AGENDA ITEM
A 6

AGENDA PLACEMENT FORM

Send to: ccagenda@johnsoncountytx.org

Date: _____

Meeting Date: 7.27.2026

Submitted By: County Judge's Office

Department: _____

Signature of Elected Official/Department Head:

_____

Court Decision:
This section to be completed by County Judge's Office

Johnson County
APPROVED
Commissioners Court
07/27/2026

Description:

Consider and Approve Services Agreement by and between the Johnson County, Texas and Texas Property Assessed Clean Energy Authority; with Authorization for County Judge to Sign-County Judge's Office

(May attach additional sheets if necessary)

Person to Present: _____

(Presenter must be present for the item unless the item is on the Consent Agenda)

Supporting Documentation: (check one) ☑ PUBLIC ☐ CONFIDENTIAL

(PUBLIC documentation may be made available to the public prior to the Meeting)

Estimated Length of Presentation: _____ minutes

Session Requested: (check one)

☑ Action Item ☐ Consent ☐ Workshop ☐ Executive ☐ Public Announcement

Check All Departments That Have Been Notified:

☑ County Attorney ☐ IT ☐ Purchasing ☐ Auditor

☐ Personnel ☐ Development Services ☐ Facilities Management

Other Department/Official (list) _____

Please List All External Persons Who Need a Copy of Signed Documents In Your Submission Email

Approved in CC on 9/11/2023

SERVICES AGREEMENT
BY AND BETWEEN THE JOHNSON COUNTY, TEXAS AND
TEXAS PROPERTY ASSESSED CLEAN ENERGY AUTHORITY

THIS SERVICES AGREEMENT ("Agreement") is made and entered by and between **Johnson County, Texas**, hereinafter referred to as "**Local Government**", and **TEXAS PROPERTY ASSESSED CLEAN ENERGY (PACE) AUTHORITY (d/b/a Texas PACE Authority)**, a Texas non-profit business association, hereinafter referred to as "**Services Provider**" to be effective from and after the date as provided herein.

W I T N E S S E T H:

WHEREAS, the Commissioners Court of **Local Government** desires to engage the services of a qualified professional to administer a Texas Property Assessed Clean Energy program for **Local Government** pursuant to the Property Assessed Clean Energy Act, Texas Local Government Code Chapter 399 ("**PACE Act**"), and serve as Authorized Representative pursuant to Tex. Local Gov't Code §399.006(b), hereinafter referred to as the "**Program**"; and

WHEREAS, **Services Provider** desires to deliver such services for **Local Government** upon the terms and conditions provided herein.

NOW, THEREFORE, for and in consideration of the covenants contained herein, and for the mutual benefits to be obtained hereby, the parties hereto agree as follows:

I. ENGAGEMENT

Local Government agrees to retain **Services Provider** to serve as administrator of **Local Government's Program,** and **Services Provider** agrees to perform such services in accordance with the terms and conditions of this Agreement.

II. SCOPE OF SERVICES

The parties agree that **Services Provider** shall perform such services as are further described in **Exhibit "A"** (collectively "**Scope of Services**"). The parties understand and agree that deviations or modifications in the **Scope of Services** may be authorized from time to time by a representative of **Local Government** but said authorization must be made in writing and mutually agreed to by both parties.

Prior to commencing Services under this Agreement, Services Provider agrees to deliver the following to Local Government:

(a) A PACE Program Guidelines, in English and Spanish, that describes the program requirements and project process and fees; and

(b) Certification the Services Provider shall adhere to the PACE in a Box underwriting and technical standards as updated from time-to-time.

III. TERM OF AGREEMENT

The initial term of this Agreement shall commence on the date both Local Government and Services Provider have executed this Agreement.

Notwithstanding the termination of this Agreement, **Services Provider** shall be permitted to continue administration of any third-party agreements under the **Program** commenced prior to termination of this Agreement, and to continue recovering any compensation due **Services Provider** for services performed prior to termination in accordance with Section IV of this Agreement.

IV. COMPENSATION AND EXPENSES

Services Provider shall be paid for performance of the **Scope of Services** solely from application, administration, and other fees paid by Program participants in accordance with the PACE Act, and **Local Government** shall have no obligation to pay **Services Provider** for performance of the **Scope of Services**. Service Provider shall determine the amounts of the application, administration, and other fees to be paid by Program participants.

V. INSURANCE

Services Provider agrees to meet all insurance requirements, and to require all consultants who perform work for **Services Provider** to meet all insurance requirements, as set forth in **Exhibit "B"** to this Agreement.

VI. INDEMNIFICATION

SERVICES PROVIDER AGREES TO INDEMNIFY AND HOLD LOCAL GOVERMENT AND ITS RESPECTIVE OFFICERS, AGENTS AND EMPLOYEES, HARMLESS AGAINST ANY AND ALL CLAIMS, LAWSUITS, JUDGMENTS, FINES, PENALTIES, COSTS AND EXPENSES FOR PERSONAL INJURY (INCLUDING DEATH), PROPERTY DAMAGE OR OTHER HARM OR VIOLATIONS FOR WHICH RECOVERY OF DAMAGES, FINES, OR PENALTIES IS SOUGHT FROM LOCAL GOVERNMENT ARISING OUT OF OR OCCASIONED BY SERVICES PROVIDER'S BREACH OF ANY OF THE TERMS OR PROVISIONS OF THIS AGREEMENT, VIOLATIONS OF LAW BY SERVICES PROVIDER, OR BY, GROSSLY NEGLIGENT, OR STRICTLY LIABLE ACT OR OMISSION OF THE SERVICES PROVIDER, ITS OFFICERS, AGENTS, EMPLOYEES, INVITEES, CONTRACTORS, OR SUB-SUBCONTRACTORS IN THE PERFORMANCE OF THIS AGREEMENT. THE INDEMNITY PROVIDED FOR IN THIS PARAGRAPH SHALL NOT APPLY TO ANY LIABILITY TO THE EXTENT RESULTING FROM THE CONCURRENT NEGLIGENCE OF LOCAL GOVERNMENT, AND ITS OFFICERS, AGENTS, EMPLOYEES OR

SEPARATE CONTRACTORS. LOCAL GOVERNMENT DOES NOT WAIVE ANY GOVERNMENTAL IMMUNITY OR OTHER DEFENSES AVAILABLE TO IT UNDER TEXAS OR FEDERAL LAW. NO PARTY SHALL BE LIABLE FOR ANY NON-DIRECT DAMAGES, INCLUDING BUT NOT LIMITED TO, CONSEQUENTIAL, INCIDENTAL, PUNITIVE, EXEMPLARY OR INDIRECT DAMAGES, LOST PROFITS OR OTHER BUSINESS INTERRUPTION DAMAGES, BY STATUTE, IN TORT OR CONTRACT. EACH PARTY AGREES TO BE RESPONSIBLE FOR ITS OWN ATTORNEY FEES AND LEGAL COSTS. THE PROVISIONS OF THIS PARAGRAPH ARE SOLELY FOR THE BENEFIT OF THE PARTIES HERETO AND ARE NOT INTENDED TO CREATE OR GRANT ANY RIGHTS, CONTRACTUAL OR OTHERWISE, TO ANY OTHER PERSON OR ENTITY.

VII. INDEPENDENT CONTRACTOR

Services Provider covenants and agrees that it is an independent contractor and not an officer, agent, servant or employee of **Local Government**; that it shall have exclusive control of and exclusive right to control the details of the services performed hereunder and all persons performing same, and shall be responsible for the acts and omissions of its officers, agents, employees, contractors, subcontractors and consultants; that the doctrine of respondeat superior shall not apply as between **Local Government** and **Services Provider**, its officers, agents, employees, contractors, subcontractors and consultants, and nothing herein shall be construed as creating a partnership or joint enterprise between **Local Government** and **Services Provider**.

VIII. ASSIGNMENT AND SUBLETTING

Services Provider agrees that this Agreement shall not be assigned without the prior written consent of **Local Government**, except to an Affiliate of **Services Provider**. Affiliate shall mean (1) any corporation or other entity controlling, controlled by, or under common control with (directly or indirectly) **Services Provider**, including, without limitation, any parent corporation controlling **Services Provider** or any subsidiary that **Services Provider** controls; (2) the surviving corporation resulting from the merger or consolidation of **Services Provider**; or (3) any person or entity which acquires all of the assets of **Services Provider** as a going concern.

Services Provider shall be permitted to enter into subcontracts for performance of portions of the **Scope of Services**; however, **Services Provider** shall not subcontract the entirety of the **Scope of Services** to a single subcontractor without **Local Government's** consent. **Services Provider** further agrees that the assignment or subletting of any portion or feature of the work or materials required in the performance of this Agreement shall not relieve the **Services Provider** from its full obligations to **Local Government** as provided by this Agreement.

IX. AUDITS AND RECORDS

Services Provider agrees that **Local Government** or its duly authorized representatives shall, until the expiration of three (3) years after termination under this Agreement, have access to and the right to examine and photocopy any and all books, documents, papers and records of **Services Provider** which are directly pertinent to the services performed under this Agreement for the purposes of making audits, examinations, excerpts, and transcriptions. **Services Provider** agrees that **Local Government** shall have access during normal business hours and days to all necessary Services Provider's facilities and shall be provided adequate and appropriate workspace in order to conduct audits in compliance with the provisions of this section. **Local Government** shall give **Services Provider** reasonable advance notice of intended audits. The parties understand that **Service Provider's** document retention policy allows **Service Provider** to destroy or dispose of its hard and electronic records, books, papers, and documents after five (5) years.

X. CONTRACT TERMINATION

The parties agree that **Local Government** and **Services Provider** shall have the right to terminate this Agreement upon thirty (30) days prior written notice to the other party. In the event of such termination, **Services Provider** shall deliver to **Local Government,** upon request, all finished or unfinished documents, data, studies, surveys, drawings, maps, models, reports, photographs or other items prepared by **Services Provider** in connection with and as a direct results of this Agreement. In the event of termination, **Services Provider** shall be compensated in accordance with Section III of this Agreement with respect to any third-party agreements under administration by **Services Provider** at the time of termination.

XI. COMPLETE AGREEMENT

This Agreement, including its Exhibits, constitute the entire agreement by and between the parties regarding the subject matter hereof and supersedes all prior or contemporaneous written or oral understandings.

XII. AMENDMENTS

Amendments to this agreement may be made at any time upon mutual written agreement by **Local Government** and **Services Provider**.

XIII. MAILING OF NOTICES

Unless instructed otherwise in writing, **Services Provider** agrees that all notices or communications to **Local Government** permitted or required under this Agreement shall be addressed to **Local Government** at the following address:

Johnson County, Texas
Attn:_____
_____
Email: _____

Local Government agrees that all notices or communications to **Services Provider** permitted or required under this Agreement shall be addressed to **Services Provider** at the following address:

Texas Property Assessed Clean Energy Authority
Attn: William E. (Dub) Taylor
PO Box 200368
Austin TX 78720-0368
Email: Admin@TexasPACEAuthority.org

All notices or communications required to be given in writing by one party or the other shall be considered as having been given to the addressee on the date such notice or communication is posted by the sending party. All email notices or communications must be acknowledged as received by the receiving party to be effective.

XIV. AUTHORITY TO SIGN

The undersigned officers or agents of the parties represent and warrant they are the legally authorized officials and have the necessary authority to execute this Agreement on behalf of the parties and to bind them to this Agreement.

XV. MISCELLANEOUS

A. This is a contract for the purchase of services less than $100,000 and is therefore exempt from any competitive bidding requirements of **Local Government.**

B. Paragraph Headings:

The paragraph headings contained herein are for convenience only and are not intended to define or limit the scope of any provision in this Agreement.

C. Agreement Interpretation:

This is a negotiated Agreement, should any part be in dispute, the parties agree that the terms of the Agreement shall not be construed more favorably for either party.

D. Venue and Governing Law:

The parties agree that the laws of the State of Texas shall govern this Agreement, without regard to any choice of law statutes, and that it is performable in Johnson County, Texas. The parties consent to exclusive venue shall lie in Johnson County, Texas.

E. Successors and Assigns:

Local Government and **Services Provider** and their partners, successors, and lawful assigns are hereby bound to the terms and conditions of this Agreement.

F. Severability:

In the event a term, condition, or provision of this Agreement is determined to be void, unenforceable, or unlawful by a court of competent jurisdiction, then that term, condition, or provision, shall be deleted and the remainder of the Agreement shall remain in full force and effect.

G. Effective Date:

This Agreement shall be effective from and after the date of execution by the last signatory hereto as evidenced below.

SIGNED on the date indicated below.

JOHNSON COUNTY, TEXAS

DATE: 7-27-26

BY: _____

Name: Christopher Boedeker

Title: County Judge

APPROVED AS TO FORM:

_____

Bill Moore

Attorney

TEXAS PROPERTY ASSESSED CLEAN ENERGY AUTHORITY

DATE: 7/22/2026

BY: _____

Name: William E. (Dub) Taylor

Title: Chief Executive Officer

Exhibit "A"
Scope of Services

The Services Provider shall perform the following services in the administration of the Program:

1. Community Outreach. In furtherance of community outreach efforts, Services Provider shall:
   1.1. Maintain a website with a page specific to the Program that tallies the cumulative economic and environmental impact of PACE projects closed under the Program;
   1.2. Maintain a project database;
   1.3. Respond to inquiries from property owners, vendors, contractors, consultants, and the general public;
   1.4. Publish the Service Provider's PACE Program Guide in English and Spanish on the Program website;
   1.5. Link to the most current version of the PACE in a Box Technical Standards Manual on the Program website;
   1.6. List interested, qualified lenders on the Program website to enable property owners to identify potential sources of private third-party financing;
   1.7. Arrange for training of contractors, independent third-party reviewers ("ITPR"), and other stakeholders on how to apply for PACE financing and comply with the PACE in a Box Technical Standards Manual;
   1.8. List interested trained service providers on the Program website to enable property owners to identify potential contractors, architects, engineers, and other consultants and advisors; and
   1.9. Establish quality assurance measures.
   1.10. The Local Government agrees to link to Service Provider's specific Program webpage on its own webpage so that constituents may learn more and utilize the voluntary Program. Local Government may consider adding the link to one or more of the following on its official website: home page, economic development page, sustainability page, environmental page, or any other topic-appropriate webpage.

2. Maintain and Update Uniform Documents. Services Provider shall also maintain uniform documents, forms, and contracts. Periodic updates to the standard form documents are necessary as the program evolves, incorporating best practices and standardizing the PACE documents across various PACE programs. The Authorized Representative is authorized to, and is tasked with maintaining the form documents and making technical and conforming updates as necessary so long as the changes

are consistent with the resolution to establish the PACE program and the Texas PACE Act.

3. Application and Approval Process. Services Provider shall manage and oversee the application and approval process for PACE transactions by accomplishing the following:

   3.1. Publish a preliminary application form on the Program website.

   3.2. Provide a Project Application Form based on PACE-in-a-Box model application form upon request to interested parties.

   3.3. Review submitted Application forms for administrative completeness and notify the applicants of any missing information.

   3.4. Maintain the confidentiality of confidential owner information.

   3.5. Maintain the PACE application process, including:

      3.5.1. Accept and review the property owner's completed application. When the project meets eligibility requirements, provide written indication that the project meets PACE standards at this stage (subject to verification of all requirements at closing).

      3.5.2. Inform the property owner of his or her responsibilities in the process, including hiring a third-party reviewer, obtaining a lender, determining final project scope and completing and submitting a closing verification package.

      3.5.3. Conduct a Pre-Closing Verification, which will confirm the statutorily required eligibility requirements of the owner including that the property owner:

         - Is the legal property owner of the benefited property;
         - Is current on mortgage and tax payments;
         - Is not insolvent or the subject of bankruptcy proceedings;
         - Holds clear title to the property and it is not in dispute; and
         - Has written consent of any pre-existing mortgage lien holder to the proposed PACE assessment.

   3.6. Require independent third-party verification of expected energy or water savings resulting from a project (provided by ITPR retained by applicant), according to the PACE-in-a-Box Technical Standards Manual. This review will include a:

      - Site visit,
      - Report stating the savings (energy, demand, and/or water) and expected project life are reasonable and in compliance with PACE in a Box program guidelines; and
      - Letter from the ITPR certifying that he/she has no financial interest in the project and is an independent reviewer.

3.7. Require independent third-party verification, according to the PACE-in-a-Box Technical Services Manual, that the period of an assessment does not exceed the expected life of the improvements or thoroughly review waiver application and justification (provided by ITPR retained by applicant);

3.8. Require lender to confirm in writing its determination, based on underwriting factors established by the lender, that the owner has demonstrated the financial ability to repay the financial obligations to be repaid through assessment.

3.9. Require the owner to notify the holder of any mortgage lien on the property of the owner's intention to participate in the Program not less than 30 days before closing and obtain the lienholder's written consent prior to the imposition of the PACE assessment;

3.10. Review and finalize the terms of every Owner Contract and Lender Contract prior to execution; The Contract must contain:

- Amount of the assessment;
- The legal description of the property;
- The name of the property owner; and
- A reference to the statutory assessment lien provided under the PACE Act.

3.11. Collect and retain owner application fees as compensation for administrative services.

3.12. Perform closing verification reviews and schedule assessment transaction closings when all requirements are met. Such closing verification must include:

- The report conducted by a qualified independent third-party reviewer of water or energy baseline conditions and the projected water or energy savings attributable to the project;
- Such financial information about the owner and the property as the lender chosen by the owner deems necessary to determine that the owner has demonstrated the financial ability to fulfill the financial obligations to be paid through assessments; and
- All other information required by the Services Provider.

3.13. Coordinate and take part in assessment transaction closings.

3.14. Execute contracts under the Program as authorized on behalf of Local Government.

3.15. Arrange for recordation of a Notice of Contractual Assessment Lien for each approved project in the Official Public Records of the county where the project is located; The Notice must contain:

- Amount of the assessment;
- The legal description of the property;
- The name of the property owner; and

- A reference to the statutory assessment lien provided under the PACE Act.

3.16. Require independent post-closing third-party verification (by ITPR retained by Applicant or Lender) that each project was properly completed and is operating as intended.

3.17. Collect and retain administration fees collected by lenders from owners that receive PACE financing.

4. Management and Reporting. Services Provider shall undertake the following to fulfill its management and reporting obligations:

4.1. Manage communications with lenders regarding assessment servicing, payment, and default.

4.2. Upon notification by a lender of an owner's default in payment of an assessment and the lender's compliance with the requirements of the Lender Contract on collection after default, notify the Local Government to enforce the assessment lien in accordance with law and the agreements between the parties.

4.3. Receive and store owner reports on energy and water savings.

4.4. Maintain the form contracts and make technical and conforming updates as necessary so long as the changes are consistent with the resolution to establish the PACE program and the statute.

4.5. At the request of property owners, prepare annual notices of assessment to be issued by Local Government to the owners, stating the total amount of the payments due on each assessment in the coming calendar year according to the owner contract and the financing documents.

4.6. Determine the amounts of the application, administration, and other fees to be paid by owners.

4.7. Produce annual report on Texas PACE financing usage and the resulting energy and water savings enabled through PACE Assessments. The annual report shall also document how obligations under this Scope of Services were fulfilled during the prior year. For example, list training, outreach, education, efforts to reach underserved communities and stakeholders.

Exhibit "B"

Insurance Requirements

COVERAGE	LIMIT OF LIABILITY
Employer's Liability	$500,000 per occurrence
General Liability	Bodily Injury and Property Damage, Combined Limits of $500,000 each Occurrence, and $1,000,000 aggregate