquired for each instance of a project, if applicable.
- 4.2.1.13. Copies of any maps, specifications of system designs, and engineering plans for each instance of a project, if applicable.
- 4.2.1.14. Documentation showing all proper transport and disposal or recycling of collected materials, such as disposal receipts or manifests, that show the amount and type of wastes collected and disposed of, as well as the authorized facility where the wastes were disposed of.

¹ Older Buses refers to buses in active fleet use that are model year 2010 or older, as defined under Project Description for School Bus Replacement Project, Section I. Facts/Purpose.

- 4.2.1.15. Documentation showing verification any contractors used are properly licensed.
- 4.2.1.16. Detailed time sheets, pay stubs, general ledgers, benefit allocations, mileage logs, and work logs for all work conducted by the State Office SEP Coordinator, Technical Assistants, and Administrative Assistants. The State Office SEP Coordinator, Technical Assistant, and Administrative Assistants shall certify that time sheets and work logs accurately reflect time spent implementing the SEP and did not exceed the approved hours per project.
- 4.2.1.17. Detailed invoices, contracts, receipts, paid checks, and other supporting records for the administrative costs associated with implementing the SEP.
- 4.2.1.18. A detailed summary of all project work completed per quarter to include total number of applications, approved or denied, and completed.
- 4.2.1.19. Detailed invoices related to costs of any record storage.
- 4.2.1.20. **For School Bus Replacements/Retrofits:**
 - 4.2.1.20.1. Documentation for each Replacement Bus purchased, including detailed receipts, invoices, and work plans.²
 - 4.2.1.20.2. Dated photographs of each Replacement Bus purchased or each retrofitted bus.
 - 4.2.1.20.3. Third-Party Administrator shall submit information on the most recent SEP vehicle disposition form provided by the TCEQ SEP program (“disposition form”) to verify the final disposition of the equipment replaced under this Agreement. Third-Party Administrator agrees to dispose of the equipment in the manner specified by the disposition form. Third-Party Administrator agrees to follow any additional reporting requirements included on the disposition form.
 - 4.2.1.20.4. Third-Party Administrator must submit photographs of the equipment being destroyed, both before and after the equipment is destroyed or rendered inoperable. TCEQ must review for approval the forms and supplemental documentation submitted by Third-Party Administrator to meet the disposition requirement. Third-Party Administrator must obtain such approval, which is at the sole discretion of TCEQ. Third-Party Administrator shall provide TCEQ with any clarification and additional documentation that is requested by TCEQ in writing.
 - 4.2.1.20.5. Third-Party Administrator shall submit information on the most recent SEP vehicle retrofit form provided by the TCEQ SEP program for older diesel buses retrofitted under this Agreement.
 - 4.2.1.20.6. Any additional funding received by Third-Party Administrator, before or after the purchase of a Replacement Bus, such as grants, fuel credits, or tax credits, shall be reported in Quarterly Reports and subtracted from the total cost of the Replacement Bus. If the total of SEP Funds spent on a Replacement Bus exceeds the final cost after other funding is applied, the SEP Account must be reimbursed for the difference with non-SEP Funds.

² Replacement Bus refers to a lower-emission school bus that is model year 2011 or newer, as defined under Project Description for School Bus Replacement Project, Section I. Facts/Purpose.

4.2.1.20.7. Third-Party Administrator will require written certification from each SEP funds recipient that they will own and operate any vehicle purchased with SEP Funds through this Agreement for at least five years following the date of purchase. Third-Party Administrator will provide the written certifications for any Replacement Bus purchased during the current reporting quarter.

4.2.1.21. **For Wastewater Treatment Assistance:**

4.2.1.21.1. Copies of all applications received, with corresponding eligibility determinations, explanations of eligible or ineligible status, and documentation of the low-income eligibility of the households where wastewater treatment assistance project work is performed.

4.2.1.21.2. Dated before and after pictures of each wastewater treatment system purchased and installed.

4.2.1.22. **For Cleanups of Unauthorized Dump/Tire Sites:** Dated photographs showing before and after details of each site. Photographs shall be dated, and site information shall be clearly identifiable.

The following provisions are added to **General Condition 4.4., Additional Reporting:**

4.4.1. **For HHW Collection Events:** Third-Party Administrator shall submit, at least 45 days before each Collection Event, a completed Form TCEQ-20459, Notification for a Household Hazardous Waste Collection Event, in accordance with Title 30 of the Texas Administrative Code, Chapter 335. Third-Party Administrator will ensure that the version of this form submitted is up-to-date.

**Estimated Project Budget for Waste Collection Events
("Estimated Project Budget A")**

No.	Allowable SEP Expense Items	Price Per Item	Quantity	Item Total
1	Event Setup Fee by Third-Party Contractor (<i>e.g.</i> , for obtaining permit(s), setting up tents and containment, moving equipment and disposal containers to site, drop fees, and demobilization of site)	\$10,000/event	20	\$200,000
2	Public notification of event	\$600/event	20	\$12,000
3	On-Site Contract Labor	\$4,000/event	20	\$80,000
4	Third-Party Security (not to exceed 2 officers per event at \$50/hr.)	\$400/officer/event	20	\$16,000
5	Port-a-potties - Rental Fee	\$500/event	20	\$10,000
6	Forklift Rental Fee	\$1,000/event	20	\$20,000
7*	Tire Disposal			\$70,000
7a	Passenger Tires	\$5/tire	7,000	
7b	Truck Tires (includes Oversized)	\$10/tire	3,500	
7c	Container(s)* (including but not limited to box containers, roll-off containers, etc.)	\$3,500/container	20	
8	Disposal fees for Electronic Waste	\$20,000/event	20	\$400,000
9	Disposal fees for HHW/Bulk	\$30,000/event	20	\$600,000
Total Direct Project Cost				\$1,408,000

*The total amount budgeted for tire disposal under this Project is \$70,000, which may be invoiced by a contractor on a per-tire or per-container basis. See Special Terms and Conditions 3.3.7.

**Estimated Project Budget for School Bus Replacement/Retrofit
("Estimated Project Budget B")**

No.	Allowable SEP Expense Items	Price Per Item	Quantity	Item Total
1	Base Model Replacement Bus	\$130,000/bus	20	\$2,600,000
2	Retrofit equipment (diesel oxidation catalyst system, diesel particulate filter system, or closed crankcase filtration system)	\$3,000/bus	20	\$60,000
3	Third-Party Contract Labor for Installation of Retrofit equipment	\$2,000/bus	20	\$40,000
Total Retrofit Cost				\$100,000
Total Bus Replacement Cost				\$2,600,000

**Estimated Project Budget for Wastewater Treatment Assistance
("Estimated Project Budget C")**

No.	Allowable SEP Expense Items	Price Per Item	Quantity	Item Total
1	Construction by Contractor, including site evaluation, permits, design, equipment, materials, and labor	\$20,000/system	40	\$800,000
2	Pump out and sludge hauling by contractor	\$1,000/system	40	\$40,000
3	Tie-ins to sewer service lines by contractor, including labor, pipes from house to city sewer main, fittings, and abandonment of old on-site septic system	\$7,000/system	40	\$280,000
4	Repair of existing system to include materials and contract labor. Materials include piping, electrical components, filters, aerators, pumps, control panels, and spray heads	\$7,000/system	40	\$280,000
Total Direct Project Cost				\$1,400,000

**Estimated Project Budget for Cleanup of
Unauthorized Dump/Tire Sites
("Estimated Project Budget D")**

No.	Allowable SEP Expense Items	Price Per Item	Quantity	Item Total
1	Third-Party Contractor Labor for equipment operation for cleanup of site (Not to exceed 5 days per site)	\$700/day	5	\$3,500
2	Roll off Container and disposal fee for waste other than tires (limit 3 per site)	\$3,500/container	3	\$10,500
3	Dump Truck Rental for cleanup of sites	\$300/day	5	\$1,500
4	Heavy Equipment Rental (Front end loader with backhoe, Backhoe Rental, or Bulldozer Rental, etc.)	\$500/day	5	\$2,500
5*	Tire Disposal			\$10,500
5a	Passenger Tires	\$5/tire		
5b	Truck Tires (includes Oversized)	\$10/tire		
5c	Container(s) (including but not limited to box containers, roll-off containers, etc.)	\$3,500/container		
Total Per Site				\$28,500
Total Direct Project Cost (40 sites)				\$1,140,000

*The total amount budgeted for tire disposal under this Project is \$10,500 per site, which may be invoiced by a contractor on a per-tire or per-container basis. See Special Terms and Conditions 3.3.7.

**Estimated Project Budget for Public Water System
Replacement/Repair
("Estimated Project Budget E")**

No.	Allowable SEP Expense Items	Price Per Item	Quantity	Item Total
1	Engineering	\$40,000/facility	10	\$400,000
2	Public Water System Improvements or Repairs	\$100,000/facility	10	\$1,000,000
Total Direct Project Cost				\$1,400,000

Allowable Administrative Costs

No.	Allowable SEP Expense Items	Price Per Item	Quantity	Item Total
1	State Office SEP Coordinator	\$38/hour 4 hours/project	150	\$22,800
2	Technical Specialists	\$38/hour 8 hours/project	150	\$45,600
3	Administrative Assistant	\$19/hour 4 hours/project	150	\$11,400
4	Benefits Allocation for Third-Party Administrator Employees (fringe benefits, payroll taxes... etc.)	Not to exceed 22% of SEP funds paid to employee, per employee per year	3 years	≤\$17,556
5	Records Storage	\$13/year	3 years	\$39
6	Mileage (IRS standard mileage rate at time of travel)	100 miles/project	150	\$10,050
7	Indirect Cost Rate (office supplies, shipping and postage, mobile phone voice/data plan, and software licenses)	\$2.50 per project	150	\$375
Total Admin Allowed (10% of direct Project costs)				\$107,820

Project Description for Waste Collection Events

I. Facts/Purpose

Federal regulations exempt household wastes from being classified as hazardous waste. Some consumer products contain chemicals that can present safety concerns if improperly used or disposed of. These materials are referred to as HHW. Although HHW can be legally disposed of in landfills with regular trash, there are more protective disposal options. Such disposal can be accomplished through HHW collection events.

HHW includes some leftover or used household products that contain chemicals that present safety concerns if not managed properly. This includes products like paints, pesticides, batteries, cleaning chemicals, certain electronics, and other items all of which require special disposal methods to ensure safety and prevent pollution. To ensure proper disposal and deter illegal dumping, HHW collection events are organized where residents can drop off these items for proper handling and disposal.

Third-Party Administrator will coordinate with governmental entities and contractors to conduct events for residents to bring in HHW such as paint, thinners, pesticides, oil and gas, corrosive cleaners, and fertilizers for proper disposal ("Collection Events"). When possible, the Collection Events may also provide tire collection, bulk collection, or electronics collection, disposal, and recycling. Third-Party Administrator or its contractors will determine exactly which materials will be accepted at each event and how they will be disposed of or recycled.

II. Project Scope

The project aims to relieve HHW, tires, bulk, or electronics from residents through collection events. Third-Party Administrator will attempt to perform 20 events during the duration of this Agreement. This project lasts for three years from the execution date, unless extended.

III. Environmental Benefit

This SEP will provide a means of properly disposing of HHW, tires, bulk, or electronics which might otherwise be disposed of in regular landfills, storm drains, sewer systems, or other means detrimental to the environment. This SEP will provide assistance to help rid communities of the dangers and health threats associated with HHW, tires, bulk, and electronics and will provide for proper and protective disposal or recycling of collected materials.

IV. Eligible Areas and Counties

Anderson, Angelina, Aransas, Austin, Bastrop, Bee, Bell, Bosque, Bowie, Brazoria, Brazos, Brooks, Brown, Burleson, Caldwell, Calhoun, Callahan, Cameron, Camp, Cass, Chambers, Cherokee, Colorado, Comanche, Coryell, Dallas, Delta, DeWitt, Duval, Eastland, Ellis, Erath, Falls, Fannin, Fayette, Fort Bend, Franklin, Freestone, Galveston, Goliad, Gonzales, Gregg, Grimes, Hamilton, Hardin, Harris, Harrison, Hays, Henderson, Hidalgo, Hill, Hood, Hopkins, Houston, Hunt, Jackson, Jasper, Jefferson, Jim Hogg, Jim Wells, Johnson, Karnes, Kaufman, Kenedy, Kleberg, Lamar, Lavaca, Lee, Leon, Liberty, Limestone, LiveOak, Madison, Marion, Matagorda, McLennan, McMullen, Milam, Mills, Montgomery, Morris, Nacogdoches, Navarro, Newton, Nueces, Orange, Palo Pinto, Panola, Parker, Polk, Rains, Red River, Refugio, Robertson, Rockwall, Rusk, Sabine, San Augustine, San Jacinto, San Patricio, Shackelford, Shelby, Smith, Somervell, Starr, Stephens, Tarrant, Titus, Travis, Trinity, Tyler, Upshur, Van Zandt, Victoria, Walker, Waller, Washington, Webb, Wharton, Willacy, Williamson, Wood, and Zapata Counties.

V. Minimum Contribution Amount

The minimum contribution amount is \$500. Third-Party Administrator has the discretion to accept contributions under the minimum contribution amount.

Project Description for School Bus Replacement/Retrofit

I. Facts/Purpose

Third-Party Administrator shall use SEP Funds to replace school buses currently in active fleet use and are model year 2010 or older (“Older Buses”) by purchasing school buses that are model year 2011 or newer and that emit fewer air contaminants (“Replacement Buses”). As a result, Older Buses will be removed from the roads. Third-Party Administrator shall ensure that each Replacement Bus purchased has an engine that meets the Environmental Protection Agency’s 2010 emissions standards. The Replacement Buses shall be base models and be fueled with diesel (with low emissions), gasoline (with low emissions), propane, natural gas, or they shall be electric or hybrid buses.

Third-Party Administrator shall also use SEP funds for retrofitting older diesel buses with technology to enable lower emissions or the use of clean fuel, to reduce emissions air contaminants.

II. Project Scope

This project plans to purchase and replace 20 older buses and retrofit 20 buses. This project lasts for 3 years from the execution date, unless extended.

III. Environmental Benefit

This SEP will benefit air quality by reducing harmful exhaust emissions from older school buses. Older school bus engines emit larger amounts of nitrogen oxides (NO_x) and particulate matter (PM), as well as other harmful pollutants such as volatile organic compounds (VOCs) and carbon monoxide (CO). These pollutants contribute to the formation of ozone and may cause or exacerbate several respiratory diseases, including asthma, especially in children. The SEP will reduce CO, NO_x, PM, and VOC emissions by replacing model year 2010 or earlier school buses with new, lower-emission buses.

IV. Eligible Areas and Counties

Anderson, Angelina, Aransas, Austin, Bastrop, Bee, Bell, Bosque, Bowie, Brazoria, Brazos, Brooks, Brown, Burleson, Caldwell, Calhoun, Callahan, Cameron, Camp, Cass, Chambers, Cherokee, Colorado, Comanche, Coryell, Dallas, Delta, DeWitt, Duval, Eastland, Ellis, Erath, Falls, Fannin, Fayette, Fort Bend, Franklin, Freestone, Galveston, Goliad, Gonzales, Gregg, Grimes, Hamilton, Hardin, Harris, Harrison, Hays, Henderson, Hidalgo, Hill, Hood, Hopkins, Houston, Hunt, Jackson, Jasper, Jefferson, Jim Hogg, Jim Wells, Johnson, Karnes, Kaufman, Kenedy, Kleberg, Lamar, Lavaca, Lee, Leon, Liberty, Limestone, LiveOak, Madison, Marion, Matagorda, McLennan, McMullen, Milam, Mills, Montgomery, Morris, Nacogdoches, Navarro, Newton, Nueces, Orange, Palo Pinto, Panola, Parker, Polk, Rains, Red River, Refugio, Robertson, Rockwall, Rusk, Sabine, San Augustine, San Jacinto, San Patricio, Shackelford, Shelby, Smith, Somervell, Starr, Stephens, Tarrant, Titus, Travis, Trinity, Tyler, Upshur, Van Zandt, Victoria, Walker, Waller, Washington, Webb, Wharton, Willacy, Williamson, Wood, and Zapata Counties.

V. Minimum Contribution Amount

The minimum contribution amount is \$500. Third-Party Administrator has the discretion to accept contributions under the minimum contribution amount.

Project Description for Wastewater Treatment Assistance

I. Facts/Purpose

Third-Party Administrator will coordinate hiring contractors to repair or replace failing or inadequately designed on-site wastewater treatment systems such as septic tank systems for low-income households. For the purposes of this Project, “low-income households” are those that fall at or below the 80 percent median income level for households in the county where they live. *See* Tex. Gov’t Code § 2306.004(15).

An on-site wastewater treatment system is a system of treatment devices or disposal facilities that: (1) is used for the disposal of domestic sewage, excluding liquid waste resulting from the processes used in industrial and commercial establishments; (2) is located on the site where the sewage is produced; and (3) produces not more than 5,000 gallons of waste a day. *See* Tex. Health and Safety Code § 367.001(2). *See also* 30 Tex. Admin. Code § 285.2(44) (defining on-site sewage disposal system).

II. Eligible Sites

Eligible Sites will be limited to those where the household qualifies as low-income as defined above and by Texas Government Code § 2306.004(15). Sites that are currently subject to an enforcement action by TCEQ are not eligible for assistance under this SEP.

III. Project Scope

This project plans to replace 40 septic systems and repair 40 septic systems. This project lasts for 3 years from the execution date, unless extended.

IV. Environmental Benefit

This SEP will provide a benefit to the environment by preventing or reducing the release of sewage into the environment and by protecting human health. Raw or inadequately treated sewage can carry bacteria, viruses, protozoa (parasitic organisms), helminths (intestinal worms), and bioaerosols (inhalable molds and fungi) in excess of protective levels. The diseases they may cause range in severity from mild gastroenteritis to life threatening ailments such as cholera, dysentery, infectious hepatitis, and severe gastroenteritis. People can be exposed through sewage in drinking water sources, direct contact from water in lawns or streets, and inhalation and skin absorption.

Additionally, sewage overflows may cause damage to the environment, including by reaching rivers, lakes, streams, or aquifer systems. In addition to potential spread of disease, sewage in the environment contributes excess nutrients, metals, and toxic pollutants that contaminate water quality, cause algae blooms, and kill fish and other organisms in aquatic habitats.

V. Eligible Areas and Counties

Anderson, Angelina, Aransas, Austin, Bastrop, Bee, Bell, Bosque, Bowie, Brazoria, Brazos, Brooks, Brown, Burlison, Caldwell, Calhoun, Callahan, Cameron, Camp, Cass, Chambers, Cherokee, Colorado, Comanche, Coryell, Dallas, Delta, DeWitt, Duval, Eastland, Ellis, Erath, Falls, Fannin, Fayette, Fort Bend, Franklin, Freestone, Galveston, Goliad, Gonzales, Gregg, Grimes, Hamilton, Hardin, Harris, Harrison, Hays, Henderson, Hidalgo, Hill, Hood, Hopkins, Houston, Hunt, Jackson, Jasper, Jefferson, Jim Hogg, Jim Wells, Johnson, Karnes, Kaufman, Kenedy, Kleberg, Lamar, Lavaca, Lee, Leon, Liberty, Limestone, LiveOak, Madison, Marion, Matagorda, McLennan, McMullen, Milam, Mills, Montgomery, Morris, Nacogdoches, Navarro, Newton, Nueces, Orange, Palo Pinto, Panola, Parker, Polk, Rains, Red River, Refugio, Robertson, Rockwall, Rusk, Sabine, San Augustine, San Jacinto, San Patricio, Shackelford, Shelby, Smith, Somervell, Starr, Stephens, Tarrant, Titus, Travis, Trinity, Tyler, Upshur, Van Zandt, Victoria, Walker, Waller, Washington, Webb, Wharton, Willacy, Williamson, Wood, and Zapata Counties.

VI. Minimum Contribution Amount

The minimum contribution amount is \$500. Third-Party Administrator has the discretion to accept contributions under the minimum contribution amount.

Project Description for Cleanup of Unauthorized Dump/Tire sites

I. Facts/Purpose

Third-Party Administrator will coordinate with governmental entities and contractors to clean up sites where trash, tires, or other materials have been illegally disposed of.

II. Eligible Sites

Eligible sites will be limited to those where: the responsible party or property owner is not immediately financially able to clean up the site (if appropriate, considering their ability to liquidate non-essential assets); where a responsible party cannot be identified; or where a local government seeks assistance in addressing an unauthorized site that poses environmental, health, or safety concerns. Third-Party Administrator may not use SEP Funds to cleanup a site that is subject to a TCEQ enforcement action, unless the respondent is a Local Government as defined by Texas Water Code 7.067(b)(1).

III. Project Scope

This project plans to clean up 40 illegal dump/tire sites. This project lasts for 3 years from the execution date, unless extended.

IV. Environmental Benefit

This SEP will provide a discernable environmental benefit by reducing the dangers and health threats associated with illegally dumped tires. Areas used for illegal tire dumping may be easily accessible to people, especially children, exposing them to physical hazards. Abandoned tires and tire scraps collect standing water which attract rodents and insects and provide ideal breeding grounds for mosquitoes carrying diseases such as the West Nile Virus. Tires are highly flammable, and tire fires are difficult to extinguish, leading to contamination of air, land, and water. Run-off from scrap tires can contaminate groundwater and surface water. In addition, abandoned tires may impact drainage, making areas more susceptible to flooding when the waste blocks waterways.

The SEP will also help reduce the dangers and health threats associated with non-regulated trash dumps, which contaminate air and water and harbor disease-carrying animals and insects. The SEP will remove solid waste that might otherwise be disposed of in storm drains, the sewage system, or via other means detrimental to the environment.

V. Eligible Areas and Counties

Anderson, Angelina, Aransas, Austin, Bastrop, Bee, Bell, Bosque, Bowie, Brazoria, Brazos, Brooks, Brown, Burleson, Caldwell, Calhoun, Callahan, Cameron, Camp, Cass, Chambers, Cherokee, Colorado, Comanche, Coryell, Dallas, Delta, DeWitt, Duval, Eastland, Ellis, Erath, Falls, Fannin, Fayette, Fort Bend, Franklin, Freestone, Galveston, Goliad, Gonzales, Gregg, Grimes, Hamilton, Hardin, Harris, Harrison, Hays, Henderson, Hidalgo, Hill, Hood, Hopkins, Houston, Hunt, Jackson, Jasper, Jefferson, Jim Hogg, Jim Wells, Johnson, Karnes, Kaufman, Kenedy, Kleberg, Lamar, Lavaca, Lee, Leon, Liberty, Limestone, LiveOak, Madison, Marion, Matagorda, McLennan, McMullen, Milam, Mills, Montgomery, Morris, Nacogdoches, Navarro, Newton, Nueces, Orange, Palo Pinto, Panola, Parker, Polk, Rains, Red River, Refugio, Robertson, Rockwall, Rusk, Sabine, San Augustine, San Jacinto, San Patricio, Shackelford, Shelby, Smith, Somervell, Starr, Stephens, Tarrant, Titus, Travis, Trinity, Tyler, Upshur, Van Zandt, Victoria, Walker, Waller, Washington, Webb, Wharton, Willacy, Williamson, Wood, and Zapata Counties.

VI. Minimum Contribution Amount

The minimum contribution amount is \$500. Third-Party Administrator has the discretion to accept contributions under the minimum contribution amount.

Project Description for Public Water System Replacement/Repair

I. Facts/Purpose

Third-Party Administrator shall coordinate with Local Governments, public and private entities, water supply corporations, and non-profit organizations to expend SEP Funds to repair or replace failing public drinking water systems ("PWSs") throughout Texas. Third-Party Administrator shall ensure that any plans submitted, and any repairs, replacements, and installations made pursuant to this Agreement are performed in compliance with local, state, and federal rules relating to PWSs and performed by a properly licensed individual.

Once an application has been received, Third-Party Administrator shall request that the representative on behalf of the PWS submit a report detailing the issues and proposed work, including what aspects of the PWS are failing or in disrepair, the corrective actions needed for the PWS, the name of the individual or entity that will be performing the corrective actions, how long the corrective actions are estimated to take, and an estimated line-item budget detailing the cost of the corrective actions. Once that information has been submitted, the Third-Party Administrator shall provide it to TCEQ for review.

Prior to submitting a full application as described, a proposal may be submitted to TCEQ for approval to use SEP Funds to consult with an engineer to determine what corrective actions are needed to address the PWS's issues. Upon receipt of the engineering report, the applicant may submit a full application to utilize available SEP funds to perform the suggested corrective actions.

During review of each proposed instance of this Project, TCEQ shall work closely with the Third-Party Administrator to determine whether the PWS is eligible to perform the proposed Project in accordance with the conditions of this Agreement and Texas Water Code § 7.067 (authorizing TCEQ's SEP Program). TCEQ may consider the following factors when determining a PWS's eligibility to have work performed through this SEP: the cause of problems necessitating the requested corrective actions at the PWS; what action(s) the PWS has taken to address or implement the corrective actions (including cooperation with other state agencies and funding entities); the number of active connections and total population served by the PWS; and the PWS's history of enforcement with TCEQ.

Upon TCEQ's determination that the PWS is eligible, TCEQ and Third-Party Administrator shall review the estimated line-item budget submitted for the Project and will prioritize the Project based on its impact to human health and the environment. Upon TCEQ's approval of a Project, TCEQ shall present Third-Party Administrator with a written approval of the Allowable SEP Expenses detailing the amount of SEP Funds that can be expended to perform the Project. Once the Third-Party Administrator receives the Allowable SEP Expenses it shall begin to expend the authorized SEP Funds for work to be performed. Upon completion of all the work, Third-Party Administrator shall submit documentation to TCEQ demonstrating that it has been successfully completed.

II. Eligible Sites

In accordance with Tex. Water Code § 7.067(a) and (b)(1), unless the owner of the PWS is a Local Government, the PWS is not eligible to participate in work under this Project if the PWS is currently the subject of an ongoing TCEQ enforcement action, and: (1) the work is necessary to bring it into compliance with environmental laws; (2) the work is necessary to remediate environmental harm caused by its alleged violation, or (3) it has already agreed to perform the Project under a preexisting agreement with a governmental agency.

III. Project Scope

This project plans to repair or replace 10 failing PWSs. This project lasts for 3 years from the execution date, unless extended.

IV. Environmental Benefit

Safe, reliable drinking water is necessary for human health and household sanitation. PWSs that are noncompliant with TCEQ drinking water rules run the risk of failing to provide continuous drinking water to consumers or providing untreated or inadequately treated drinking water to consumers. Untreated water may harbor bacteria, viruses, protozoa (parasitic organisms), helminths (intestinal worms), and bioaerosols (inhalable molds and fungi) in excess of protective levels. Consuming untreated or inadequately treated water can cause diseases ranging in severity from mild gastroenteritis to life-threatening ailments. Additionally, continuous and properly treated water is necessary for household sanitation, including bathing, brushing teeth, cooking, washing, and flushing toilets.

V. Eligible Areas and Counties

Anderson, Angelina, Aransas, Austin, Bastrop, Bee, Bell, Bosque, Bowie, Brazoria, Brazos, Brooks, Brown, Burleson, Caldwell, Calhoun, Callahan, Cameron, Camp, Cass, Chambers, Cherokee, Colorado, Comanche, Coryell, Dallas, Delta, DeWitt, Duval, Eastland, Ellis, Erath, Falls, Fannin, Fayette, Fort Bend, Franklin, Freestone, Galveston, Goliad, Gonzales, Gregg, Grimes, Hamilton, Hardin, Harris, Harrison, Hays, Henderson, Hidalgo, Hill, Hood, Hopkins, Houston, Hunt, Jackson, Jasper, Jefferson, Jim Hogg, Jim Wells, Johnson, Karnes, Kaufman, Kenedy, Kleberg, Lamar, Lavaca, Lee, Leon, Liberty, Limestone, LiveOak, Madison, Marion, Matagorda, McLennan, McMullen, Milam, Mills, Montgomery, Morris, Nacogdoches, Navarro, Newton, Nueces, Orange, Palo Pinto, Panola, Parker, Polk, Rains, Red River, Refugio, Robertson, Rockwall, Rusk, Sabine, San Augustine, San Jacinto, San Patricio, Shackelford, Shelby, Smith, Somervell, Starr, Stephens, Tarrant, Titus, Travis, Trinity, Tyler, Upshur, Van Zandt, Victoria, Walker, Waller, Washington, Webb, Wharton, Willacy, Williamson, Wood, and Zapata Counties.

VI. Minimum Contribution Amount

The minimum contribution amount is \$500. Third-Party Administrator has the discretion to accept contributions under the minimum contribution amount.

General Terms and Conditions

1. DEFINITIONS

- 1.1. **“Allowable SEP Expenses”** are the reasonable and necessary actual costs listed in the Estimated Project Budgets for this Agreement.
- 1.2. **“Book Account”** refers to a ledger account or other accounting mechanism used to maintain a detailed record of debits and credits of SEP Funds separate from any other funds.
- 1.3. **“Contract”** refers to this Agreement. The terms “Contract” and “Agreement” may be used interchangeably.
- 1.4. **“Effective Date”** refers to the date this Agreement begins and is the date the Agreement is signed by an authorized representative of TCEQ.
- 1.5. **“Includes”** and **“Including”** are terms of enlargement and not of limitation or exclusive enumeration. The use of these terms does not create a presumption that any components that are not explicitly mentioned are excluded.
- 1.6. **“Indemnification”** means security against legal liability.
- 1.7. **“Overhead Costs”** means costs that are necessary for operation that are not directly related to goods or services required for these Projects.
- 1.8. **“Party”** or **“Parties”** refers to one or all of the signatories to this Agreement, respectively.
- 1.9. **“PAL”** refers to the Pre-Approved List, or the public list of SEPs that respondents to TCEQ administrative enforcement actions may select from to make eligible contributions of SEP funds.
- 1.10. **“Projects”** refers to the projects that are approved by TCEQ as SEPs and described by this Agreement.
- 1.11. **“Remit”** means transferring funds in a manner approved by TCEQ.
- 1.12. **“SEP”** refers to Supplemental Environmental Project.
- 1.13. **“SEP Funds”** means funds that, with TCEQ approval, are contributed to Third-Party Administrator by respondents to TCEQ enforcement actions. These contributions offset the administrative penalty that would otherwise be due to the State of Texas General Revenue Fund. The term includes interest earned on funds.

2. CONTRACT PERIOD

- 2.1. **Contract Period.** The Agreement begins on the Effective Date and is effective for a term of **three years** unless terminated by either party in accordance with this Agreement. At TCEQ’s sole discretion, the term of this Agreement may be extended by three additional one-year increments upon written request from Third-Party Administrator or upon TCEQ’s own initiative. Any request for extension must be received thirty (30) days prior to the end of the term.
- 2.2. **Fully Funded.** When the Total Cost of any Estimated Project Budget is met or exceeded by a contribution from a respondent, TCEQ will consider that project fully funded. When the project is fully funded, TCEQ will remove it from the PAL. Third-Party Administrator is still responsible for the expenditure of funds and completion of the project in accordance with this Agreement after that SEP is fully funded. Third-Party Administrator may request an amendment through the process described in Section 2.3 to increase the budget if the project is not and will not foreseeably be complete after being fully funded. This amendment will again allow the project to be added to the pre-approved list of SEPs available to respondents for contributions.

- 2.3. **Amendments.** This Agreement may be amended by mutual agreement. Except as specifically allowed by the Agreement, all material changes to the Agreement require a written amendment that both parties sign.
- 2.3.1. **Material Changes.** “Material changes” include the following:
- 2.3.1.1. Changes in the total amount of funds in the estimated project budget and/or changes to the amount allowed for specific line-items;
 - 2.3.1.2. Changes to the Agreement’s Expiration Date;
 - 2.3.1.3. Changes to the Project Descriptions that affect the nature or scope of the project; and
 - 2.3.1.4. Changes that affect the material obligations of the Third-Party Administrator in this Agreement.
- 2.3.2. **Unilateral Amendments.** As specifically allowed by the Agreement, TCEQ may issue unilateral amendments. Unilateral amendments take effect when issued by TCEQ.
- 2.3.2.1. The only portion of the agreement that Third-Party Administrator may unilaterally amend is the Contact Information located in the Agreement Introduction through written notice to the other party. TCEQ may also unilaterally amend the Contact Information.
- 2.3.3. **Minor Changes.** TCEQ has the authority, without a written amendment, to correct typographical errors; make written Agreement interpretations, and make minor, non-material changes to the requirements in the Project Descriptions, reporting requirements, or as agreed to elsewhere in the Contract. Third-Party Administrator may request in writing that TCEQ make Minor Changes to the Agreement. If Third-Party Administrator objects to a Minor Change, it must provide TCEQ with a written objection to any Minor Change no later than five (5) business days from the effective date of the Minor Change. A copy of the agreed change shall be retained by both Third-Party Administrator and TCEQ. Minor, non-material changes may include, but are not limited to:
- 2.3.3.1. Changes to the schedule in the Project Descriptions, including an extension to any proposed date included in the project, not to exceed the expiration date of the Agreement;
 - 2.3.3.2. Changes to the individual tasks/activities in the Project Descriptions, if applicable, that do not substantially change the obligations of the Parties relative to those tasks/activities; and
 - 2.3.3.3. Changes to the descriptions of the Estimated Project Budgets’ line-items that do not substantively affect the nature of the line-item, including changes to update model or equipment types. Changes to the amount of funds allowed for each item is not a Minor Change.
- 2.4. **Termination.** Either party may terminate this Agreement with or without cause after providing written notice thirty (30) days prior.
- 2.4.1. **Final Accounting.** Within thirty (30) days after the effective date of the termination, Third-Party Administrator shall make a written accounting to TCEQ of all SEP Funds received, expended, and remaining under this Agreement. This accounting must associate SEP Funds to specific docket numbers and must utilize the TCEQ SEP Third-Party Administrator Final Report form as specified in

Section 4.3 of this Agreement. This final accounting must include the remittal or transfer of all SEP Funds under Section 3.8 of this Agreement.

- 2.4.1.1. If TCEQ finds that any SEP funds are not accounted for in the Final Accounting and remittal to TCEQ of any remaining SEP funds, Third-Party Administrator shall be required to remit these funds to TCEQ from sources unrelated to its SEP funds or accounts. Failure to remit funds that were not properly accounted for to TCEQ will result in Third-Party Administrator owing a debt to TCEQ.
- 2.4.2. **Termination for Cause.** TCEQ may terminate for cause, without a thirty day notice period, if Third-Party Administrator materially fails to comply with the Agreement, including any one or more of the following acts or omissions: violations of accounting practices, including comingling; failure to expend funds in a timely manner; failure to submit quarter reports on a timely basis; or expenditure of SEP Funds in a manner not authorized by this Agreement.
- 2.4.3. **Opportunity to Cure.** Third-Party Administrator will have a reasonable opportunity to correct its nonconforming performance, if possible under the circumstances.

3. SEP FUNDS

- 3.1. **Estimated Project Budgets.** TCEQ has approved the Estimated Project Budgets on pages 10-13 of this Agreement. SEP expenditures for each line-item must be Allowable SEP Expenses. Expenditures must not exceed ten percent (10%) over the budgeted amount for each line-item unless Third-Party Administrator receives prior written approval from TCEQ. If Third-Party Administrator does not receive TCEQ approval for the amount of an expenditure that exceeds a line-item by ten percent, SEP Funds must not be used for that increased cost expenditure. Third-Party Administrator shall, on request from TCEQ, remit to TCEQ any line-item expenditures in excess of the ten percent limit, in accordance with the procedures outlined in Section 3.8 of this Agreement. The Parties acknowledge that there may be other Project costs that are not included in the Estimated Project Budgets that may be paid for with non-SEP Funds.
- 3.2. **Maintenance of SEP Funds.** Upon receipt of its first Project contribution from a respondent in a TCEQ enforcement action, Third-Party Administrator shall open and maintain a separate SEP Funds account or book account. The SEP Funds account must be a fee-free account without a minimum balance requirement that is used exclusively for SEP Funds. The SEP Funds account must be at a financial institution that is insured by the Federal Deposit Insurance Corporation and that provides regular accounting statements that are acceptable to TCEQ.
 - 3.2.1. **Interest.** The SEP Funds account may either be interest-bearing or non-interest-bearing. All earned interest on SEP Funds, if any, must be accounted for. Any earned interest on SEP Funds becomes part of the SEP Funds.
 - 3.2.2. **Commingling.** Unless Third-Party Administrator accounts for SEP Funds separately in a manner that receives prior written approval from the TCEQ, such as an acceptable book account, SEP Funds must not be commingled with any non-SEP Funds. SEP Funds may only be used to reimburse other accounts with the express permission of TCEQ. Reimbursing other accounts without prior written approval from TCEQ is considered comingling under this Agreement.
- 3.3. **Use of SEP Funds.** Third-Party Administrator shall expend SEP Funds only for Allowable SEP Expenses that are authorized by the Estimated Project Budgets on pages 10-13 of this Agreement. Third-Party Administrator shall ensure that the expenditure of SEP Funds results in the performance of adequate and timely Project work and that

purchases are made in accordance with this Agreement. Third-Party Administrator may expend SEP Funds for work being performed by or for Third-Party Administrator.

- 3.4. **Administrative Expenses.** In accordance with Texas Water Code § 7.067(c), TCEQ may allow Third-Party Administrator administrative expenses related to implementing the Project. Administrative expenses include overhead costs, personnel salary and fringe benefits, and travel and per diem expenses associated with implementing the Projects. Third-Party Administrator must ensure that administrative expenses do not exceed 10% of the direct cost of the project. For SEP Funds to be used towards administrative expenses, the cost must either be identified and included in the Estimated Project Budgets or have the prior written approval of TCEQ.
- 3.5. **Accounting.** Third-Party Administrator shall account for the receipt and expenditure of SEP Funds, including all interest earned on such funds. Third-Party Administrator will submit records of this accounting at least quarterly as described in Section 4.2., Quarterly Reports.
- 3.6. **Timely Expenditure.** Third-Party Administrator shall expend SEP funds in a timely manner after receipt of SEP Funds. If TCEQ determines that SEP funds were not expended in a reasonable period of time, it may request a written explanation for the delay and a plan to expend the funds. Failure to expend SEP Funds in a timely manner may result in termination of the Agreement.
- 3.7. **No Guarantee of Funding.** Respondents to TCEQ enforcement actions voluntarily contribute to eligible SEPs of their choice. Therefore, it is possible that no respondents will choose to contribute SEP Funds to these Projects. *Third-Party Administrator understands that there is no guarantee that it will receive any SEP Funds under this Agreement.*
- 3.8. **Remittal of SEP Funds.**
- 3.8.1. **Refund requirements.** Any remittal of SEP Funds made according to the terms of this Agreement, made either to the SEP Account or to TCEQ, must be accompanied by a detailed written accounting in a manner acceptable to TCEQ.
- 3.8.1.1. If funds are remitted to TCEQ, the remitted SEP funds must be in the form of a check or money order made out to “Texas Commission on Environmental Quality” and sent to the following TCEQ Address:
- Texas Commission on Environmental Quality
Litigation Division
Attention: SEP Coordinator, MC 175
P.O. Box 13087
Austin, Texas 78711-3087
- 3.8.2. **Transfer of SEP Funds to another Project.** In lieu of remitting unexpended SEP Funds after the conclusion or termination of a Project, and with the written direction of TCEQ, Third-Party Administrator may transfer SEP Funds to another SEP as directed by TCEQ. Any transfer of SEP Funds must be accompanied by a detailed written accounting in a manner acceptable to TCEQ.
- 3.8.3. **Remaining Funds.** If any SEP Funds remain after the conclusion or termination of any Project under this Agreement, Third-Party Administrator must either remit the SEP Funds to TCEQ or transfer the SEP Funds to another SEP as directed by TCEQ. Third-Party Administrator must remit or transfer SEP Funds within thirty (30) days after the due date of the Final Quarterly Report required by Section 4.3.
- 3.8.4. **Unallowable costs.** If at any time TCEQ determines that SEP Funds were expended in a manner that is not allowed by this Agreement, Third-Party Administrator shall, on request from TCEQ, remit all improperly spent SEP Funds

to the SEP Account. Such a remittal shall be accompanied by a detailed written accounting in a manner acceptable to TCEQ.

- 3.9. Other contributions to the Project.** Nothing in this Agreement is to be construed to prevent Third-Party Administrator from accepting funds from charitable contributors or other sources to the extent permitted by law. Third-Party Administrator may expend funds from sources other than SEP Funds (“non-SEP Funds”) in furtherance of the Project, so long as the expenditures do not violate the accounting practices described in Section 3.2 of this Agreement. If Third-Party Administrator expends non-SEP Funds for any of the line-items listed in the Estimated Project Budget of this Agreement, Third-Party Administrator shall report the source and amount of the non-SEP Funds and provide a list of items and expenses for which the non-SEP Funds were used in the Quarterly Reports required under Section 4.2.

4. REPORTING REQUIREMENTS

- 4.1. Records.** Third-Party Administrator shall maintain all records relating to the Agreement, including organized and legible financial records, books, documents, and other evidence reasonably pertinent to its performance under this Agreement for the duration of the entire Agreement, and for a minimum of five (5) years from the date that a Final Quarterly Report is submitted. Third-Party Administrator shall maintain all financial records in accordance with generally accepted accounting principles.

- 4.2. Quarterly Reports.** Third-Party Administrator is required to send Quarterly Reports (“QRs”) to account for SEP Funds and update TCEQ on the status of each Project. The QRs must be submitted on the approved TCEQ SEP Third-Party Administrator QR Form (“QR Form”). The deadlines for sending QRs are included on the QR Form.

- 4.2.1. Quarterly Report Contents.** The QRs must include anything required within this Agreement, as well as the following information:

- 4.2.1.1. A list of the amount of SEP Funds received during the previous quarter with each corresponding respondent name, contribution docket number, dollar amount received, and date received, as well as copies of contribution checks;
- 4.2.1.2. A list of actual expenditures on the Project paid for with SEP Funds and any necessary accompanying explanation and documentation, including invoices and general ledgers;
- 4.2.1.3. SEP Funds account financial institution statements for each month of the previous quarter;
- 4.2.1.4. The total balance of the SEP Funds, with interest, if any, separately noted;
- 4.2.1.5. A description of the Project to which SEP Funds were allocated and progress made to-date;
- 4.2.1.6. Copies of all receipts for all SEP Fund expenditures, copies of all checks for SEP Fund expenditures, and documentation and explanations to support all electronic funds transfers from the SEP Funds account; and
- 4.2.1.7. Any additional information required by the Special Conditions of this Agreement, requested by TCEQ or in the QR Form, or that Third-Party Administrator believes would demonstrate compliance with this Agreement.

- 4.2.2. Failure to submit QRs.** QRs must be timely submitted even if they do not contain any new SEP Funds activities. Third-Party Administrator may request an

extension from TCEQ in writing. QR Extensions requests must include a reason for seeking the extension and be received by TCEQ within 30 days of the deadline. Failure to provide QRs in a timely manner will constitute grounds for termination of this Agreement.

- 4.3. **Final Report.** At the conclusion or termination of the Agreement, Third-Party Administrator is required to submit a final QR to TCEQ on the approved QR Form for the quarter in which the Agreement concluded. The deadlines for doing so are included on the QR Form. In addition to the information required in Section 4.2.1 of this Agreement, this final QR must include the following information:
- 4.3.1. An accounting of SEP Funds that were not used for the Projects;
 - 4.3.2. Any additional information Third-Party Administrator believes would demonstrate compliance with this Agreement; and
 - 4.3.3. Any additional information requested by TCEQ.
- 4.4. **Additional Reporting.** Third-Party Administrator agrees to provide additional information and/or documentation requested by TCEQ under this Agreement within thirty (30) days after receipt of the request, unless TCEQ specifies another deadline in writing.
- 4.5. **Surviving obligations.** The obligations required by Section 4.1., Records; Section 4.3., Final Report; and Section 4.4., Additional Reporting, survive the termination of this Agreement.

5. THIRD-PARTY ADMINISTRATOR'S RESPONSIBILITIES

- 5.1. **Access.** The following obligations survive termination of this Agreement.
- 5.1.1. **Inspection and Audit.** Third-Party Administrator shall permit TCEQ as well as authorized state and federal agencies to have unrestricted access to all records, data, and facilities as necessary to review, inspect, and audit all activities and services associated with SEP Funds under this Agreement. Third-Party Administrator shall provide appropriate accommodations for such access and inspection.
 - 5.1.2. **Access to Projects.** Third-Party Administrator agrees to provide access by TCEQ and its representatives to the site of any work performed in whole or in part utilizing SEP Funds, and it shall require its contractors to provide the same access.
- 5.2. **Quality and Acceptance.** All work performed under this Agreement must be complete and satisfactory in the reasonable judgment of TCEQ. All materials and equipment shall be handled in accordance with the instructions of the applicable supplier, except as otherwise provided in the Agreement.
- 5.3. **Insurance.** Unless prohibited by law, Third-Party Administrator shall require its contractors and suppliers to obtain and maintain adequate insurance coverage sufficient to protect the Third-Party Administrator from all claims and liability for injury to persons and for damage to property arising from work performed under the Agreement. If Third-Party Administrator is performing work under this Agreement using its own employees and resources, then, unless Third-Party Administrator is a governmental entity or this requirement is waived by TCEQ, Third-Party Administrator shall obtain and maintain insurance coverage sufficient to protect Third-Party Administrator from all claims and liability for injury to persons and for damage to property arising out of Third-Party Administrator's performance of the work under this Agreement.
- 5.4. **Assumption of Risk.** Third-Party Administrator undertakes performance of the Project as its own work and does not act in any capacity on behalf of TCEQ nor as a TCEQ agent or employee. Third-Party Administrator agrees that the Projects are performed at Third-

Party Administrator's sole risk as to the means, methods, design, processes, procedures, and conduct of the Projects.

- 5.5. **No Third-Party Beneficiary.** Third-Party Administrator is an independent entity and performs the Projects as part of its own authorized functions. Nothing in this Agreement shall create a contractual relationship between TCEQ and any of Third-Party Administrator's subcontractors, suppliers, or other persons or organizations with a contractual relationship with Third-Party Administrator.
- 5.6. **Indemnification.** To the fullest extent permitted by law, Third-Party Administrator shall indemnify and hold harmless TCEQ and its representatives from and against all losses, liabilities, damages, and other claims of any type arising from the performance of the Project by Third-Party Administrator or its contractors, subcontractors, suppliers, and agents, including those arising from workmanship, materials, or from a breach of applicable laws, regulations, safety standards, or directives regardless of whether such acts or omissions are negligently or recklessly performed. This indemnification survives the termination of the Agreement.
- 5.7. **Excluded Parties.** Third-Party Administrator represents and warrants that it is not listed in the prohibited vendors lists authorized by Executive Order No. 13224 "Blocking Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism," published by the United States Department of the Treasury, Office of Foreign Assets Control. Third-Party Administrator will notify TCEQ if it can no longer make this representation.
- 5.8. **COVID-19 Vaccine Passport Prohibition.** Under § 161.0085 of the Texas Health and Safety Code, Third-Party Administrator certifies that it is not ineligible to receive the Contract and will maintain this certification throughout the term of the Contract.
- 5.9. **Racial Discrimination.** In Accordance with Executive Order No. GA-55, Third-Party Administrator will treat people equally, regardless of race, in any context related to the SEP Program.

6. CONFLICT OF INTEREST

- 6.1. Third-Party Administrator shall promptly disclose in writing to TCEQ any actual, apparent, or potential conflicts of interest, including but not limited to disclosure of:
- 6.1.1. Any consulting fees or other compensation not explicitly authorized by the Agreement paid to employees, officers, agents of Third-Party Administrator, or members of their immediate families, or paid by subcontractor or subrecipients;
 - 6.1.2. Any organizational conflicts of interest between Third-Party Administrator and its subcontractors or subrecipients under a subaward; or
 - 6.1.3. Any conflicts of interest between Third-Party Administrator and respondents to TCEQ enforcement actions that contribute SEP Funds to this project.
- 6.2. No entity or individual with any actual, apparent, or potential conflict of interest will take part in performance of the Project without TCEQ's written consent. Third-Party Administrator agrees that TCEQ has sole discretion to determine whether a conflict exists and agrees that a conflict of interest is grounds for termination of this Agreement.

7. PUBLIC DISCLOSURE

- 7.1. **Acknowledgement of Financial Support.** Third-Party Administrator shall acknowledge the financial support of the TCEQ SEP Program in any publication involving the use of SEP Funds or whenever work funded in whole or in part by this Agreement is publicized or reported online or in news media. All publications, news releases, and project signs must contain the following notation (or its equivalent if approved by TCEQ):

Performed with penalty funds from a
Texas Commission on Environmental Quality enforcement action.

- 7.2. **Publicity.** Third-Party Administrator shall not publicize the name of contributors of SEP Funds without consent of the contributor and notice to TCEQ.
- 7.3. **Public Information.** The Texas Public Information Act (Texas Government Code, Chapter 552) applies to all information delivered to TCEQ in the course of performance under this Agreement. This means that any document provided to TCEQ may be subject to public disclosure upon request. TCEQ assumes no obligation to make legal arguments in support of any claims pertaining to confidentiality, patents, trade secrets, or copyright.
- 7.4. **Audit of Funds.** Third-Party Administrator understands that acceptance of SEP Funds under this Contract acts as acceptance of the authority of the State Auditor's Office, or any successor agency, to conduct an audit or investigation in connection with those funds. Third-Party Administrator further agrees to fully cooperate with the State Auditor's Office or its successor during any audit or investigation, including providing all records requested.
- 7.5. **Publication.** Third-Party Administrator agrees to notify TCEQ five (5) days prior to the publication or advertisement of information related to this Agreement, as distinct from the projects themselves. Third-Party Administrator agrees not to use the TCEQ logo or the TCEQ graphic as an advertisement or endorsement without written permission signed by the appropriate TCEQ authority.

8. NOTICES AND OTHER INFORMATION

- 8.1. **Delivery of Notice.** Notices are deemed to be delivered three (3) working days after postmarked if sent by U.S. Postal Service certified or registered mail, return receipt requested. Notices delivered by other means are deemed delivered upon receipt by the addressee. Routine communications may be made by first class mail, email, or other commercially accepted means.
- 8.2. **Bankruptcy and/or Business Closing.** In the event that Third-Party Administrator closes its business and/or files a petition for bankruptcy protection, Third-Party Administrator shall provide written notice to TCEQ within twenty-four (24) hours of such closure and/or filing. Notice must be sent to the designated TCEQ contact under this Agreement as well as the TCEQ Bankruptcy Program. Notice to the TCEQ Bankruptcy Program must include contact information and be sent to: TCEQ Bankruptcy Program, P.O. Box 13087, Mail Code 205, Austin, Texas 78711.
- 8.3. **Notice of Change.** Third-Party Administrator agrees that all information it provided to TCEQ was correct at the time of submission, and that in entering into this Agreement, TCEQ has materially relied on all information provided by Third-Party Administrator, regardless of whether such information is incorporated into this Agreement. Third-Party Administrator agrees to give five (5) days' written notice to TCEQ if there is any material change in the information.

9. SOVEREIGN IMMUNITY

The parties agree that this Agreement does not waive any sovereign immunity to which either party is entitled by law.

10. AGREEMENT INTERPRETATION

- 10.1. **Headings.** The headings of the sections contained in this Agreement are for convenience only and do not control or affect the meaning or construction of any provision of this Agreement.

- 10.2. Interpretation of Time.** All days are calendar days unless stated otherwise. Days are counted to exclude the first and include the last day of a period. If the last day of the period is a Saturday or Sunday or a state or federal holiday, it is omitted from the computation. A “year” is a period of 365 days. A “month” is the period ending on the same numerical day in the subsequent calendar month as the day on which the period began.
- 10.3. State and Federal Law.** This Agreement is governed by and interpreted under the laws of the State of Texas, as well as applicable federal law.
- 10.4. Venue.** Third-Party Administrator agrees that the Agreement is being performed in Travis County, Texas, because this Agreement is being administered in Travis County, Texas. Third-Party Administrator agrees that any permissible cause of action involving this Agreement arises solely in Travis County. This provision does not waive TCEQ’s sovereign immunity.
- 10.5. Severability.** If any provision of this Agreement is found by any court, tribunal, or administrative body of competent jurisdiction to be wholly or partly illegal, invalid, void or unenforceable, it shall be deemed severable (to the extent of such illegality, invalidity, or unenforceability) and the remaining part of the provision and the rest of the provisions of this Agreement shall continue in full force and effect. If possible, the severed provision shall be deemed to have been replaced by a valid provision having as near an effect to that intended by the severed provision as will be legal and enforceable.
- 10.6. Assignment.** No delegation of the obligations, rights, or interests in the Agreement, and no assignment of payments by Third-Party Administrator will be binding on TCEQ without its written consent, except as restricted by law. No assignment will release or discharge the Third-Party Administrator from any duty or responsibility under the Agreement.
- 10.7. Compliance with Laws.** TCEQ relies on Third-Party Administrator to perform all Agreement Activities in conformity with all applicable laws, regulations, and rules and obtain all necessary permits and licenses.
- 10.8. Counterparts.** This Agreement may be signed in any number of copies. Each copy when signed is deemed an original and each copy constitutes one and the same Agreement.
- 10.9. Accessibility.** All electronic content and documents created as deliverables under this Agreement must meet the accessibility standards prescribed in 1 Texas Administrative Code § 206.50 and ch. 213 for state agency web pages, web content, software, and hardware, unless TCEQ agrees that exceptions or exemptions apply.
- 10.10. Full Integration.** This Agreement, including any and all exhibits and amendments, merges any prior negotiations and understandings of the Parties and embodies the entire agreement of the Parties. No other agreements, assurances, conditions, covenants (express or implied), or other terms of any kind exist between the Parties regarding the Project.
- 10.11. Authorized Signatories.** The Parties agree that the signatories to this Agreement are authorized to enter into this Agreement on behalf of the entities indicated below each respective signature. Furthermore, the Parties agree that each is bound by the terms and conditions of this Agreement after it is signed by each Party.

11. FORCE MAJEURE

Force majeure is defined as acts of God, war, fires, explosions, hurricanes, floods, or other causes that are beyond the reasonable control of either party, could not reasonably be foreseen, and by the exercise of all reasonable due diligence, is unable to be overcome by either party. Neither party shall be liable to the other for any failure or

delay of performance of any requirement included in the contract caused by force majeure. Upon timely notice by Third-Party Administrator, the time for performance shall be extended for a reasonable period after the causes of delay or failure have been removed provided Third-Party Administrator exercises all reasonable due diligence to perform. Third-Party Administrator must provide evidence of any failure resulting in impossibility to perform.

12. UNIFORM ASSURANCES

- 12.1. Executive Head of a State Agency.** In accordance with Texas Government Code § 669.003, relating to contracting with the executive head of a state agency, Third-Party Administrator certifies that it is not (1) the executive head of TCEQ, (2) a person who at any time during the four years before the date of the Contract was the executive head of TCEQ, or (3) a person who employs a current or former executive head of TCEQ affected by this section.
- 12.2. Open Meetings Act.** Third-Party Administrator represents and warrants its compliance with Chapter 551 of the Texas Government Code which requires all regular, special or called meetings of a governmental body to be open to the public, except as otherwise provided by law.

**Exhibit 1— Form TCEQ-20459 Notification for a HHW Collection
Event**



Notification for a Household Hazardous Waste Collection Event

For TCEQ Use Only	
<i>Date Received</i>	<i>Date of Acknowledgement Letter</i>

Required Notifications

The Texas Commission on Environmental Quality **must be notified at least 45 days before** holding a collection of household hazardous waste (HHW). This requirement applies to any type of HHW collection including these and similar events:

- one-day events
- recurring events
- permanent collection centers
- point-of-generation programs (i.e. curbside or household pickups)
- mobile collection units

If information changes from the previous notification, operators must contact the TCEQ Household Hazardous Waste program for further instructions. Other than the households served in point-of-generation pickup programs, notifications are site specific (that is, different locations require separate notifications). Any combination of collection types at one site can be covered in a single notification.

The content of a notification is specified in Title 30 of the Texas Administrative Code (30 TAC) Section 335.403(b) or 30 TAC 335.403(b). Specific citations for the required information are referenced within this form. Except as noted for certain types of collection programs, all parts of the notification must be complete.

If you have any questions regarding this form, contact the TCEQ at 512-239-0010 or send an e-mail to recycle@tceq.texas.gov.

Operator's Name and Address 30 TAC 335.403(b)(1)

Provide the name and address of the governmental unit, company or organization that is arranging the event. If the collection is done under a contract, the operator could be either the contracted entity or the entity organizing the collection. That decision should be determined between the parties.

Name of Operator:
Address:
City, State, ZIP
E-mail Address

Contact Person's Name, Address, and Telephone Number 30 TAC §335.403(b)(2)

Provide the name, address, telephone number and affiliation of the operator's contact for the collection event. This person is responsible for arranging the event, and for implementing the public outreach efforts for the collection. The contact person is usually, but is not required to be, an employee of the operator listed in the previous section.

Contact Person:	Phone (xxx-xxx-xxxx): Ext.
Affiliation:	
Address:	
City, State, ZIP:	
E-mail Address	

Dates/Times of Planned Collection Events or Days/Hours of Permanent Collection Center or Point-of-Generation Collection Service 30 TAC §335.403(b)(3)

For Collection Events (including those with mobile collection units)

In the first column, provide the dates on which the collections are being planned. Include the month, date, and year. In the second column, provide the hours that the event will be open to the public.

For Permanent Collection Centers and Point-of-Generation Collection Services

In the first column, provide the days (week or month) the center is open or the services offered. In the second column, put the operating hours of the center or program (if by appointment, state “by appointment”).

In Case of Inclement Weather

If alternate dates are set in case of bad weather, enter the alternate dates and hours and check the “Alternate” box (es) after the date(s).

This is for:

- ☐ An event (including mobile collection units)
- ☐ A permanent collection center
- ☐ A point-of-generation collection service or curbside collection no letter required

Dates and Days of Events, Collections, and Services

Date or Day(s):	Hours:
Date or Day(s):	Hours:
<input type="checkbox"/> Alternate	
Date or Day(s):	Hours:
<input type="checkbox"/> Alternate	
Date or Day(s):	Hours:
<input type="checkbox"/> Alternate	

If additional entries are needed, attach a separate sheet.

Location of the Site to be Used 30 TAC §335.403(b)(4)

For mobile unit collection events and permanent collection centers

Provide the **street address** of the site to be used. If possible, include latitude and longitude coordinates for the site. If there is more than one site, separate notifications are needed for each one. If there is no address, provide a detailed description of the location—at least a name for the site, the name of the nearest road or highway, and the distance and direction from nearest town. If the collection will use only part of the site, describe what part is being used. You may attach a map if it is convenient.

Delivery of Collected HHW 30 TAC §335.403(b)(5)

For mobile collection events and point-of-generation programs

If the HHW was taken from the initial collection site directly to a hazardous waste treatment, storage, or disposal facility, **check the box below and proceed to the next section (*Permission from the Property Owner*)**.

- ☐ The HHW collected will be delivered directly to a hazardous waste treatment, storage, or disposal facility.

*If the HHW is taken to a permanent collection center, collection event, or registered transporter facility **after** being collected at the initial collection point and **before** being delivered to the hazardous waste treatment, storage or disposal facility.*

Provide the name and address of the permanent collection center, collection event, or transporter facility that will receive the collected HHW. If more than one is used, attach a list with the information below, as well as when each one will be used (such as for specific neighborhoods, specific events, specific materials, etc.).

Name of Center, Event, or Registered Facility to receive HHW:
Address:
City, State, ZIP:

Permission from the Property Owner of the Location for the Event or Collection Center 30 TAC §335.403(b)(6)

This requirement does not apply to an operation involving point-of-generation pickup services that collect wastes at households.

Provide the name of the property owner—not the leaseholder—of the location site. You must attach a letter **signed by the property owner**, or the owner's authorized representative, that clearly gives permission to use the site for collecting HHW.

- ☐ **A signed letter from the property owner is attached.**

Areas Covered by the Collection 30 TAC §335.403(b)(7)

Describe who will be allowed to participate in the HHW collection programs by geographical area (for example by city, county, neighborhood, zip code, etc.). If areas have access only to certain parts of your program, be specific about which programs are available in those areas.

Areas:

Types of Household Waste to be Collected 30 TAC §335.403(b)(8)

Provide the types—by waste category—of household wastes to be collected. If different wastes are accepted at different events, or by different parts of the collection program, be specific about what wastes you will take at each event or by the different parts of the collection program (such as a permanent collection center versus a point-of-generation collection service).

Wastes by Category:

Central Registry Information for Permanent Collection Centers 30 TAC §335.403(b)(9)

For a permanent collection center—including any site where HHW will be stored for more than 48 hours after receipt from the public—attach a properly completed TCEQ Core Data Form (TCEQ-10400). Check the box below to indicate that the form is attached.

☐ TCEQ Core Data Form (TCEQ-10400) is attached.

You can download it from the TCEQ website at [TCEQ Form Search](#) by searching for the form number.

Plan for Disposition of the Wastes Collected 30 TAC §335.403(b)(10)

Provide a statement on the plans for the reuse, recycling, or disposal of each type of waste—including non-HHW—that you anticipate receiving.

For HHW, include the name, address, and EPA identification number for each transporter that will haul the HHW from the collection or center, and the name, address, and EPA identification number of each recycling or disposal facility that will receive HHW. **If you will use more than one transporter or recycling/disposal facility, attach a list showing the information below, as well as which wastes will go to each.**

Name of Transporter:	EPA Identification Number:
Address:	
City, State, ZIP:	

Name of Recycling/Disposal Facility:	EPA Identification Number:
Address:	
City, State, ZIP:	

Exhibit 2—TCEQ SEP Vehicle Disposition Form



**Texas Commission on
Environmental Quality
Supplemental Environmental
Project Vehicle Replacement
Program Replacement Disposition
Form**

SEP Program
Phone (512) 239-2223
Fax (512) 239-3434
sepreports@tceq.texas.gov
PO Box 13087
SEP Coordinator, MC 175 Austin,
Texas 78711-3087

Replacement Disposition of Vehicle or Equipment

Complete on for Replacement Activity

SEP Third-Party Administrator

SEP Agreement No.

SEP Project Name

Phone

Replacement Contract Name

Contract No.

Old Vehicle Or Equipment Information

Please provide information on the vehicle or equipment being replaced. Refer to the Vehicle's Operation Manual or contact the dealer for information.

Vehicle Identification No.

Make

Model

Year

Engine Serial No. (required)

Make

Model

Year

Read And Check Disposition Statement Below

Read the following carefully!

☐ Vehicle /Equipment (Including the engine) was destroyed.

Destruction means making a hole 3 inches or larger in the engine block and cutting both frame and rails in half (or other pre-approved destruction) making it inoperable. The hole in the engine block **must not be on a removable plate and must be in the vicinity of the engine serial number**. All photos must be in color and not blurry. When using salvage or recycling companies, attach a written document that proves receipt of the old equipment, engine, or vehicle. Follow the list below that best applies to your vehicle or equipment. It is your responsibility that the salvage or recycling companies adhere to these procedures.

Checklist For Disposition Items For On-Road Vehicles

- ☐ A photo of the whole vehicle in operating condition before destruction (both sides of the vehicle).
- ☐ A photo of the engine block from the vehicle in operating condition before destruction (both sides of the engine).
- ☐ A photo of both frames before destruction.
- ☐ A photo of the whole vehicle after destruction (both sides of the vehicle).
- ☐ A photo of the engine block after destruction with a 3-inch or larger hole that cannot be repaired. The entire engine must be visible in the photo.
- ☐ A photo of both frames after destruction with both sides of the frame cut completely in half.
- ☐ A copy of the Nonrepairable Vehicle Title from the Texas Department of Motor Vehicles, Form VTR-441.
- ☐ A document from the salvage or recycling company if you sell the equipment for scrappage and that company does the destruction.

Checklist For Disposition Items For Off-Road Equipment

- ☐ A photo of the whole piece of equipment before destruction (both sides of the equipment).
- ☐ A photo of the engine block in operating condition before destruction (both sides of the engine).
- ☐ A photo before structural damage (both sides of the equipment).
- ☐ A photo of the whole piece of equipment after destruction (both sides of the equipment).
- ☐ A photo of the engine block after destruction with a 3-inch or larger hole that cannot be repaired. The entire engine must be visible in the photo.
- ☐ A photo of both sides of the equipment after structural damage that cannot be repaired.
- ☐ A document from the salvage or recycling company if you sell the equipment for scrappage and that company does the destruction.

Certification

I, the undersigned, certify that, to the best of my knowledge, all submitted information is true. I understand that the TCEQ may require reimbursement of SEP Funds if the disposition is not met. I understand that failure to comply with these SEP requirements may result in my organization reimbursing all SEP Funds, as well as a termination of this SEP Agreement between my organization and the TCEQ.

Third-Party Administrator Authorized Signature **Date**

Printed Name **Title**

Exhibit 3—TCEQ SEP Vehicle Retrofit Form



SEP Vehicle Retrofit Form

RETROFIT: Complete for each Vehicle retrofitted.			
SEP Third-Party Administrator:		SEP Agreement No.	
SEP Title:		Phone No.:	
Retrofit Contract School District Name:		Retrofit Contract No.:	

Old Vehicle Information

Vehicle ID #:					
Vehicle Make:		Model:		Year:	
Registration Document #:				(Document number is located on vehicle registration form.)	
Engine Family Code:				(This consists of twelve characters combining the model year, manufacturer, and engine type, among other things.)	
Engine Serial #:				(Found on the engine's emission label on the engine block and must be provided. If information is unavailable, you must provide an explanation.)	
Engine Make:		Model:		Year:	

Retrofit Equipment Type

	__Diesel Particulate Filter	__Closed Crankcase Filtration System	__Diesel Oxidation Catalyst
Vendor:			
Manufacturer:			
Part #:			

Is a dated copy of the school district's current fleet list attached? Yes__ No__

Is a dated copy of the school district's current policy to reduce school bus idling attached? Yes__ No__

Is this vehicle used on a weekly basis? Yes__ No__

What is the primary route driven using this vehicle? _____

When was this vehicle purchased by the school? Month_____ Year_____

Is this vehicle currently scheduled and budgeted for retrofit? Yes__ No__