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PERSONAL SERVICES CONTRACT

THIS CONTRACT FOR PERSONAL SERVICES is made by and between Nueces County Hospital District (the “Hospital District” or “District”) and Patricia A. Shipton, (the “Contractor”) for the purpose of contracting for personal services.

WITNESSETH

WHEREAS, the Hospital District is a body politic and corporate and a political subdivision of the State of Texas, established and created pursuant to the Texas Constitution, Article IX, Section 4 and the Texas Health and Safety Code (the “Health Code”), Chapter 281, and operated in accordance with the Health Code and other applicable laws of the State of Texas;

WHEREAS, pursuant to the collective authorities of the Health Code, §281.047 and §281.048, the Board of Managers of the Hospital District (the “Board”) has, and at the time of approval or ratification of this Contract had, full power and authority to manage, control, administer, and to adopt rules governing operation of the District;

WHEREAS, pursuant to Health Code, §281.026, the Hospital District’s Administrator (the “Administrator”) performs duties required by the Board and supervises the work and activities of the Hospital District;

WHEREAS, Local Government Code, §262.024, provides for the procurement of personal services;

WHEREAS, the Hospital District desires to contract for personal consulting services relating to Texas legislative, regulatory, agency, departmental, and state-provided funding matters when the Legislature is not in Session as described in Attachment B - Services to be Provided by Contractor; and

WHEREAS, notwithstanding the foregoing recital, the Hospital District’s primary objective under this Contract is to identify state-provided funding and the secondary objectives are to represent the Hospital District’s interests when the Legislature is not in Session, each as described in Attachment B - Services to be Provided by Contractor.

NOW, THEREFORE, the Hospital District and the Contractor, in consideration of the mutual covenants and agreements herein contained, do hereby mutually agree as follows:

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AGREEMENT

ARTICLE 1 SCOPE OF SERVICES TO BE PROVIDED BY HOSPITAL DISTRICT AND CONTRACTOR

Hospital District hereby agrees to perform those tasks and services described in Attachment A, which is attached hereto and made a part thereof this Contract.

Contractor hereby agrees to perform those tasks and services described in Attachment B, which is attached hereto and made part thereof of this Contract.

ARTICLE 2 CONTRACT PERIOD

This Contract shall begin on July 1, 2025 and shall terminate at the close of business on December 31, 2025, unless extended by supplemental agreement duly executed by the Contractor and the Hospital District prior to the date of termination, as provided in Article 9 - Supplemental Agreements, or otherwise terminated, as provided in Article 16 - Termination. Any work performed or cost incurred after the date of termination shall be ineligible for reimbursement.

ARTICLE 3 COMPENSATION AND METHOD OF PAYMENT

The maximum amount payable under this Contract is Fifteen Thousand Dollars (\$15,000), unless modified as provided in Article 9 - Supplemental Agreements. Maximum amount payable is not inclusive of any reimbursable expenses as set-out below.

Payments will be made monthly at Two Thousand Five Hundred Dollars (\$2,500) per month through December of 2025. Both parties agree and recognize that any reduction in payment should reflect a proportional reduction in expected monthly hours worked by Contractor.

The Contractor shall prepare and submit to the Hospital District monthly invoices and progress reports stating the status and description of the work accomplished during the billing period; the invoices and reports shall be sent directly to the Administrator, the District's representative under this Contract.

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If requested by the Hospital District, the Contractor shall execute and submit all necessary accounting and/or legal reporting forms (i.e., Internal Revenue Form W-9-Request for Taxpayer Identification Number, Texas Ethics Commission Form 1295-Certificate if Interested Parties, etc.) as statutorily required or requested by Hospital District, prior to the remittance of any payments by the Hospital District for work.

The Hospital District reserves the right to withhold payment pending verification of satisfactory work.

The Hospital District will NOT pay reasonable expenses incurred relative to the Contractor's duties, including travel expenses, long-distance telephone calls, special mailing, and delivery expenses.

The Hospital District assumes no liability for work performed or costs incurred prior to the effective date of this Contract during periods when work is suspended, or after the Contract completion date.

ARTICLE 4 WORK AUTHORIZATIONS

[Specifically Excluded]

ARTICLE 5 PROGRESS

The Contractor shall, from time to time during the progress of the work, confer with the Hospital District. The Contractor shall prepare and present such information as may be pertinent and necessary, or as may be requested by the District to evaluate features of the work. Upon request by the District, the Contractor shall make presentations to the Board, District staff, and as otherwise directed by the District.

At the request of the Hospital District or the Contractor, conferences shall be held at the Contractor's office, the District's office, or at other locations as may be designated by the District. These conferences shall also include an evaluation of the Contractor's services and work when requested by the District.

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The Contractor shall report to the Administrator for purposes of this Contract. If the Contractor has questions on directions, or on any of the tasks and services to be performed in Attachment A or B, the Contractor should seek clarity through the Administrator.

The Contractor shall promptly advise the Hospital District, through the Administrator, in writing of events which have a significant impact upon the progress of work, including:

1. problems, delays, or adverse conditions which will materially affect the ability to attain Contract objectives, prevent the meeting of time schedules and goals, or preclude the attainment of project work units by established time periods; this disclosure will be accompanied by a statement of the action taken, or contemplated, and any District assistance needed to resolve the situation; and
2. favorable developments or events which would enable meeting the work schedule goals sooner than anticipated.

ARTICLE 6 SUSPENSION

The Hospital District may suspend the work, but not terminate the Contract, by giving written notice a minimum of two (2) calendar days prior to the date of suspension. The two (2)-day notice may be waived if approved in writing by the parties.

The work will be reinstated and resumed in full force and effect within ten (10) calendar days of receipt of written notice from the Hospital District to resume the work. The ten (10) day notice may be waived if approved in writing by both parties.

If the Hospital District suspends the work, the Contract period, as determined in Article 2 - Contract Period, is not affected and the Contract will terminate on the date specified unless the Contract is amended as provided in Article 9 - Supplemental Agreements.

ARTICLE 7 ADDITIONAL WORK

If the Contractor determines that any work it has been directed to perform is beyond the scope of this Contract and constitutes extra work, it shall promptly notify the Hospital District through the

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Administrator in writing. In the event the District determines that such work constitutes extra work and exceeds the maximum amount payable, the District shall so advise the Contractor and a supplemental agreement may be executed, as provided in Article 9 - Supplemental Agreements.

The Contractor shall not perform any additional work or incur any additional costs prior to the execution, by all parties, of a supplemental agreement. The Hospital District shall not be responsible for actions by the Contractor or any costs incurred by the Contractor relating to additional work not directly associated with the performance of the work authorized in this Contract or as amended.

ARTICLE 8 CHANGES IN WORK

If the Hospital District finds it necessary to request changes to previously satisfactorily completed work or parts thereof which involve changes to the original scope of services or character of work under the Contract, the Contractor shall make such revisions if requested and as directed by the District. This will be considered additional work and paid for as specified under Article 7- Additional Work.

The Contractor shall make such revisions to the work to correct errors appearing therein, when required to do so by the Hospital District. No additional compensation will be paid for the correction of errors.

ARTICLE 9 SUPPLEMENTAL AGREEMENTS

The terms of this Contract may be modified by supplemental agreement if the Hospital District determines that there has been a significant change in the scope, complexity, or character of the service to be performed, or the duration of the work. Additional compensation, if appropriate, shall be identified as provided in Article 3 - Compensation and Method of Payment.

Any supplemental agreement must be executed by both parties within the Contract period specified in Article 2 - Contract Period.

No claim for extra work done shall be made by the Contractor until full execution of the supplemental agreement and authorization to proceed is issued by the Hospital District. The District reserves the right to withhold payment pending verification of satisfactory work performed.

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ARTICLE 10 PUBLIC INFORMATION ACT

All data, and other documents created or collected under the terms of this Contract are the exclusive property of the Hospital District and shall be furnished to the District upon request. All documents prepared by the Contractor and all documents furnished to the Contractor by the District shall be delivered to the Administrator upon completion or termination of this Contract. The Contractor, at its own expense, may retain copies of such documents or any other data which it has furnished the District under this Contract. Release of information will be in accordance with the Texas Public Information Act.

ARTICLE 11 SUBCONTRACTING

The Contractor shall not assign, subcontract, or transfer any portion of the work under this Contract. All work under this Contract shall be performed by Contractor personally.

ARTICLE 12 EVALUATION OF WORK

The Hospital District and its authorized representatives shall have the right at all reasonable times to review or otherwise evaluate the work performed or being performed hereunder. If a review or evaluation is being made on the premises of the Contractor, the Contractor shall provide all reasonable facilities and assistance for the safety and convenience of the District representatives in the performance of their duties. If funds by other agencies or entities are to be used for payment of the services under this Contract, the Contractor's services and work may be subject to periodic review and approval by other agencies or entities, including city, county, state, and/or federal agencies.

ARTICLE 13 SUBMISSION OF REPORTS

All applicable study reports shall be submitted in preliminary form for review by the Hospital District before a final report is issued. The District's comments on the Contractor's preliminary report shall be addressed in the final report.

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All reports, whether preliminary or final, shall be submitted to the Administrator. The Administrator is responsible for disseminating the information to the Board and as appropriate within the Hospital District.

Unless during an open meeting pursuant to Texas Government Code Chapter 551 of the Board, Contractor shall not convey any information received from any member of the Board to any other member of the Board.

If contacting a member of the Board by email, Contractor shall send a copy under separate email to each of the other member of the Board and Administrator to avoid any potential Open Meetings Act (OMA) Texas Government Code Chapter 551 violations.

ARTICLE 14 COMPUTER DOCUMENTS AND INFORMATION EXCHANGE

All computer files must be compatible with the Hospital District's computer systems without conversion or modifications.

All graphics media provided by the Contractor shall be delivered to the Hospital District.

ARTICLE 15 VIOLATION OF CONTRACT TERMS/BREACH OF CONTRACT

Violation of the Contract terms or breach of Contract by the Contractor shall be grounds for termination of the Contract and any increased cost arising from the Contractor's default, breach of Contract, or violation of Contract terms shall be paid by the Contractor. This Contract shall not be considered as specifying the exclusive remedy for any default, but all remedies existing at law and in equity may be availed of by either party and shall be cumulative.

ARTICLE 16 TERMINATION

This Contract shall terminate at the close of business on December 31, 2025 unless extended as provided in Article 9 - Supplemental Agreements.

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This Contract may be terminated before the stated termination date by any of the following conditions:

1. By mutual agreement and consent, in writing, of parties;
2. By the Hospital District, by notice in writing to the Contractor as a consequence of failure by the Contractor to perform the services set forth herein in a satisfactory manner;
3. By any party, upon the failure of the other party to fulfill its obligations as set forth herein;
4. By the Hospital District, for reasons of its own and not subject to the mutual consent of the Contractor upon not less than thirty (30) calendar days written notice to the Contractor; and
5. By written notice from the Hospital District upon satisfactory completion of all services and obligations described herein.

Should the Hospital District terminate this Contract as herein provided, no fees other than fees due and payable at the time of termination shall thereafter be paid to the Contractor. In determining the value of the work performed by the Contractor prior to termination the District shall be the sole judge. Compensation for work at termination will be based on a percentage of the work completed at that time. Should the District terminate this Contract under Item 4 of the above paragraph, the amount charged during the thirty (30) calendar day notice period shall not exceed the amount charged during the preceding thirty (30) calendar days.

If the Contractor defaults in the performance of this Contract or if the Hospital District terminates this Contract for fault on the part of the Contractor, the District will give consideration to the actual costs incurred by the Contractor in performing the work to the date of default, the amount of work which was satisfactorily completed to the date of default, the value of the work which is usable to the District, the cost to the District of employing another to complete the work required and the time required to do so, and other factors which affect the value to the District of the work performed at the time of default.

The termination of this Contract and payment of an amount in settlement as prescribed above shall extinguish all rights, duties, and obligations of the Hospital District and the Contractor under this Contract, except the obligations set forth in Articles 10, 12, 17, 18, 19, and 20 of this Contract. If the termination of this Contract is due to the failure of the Contractor to fulfill its Contract obligations, the District may take over the project and prosecute the work to completion. In such case, the Contractor shall be liable to the District for any additional cost occasioned to the District.

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ARTICLE 17 COMPLIANCE WITH LAWS

The Contractor shall comply with all applicable Federal, State, and local laws, statutes, codes, ordinances, rules, and regulations, and the orders and decrees of any court, or administrative bodies or tribunals, in any manner affecting the performance of this Contract, including, without limitation licensing laws and regulations. In particular, Contractor represents he/she shall comply with Chapter 305 of the Texas Government Code, including reporting requirements regarding conflict of interest. When required, the Contractor shall furnish the Hospital District with satisfactory proof of its compliance.

It is expressly understood by the Contractor, that from the date of award of this Contract to one (1) year after termination or expiration of Contract's term, the Contractor is prohibited from providing gifts of any form to any Board member, the Administrator, any District official, or any District employee.

ARTICLE 18 INDEMNIFICATION

THE CONTRACTOR SHALL SAVE HARMLESS THE HOSPITAL DISTRICT AND ITS OFFICERS AND EMPLOYEES FROM ALL CLAIMS AND LIABILITY DUE TO ACTIVITIES OF ITSELF, ITS AGENTS, OR EMPLOYEES PERFORMED UNDER THIS CONTRACT AND WHICH ARE CAUSED BY OR RESULT FROM ERROR, OMISSION, OR NEGLIGENT ACT OF THE CONTRACTOR OR OF ANY PERSON EMPLOYED BY THE CONTRACTOR. THE CONTRACTOR SHALL ALSO SAVE HARMLESS THE HOSPITAL DISTRICT FROM ANY AND ALL EXPENSE, INCLUDING, BUT NOT LIMITED TO, ATTORNEY FEES WHICH MAY BE INCURRED BY THE HOSPITAL DISTRICT IN LITIGATION OR OTHERWISE RESISTING SAID CLAIM OR LIABILITIES WHICH MAY BE IMPOSED ON THE COUNTY AS A RESULT OF SUCH ERROR, OMISSION, OR NEGLIGENT ACTIVITY BY THE CONTRACTOR.

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ARTICLE 19 CONTRACTOR'S RESPONSIBILITY

The Contractor shall be responsible for the accuracy of its work and shall promptly make necessary revisions or corrections resulting from its errors, omissions, or negligent acts without compensation.

ARTICLE 20 RETENTION, AVAILABILITY OF RECORDS AND AUDIT REQUIREMENTS

The Contractor shall maintain all books, documents, papers, accounting records, and other evidence pertaining to cost incurred and shall make such materials available at its office during the Contract period and for four (4) years from the date of final payment under this Contract or until pending litigation has been completely and fully resolved, whichever occurs last. The Hospital District or any of its duly authorized representatives shall have access during normal business hours to any and all books, documents, papers, and records of the Contractor which are directly pertinent to this Contract for the purpose of making audits, examinations, excerpts, transcriptions, and for checking the amount of work performed by the Contractor.

ARTICLE 21 SUCCESSORS AND ASSIGNS

The Contractor and the Hospital District do hereby bind themselves, their successors, executors, administrators, and assigns to each other party of this Contract and to the successors, executors, administrators, and assigns of such other party in respect to all covenants of this Contract.

The Contractor shall not assign, subcontract, or transfer its interest in this Contract without the prior written consent of the Hospital District.

ARTICLE 22 SEVERABILITY

In the event any one or more of the provisions contained in this Contract, for any reason, shall be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision thereof and; this Contract shall be construed as if such invalid, illegal, or unenforceable provision had never been contained herein.

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ARTICLE 23 PRIOR CONTRACT SUPERSEDED

This Contract constitutes the sole agreement of the parties hereto and supersedes any prior understandings or written or oral contracts between the parties respecting the subject matter defined herein.

ARTICLE 24 AUTHORITY TO ACT AS LOBBYIST

Contractor warrant that he is registered as a lobbyist as required under Chapter 305 of the Texas Government Code; that Contractor is authorized by law to act as a lobbyist for the Hospital District; that there is no legal or ethical impediment to Contractor acting as a lobbyist for the District; and that Contractor shall immediately communicate to the District in writing any change in Contractor's' status as a registered lobbyist or authority to lawfully and ethically act as a lobbyist for the District.

ARTICLE 25 CONFIDENTIALITY

During and after the Term of this Contract, Contractor agrees to strictly maintain the confidentiality of all information pertaining to the Hospital District and its personnel not open to the public under the Texas Public information Act (Tex. Gov't Code Ann., Chapter 552) and will not use any such information to the detriment of the District or its officers or employees at any time. In the event any member of the public or media requests information pertaining to the District or its personnel from the Contractor, Contractor shall immediately direct the requesting party to the custodian of public information designated by the District and shall also immediately notify the District of the request.

ARTICLE 26 CONFLICT OF INTEREST

Contractor affirms and warrants that he has no conflict of interest regarding the services to be provided under this Contract that would affect the representation undertaken herein. Contractor warrants that all representation within the last three (3) calendar years, by Contractor of an interest adverse to or conflicting with any interest of the Hospital District or any of its departments, boards,

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employees or appointed and officials, has been fully disclosed in writing to the District. Contractor must provide the District with a list of any clients or business associates of the Contractor any of Contractor's employees or subcontractors which may have any interest in District projects or legislation covered under this Contract. This list shall include the nature of the interest the client or business has in the District project or legislation. Contractor has an obligation to update the list as new clients, associates or interests develop. Such notice should be given 3 business days after Consultants obtain the additional information.

ARTICLE 27 INDEPENDENT CONTRACTOR RELATIONSHIP

Nothing herein shall be construed as creating a relationship of employer and employee between the Parties. The Contractor shall be deemed at all times to be an independent contractor. The Hospital District shall not be subject to any obligations or liabilities of the Contractor incurred in the performance of this Contract. The Contractor expressly agrees to indemnify and hold harmless the District, its agents, officer, and employees, for any and all liabilities and obligations incurred due to any breach of contract or negligent acts or omissions or other defalcations on the part of Contractor.

ARTICLE 28 NOTICES

All notices from one party to another, required under this Contract, shall be personally delivered or mailed to such party at the following respective address:

HOSPITAL DISTRICT

Jonny F. Hipp, Administrator
Nueces County Hospital District
555 N. Carancahua, Suite 950
Corpus Christi, TX 78401

CONTRACTOR

Patricia A. Shipton
919 Congress Ave., Suite 1030
Austin, Texas 78701

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ARTICLE 29 VENUE AND GOVERNING LAW

Venue shall be in Nueces County, Texas. This Contract shall be construed under and in accord with the law of the State of Texas.

IN WITNESS WHEREOF, this Contract is effective July 1, 2025

NUECES COUNTY HOSPITAL DISTRICT

CONTRACTOR

By: _____
Jonny F. Hipp
Administrator/CEO

By: _____
Patricia A. Shipton

Date: _____

Date: _____

List of Attachments:

- Attachment A – Services to be provided by Hospital District
- Attachment B – Services to be provided by Contractor

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ATTACHMENT A SERVICES TO BE PROVIDED BY HOSPITAL DISTRICT

1. Provide overall direction and day-to-day coordination, clarification, and information about the Hospital District's Texas legislative, regulatory, agency, and departmental, and state-funding objectives when the Legislature is not in Session.

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ATTACHMENT B SERVICES TO BE PROVIDED BY CONTRACTOR

The Hospital District's primary objective under this Contract is to identify state-provided funding as described below. The secondary objectives are to represent the interests of the Hospital District.

When the Texas Legislature is not in Session:

A. Primary Objectives:

1. Research and identify state regulatory, agency, department, and other state-provided funding opportunities relating to graduate medical education and recruitment and retention of physicians.
2. Research and identify state regulatory, agency, department, and other state-provided funding opportunities relating to public health services, mental health services, mental health facilities, and emergency medical services.
3. Research and identify state regulatory, agency, department, and other state-provided funding opportunities relating to diversion of persons from jails and other detention facilities, including, but not necessarily limited to the following programs or services: Crisis Intervention, Jail Diversion, Mobile Crisis Outreach, Jail-Based Competency Restoration, Walk-In Crisis Intervention, and Forensic Assertive Community Treatment.

B. Secondary Objectives:

1. Represent the interests and concerns of the Hospital District to lawmakers in both houses of the Legislature and their staff.
2. Represent the interests and concerns of the Hospital District to Texas regulators, agencies, departments, and state entities providing funding and their heads and staff.
3. Monitor proposed rules and persuade state regulators, agencies, and departments to write and support rules that benefit the Hospital District.
4. Monitor proposed legislation, amendments, budget, and rule-making discussions relevant to the Hospital District.
5. Monitor of legislative committee hearings, interim committee meetings, rule-making hearings, studies underway, and notices of legislation being proposed that are relevant to the Hospital District.
6. Inform heads and staff of state regulators, agencies, and departments as needed regarding the Hospital District's priorities.
7. Utilize existing relationships with lawmakers and their staff, as well as state regulatory, agency, and departments heads and staff, to further the interests of the Hospital District.

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8. Provide guidance on defeating, supporting, or amending regulatory, agency, and department rule proposals as necessary to preserve and protect the interests of the Hospital District.
9. Provide updates to the Hospital District on issues of interest or concern to the District.
10. Assist and advise the Board and Administrator with preparation of verbal and written comments on rules proposed by state regulators, agencies, and departments and consult regarding the District's communication efforts.
11. Provide briefings as needed to the Board and Administrator regarding any action taken at interim committee meetings, rule-making hearings, studies underway, and notice of legislation or action being proposed that affects the interests of the Hospital District.
12. Monitor interim committee meetings, rule-making hearings, and studies underway relating to public health services, mental health services, and emergency medical services.
13. Monitor interim committee meetings, rule-making hearings, and studies underway relating to the Hospital District including, but not necessarily limited to the following programs and services: graduate medical education and recruitment and retention of physicians.
14. Monitor interim committee meetings, rule-making hearings, and studies underway relating to diversion of persons from jails and other detention facilities, including, but not necessarily limited to the following programs or services: Crisis Intervention, Jail Diversion, Mobile Crisis Outreach, Jail-Based Competency Restoration, Walk-In Crisis Intervention, and Forensic Assertive Community Treatment.
15. Monitor interim committee meetings, rule-making hearings, and studies underway relating to the Hospital District including, but not necessarily limited to the following: Indigent Health Care, Legislative Expansions and Mandates Affecting Hospital Districts, Intergovernmental Transfers, Hospital District Property Taxes , Hospital District Finances, Use of Hospital District Funds, Eminent Domain, Board appointments, terms, qualifications for office, and removal, Medicaid, Medicaid Supplemental Payment Programs, Supplemental Payment Programs sponsored by the Texas Health and Human Services Commission, Tax Increment Financing, Bonds and Certificates of Obligation, Alternative Debt Financing Methods, and Sale of Real Property.

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