MINUTES OF MEETING OF BOARD OF SUPERVISORS
NOVEMBER 2, 2021

THE STATE OF TEXAS	§
COUNTY OF HARRIS	§
MEMORIAL VILLAGES WATER AUTHORITY	§

The Board of Supervisors (the "Board") of Memorial Villages Water Authority (the "Authority") met in regular session, open to the public, on November 2, 2021, at the Authority's office at 8955 Gaylord, Houston, Harris County, Texas at 7:00 p.m., whereupon the roll was called of the members of the Board, to wit:

Gary Schenk, President
Will Wilson, Vice President
Randolph Ewing, Secretary
Veronica Roa, Assistant Secretary
Cathy Stubbs, Assistant Secretary
Unal Baysal, Assistant Secretary
Locke Braly, Supervisor

Persons Attending. All members of the Board were present, except for Supervisors Roa, Baysal and Ewing, thus resulting in a quorum. Also attending were Mr. Trey Cantu, General Manager of the Authority; Mr. John Davis and Mr. Norman Gutierrez of Langford Engineering, Inc. ("Langford"), Engineers for the Authority; Ms. Kathleen Ellison and Ms. Kaitlyn Malek of Norton Rose Fulbright US LLP ("NRF"), Attorneys for the Authority; and Mr. Tim Davis, Mr. Mike Manning, and Mr. Harold Wolde, residents within the Authority.

Call to Order. The President called the meeting to order in accordance with notice posted pursuant to law, a copy of the Certificate of Posting of which is attached hereto as Exhibit "A," and the following business was transacted:

1. **Public Comments.** There were no public comments at this time.

2. **Approve minutes of the October 5, 2021 regular meeting.** Proposed minutes of the October 5, 2021 meeting, previously distributed to the Board, were submitted for consideration and approval. Upon motion by Supervisor Braly, seconded by Supervisor Stubbs, after full discussion and the question being put to the Board, the Board voted to approve the minutes of the October 5, 2021 regular meeting.

3. **Status report on Gaylord Water Plant project, consider Pay Estimate #5, requested improvements in the area, and any necessary action.** Mr. J. Davis discussed with the Board the Gaylord Water Plant project stating that the tanks are expected to be delivered on December 8, 2021. Mr. J. Davis further stated that Hedwig Village has now changed their working hours and the contractor will run operations from 7:00 am to 7:00 pm, 7 days a week.

Mr. J. Davis presented to the Board Pay Estimate No. 5 in the amount of $385,792.20 to Wharton-Smith, Inc., a copy of which is attached hereto as Exhibit "B." Upon motion by

Supervisor Wilson, seconded by Supervisor Braly, after full discussion and the question being put to the Board, the Board voted to approve Pay Estimate No. 5 in the amount of $385,792.20 to Wharton-Smith, Inc.

Mr. Cantu stated that he is working on getting quotes for magnolia trees at the Gaylord Water Plant. He stated that he is also asking them to provide quotes for an extension of the irrigation system. He said he is working on fencing options with Langford. Mr. Cantu stated that the Authority should have these quotes within the next few weeks and will be able to further discuss this topic at the upcoming Authority meetings and get feedback from local residents. Discussion ensued.

Mr. T. Davis stated that he spoke with both Mr. Cantu and Supervisor Wilson and pointed out an example of a 12 foot fence without footing on Capri Street that helps shield the sight of the commercial buildings. He proposed that the Authority move forward with that type of fence if the 16-foot fence is not feasible. Discussion ensued. .

4. Status update regarding Well No. 6 Emergency Repairs. Mr. J. Davis stated that the contractor has televised the well and can't find any holes. He said a new pump and motor and motor control center have been ordered with a 10-12 week delivery time. Mr. J. Davis said the Authority has received TCEQ approval for emergency repairs.

5. Status report on Wastewater Treatment Plant Grit Classifier project and take any necessary action. Mr. J. Davis stated that the classifier is now on the site pad and the contractor plans to have it running by the end of the week. He further stated that Langford will be presenting the final pay estimate at next month's meeting.

6. Discuss and Consider Directors and Officers Liability Insurance Coverage. Ms. Ellison presented to and reviewed with the Board information on D&O insurance, a copy of which is attached hereto as Exhibit "C." Extensive discussion ensued regarding D&O and E&O coverage for the Authority. It was the consensus of the Board to have Mr. Cantu obtain more information on the difference between the policies offered by TML and private insurance companies.

7. Renew Authority insurance, to wit: Major Medical, Life and Accidental Death and Dismemberment, Dental, Long Term Disability and Supplemental Life. Mr. Cantu presented to and reviewed with the Board the Village Mutual Insurance Group proposed insurance plan for 2022, a copy of which is hereto attached at Exhibit "D." Mr. Cantu stated that the group had decided to renew its contract with Blue Cross Blue Shield for 2022. He noted that the Authority's premium would increase approximately 5%. Upon motion by Supervisor Stubbs, seconded by Supervisor Braly, after full discussion and the question being put to the Board, the Board voted unanimously to approve the Insurance Plan.

8. Resolution Authorizing Supervisor Indemnification. Ms. Ellison presented to and reviewed with the Board the Resolution Authorizing Indemnification of Supervisors (the "Resolution"), a copy hereto attached as Exhibit "E." She stated that to the extent insurance does not cover losses of Supervisors carrying out the lawful business and duties of the Authority in good faith, then the Authority can indemnify the Supervisors for those losses. Upon motion by Supervisor

Braly, seconded by Supervisor Wilson, after full discussion and the question being put to the Board, the Board voted unanimously to approve the Resolution.

9. Consider credit agreement for liquidity contingency planning and take any necessary action. Mr. Cantu deferred this item to next month's meeting to have further discussion with both Allegiance and Central banks regarding their proposals for a credit facility.

10. Status report on establishing new bank depository. Mr. Cantu deferred this item to next month's meeting to have further discussion with Central Bank. He stated that he hopes to have a comparison of three proposals for review at the next meeting.

11. Manager's Report including: monthly water samples, Wastewater Treatment Facility's monthly discharge compliance, Tax Recap, Investment Report on the Authority's investments, monthly Identity Theft Compliance Report, and any other matters concerning business of the Authority. Mr. Cantu presented to and reviewed with the Board the Manager's Report.

Mr. Cantu presented the Discharge Monitoring Report, a copy of which is attached hereto as Exhibit "F."

Mr. Cantu presented the Wastewater Treatment Facility Monthly Operating Report, a copy of which is attached hereto as Exhibit "G." He stated that there were no violations this month and that everything is in compliance.

Mr. Cantu reported that there were no identity theft issues within the month.

Mr. Cantu presented the Funds Balance – Investment Report, a copy of which is attached hereto as Exhibit "H."

12. Authorize payment of bills. Upon motion by Supervisor Wilson, seconded by Supervisor Stubbs, after full discussion and the question being put to the Board, the Board voted unanimously to approve payment of the bills, a list of which is attached hereto as Exhibit "I."

THERE BEING NO FURTHER BUSINESS TO COME BEFORE THE BOARD, the meeting was adjourned.

* * *

The above and foregoing minutes were passed and approved by the Board of Supervisors on December 7, 2021.

President, Board of Supervisors

ATTEST:

Secretary, Board of Supervisors

(AUTHORITY SEAL)

51196457.2

CERTIFICATE OF POSTING

THE STATE OF TEXAS §
COUNTY OF HARRIS §
MEMORIAL VILLAGES WATER AUTHORITY §

I hereby certify that on OCTOBER 29, 2021 I posted the Notice of Meeting of the Board of Supervisors of Memorial Villages Water Authority, a true copy of which is attached hereto, on the Authority's website and at a place convenient to the public at 8955 Gaylord, Houston, Texas 77024, the administrative office of the Authority within its boundaries, as required by law.

EXECUTED this 29 day of OCTOBER, 2021.

MEMORIAL VILLAGES WATER AUTHORITY
8955 GAYLORD
HOUSTON, TEXAS 77024

In accordance with Chapter 551, Texas Government Code, and Section 49.063, Texas Water Code, both as amended, take notice that the Board of Supervisors of Memorial Villages Water Authority will meet in regular session, open to the public, at the Water Authority's Building, 8955 Gaylord, Houston, Texas 77024, a location within the Authority, at 7:00 p.m. on **Tuesday, November 2, 2021**. At such meeting, the Board will consider the following:

1. Public Comments;
2. Approve minutes of the October 5, 2021 regular meeting;
3. Status report on Gaylord Water Plant project, consider Pay Estimate #5, requested improvements in the area, and any necessary action;
4. Status update regarding Well No. 6 Emergency Repairs and take any necessary action;
5. Status report on Wastewater Treatment Plant Grit Classifier project and take any necessary action;
6. Discuss and consider directors and officers liability Insurance Coverage and take any necessary action;
7. Renew Authority insurance, to wit: Major Medical, Life and Accidental Death and Dismemberment, Dental, Long Term Disability and Supplemental Life;
8. Resolution Authorizing Supervisor Indemnification;
9. Consider credit agreement for liquidity contingency planning and take any necessary action;
10. Status report on establishing new bank depository and take any necessary action;
11. Manager's Report including; monthly water samples, Wastewater Treatment Facility's monthly discharge compliance, Tax Recap, Investment Report on the Authority's investments, monthly Identity Theft Compliance Report, and any other matters concerning business of the Authority; and
12. Authorize payment of bills.

Norton Rose Fulbright US LLP, attorneys for Authority

Persons with disabilities who plan to attend this meeting and would like to request auxiliary aids or services are requested to contact the Authority's office at (713) 465-8318 at least three business days prior to the meeting so that appropriate arrangements can be made.

If, during the course of the meeting covered by this Notice, the Board should determine that a closed or executive session of the Board should be held or is required in relation to any agenda item included in this Notice, then such closed or executive meeting or session, as authorized by the Texas Open Meetings Act, will be held by the Board at the date, hour, and place given in this Notice concerning any and all subjects for any and all purposes permitted by Sections 551.071-551.084 of the Texas Government Code and the Texas Open Meetings Act, including, but not limited to, Section 551.071 - for the purpose of a private consultation with the Board's attorney on any or all subjects or matters authorized by law.

MINUTES OF MEETING OF BOARD OF SUPERVISORS
OCTOBER 5, 2021

THE STATE OF TEXAS §
COUNTY OF HARRIS §
MEMORIAL VILLAGES WATER AUTHORITY §

The Board of Supervisors (the "Board") of Memorial Villages Water Authority (the "Authority") met in regular session, open to the public, on October 5, 2021, at the Authority's office at 8955 Gaylord, Houston, Harris County, Texas at 7:00 p.m., whereupon the roll was called of the members of the Board, to wit:

Gary Schenk, President
Will Wilson, Vice President
Randolph Ewing, Secretary
Veronica Roa, Assistant Secretary
Cathy Stubbs, Assistant Secretary
Unal Baysal, Assistant Secretary
Locke Braly, Supervisor

Persons Attending. All members of the Board were present, resulting in a quorum. Also attending were Mr. Trey Cantu, General Manager of the Authority; Mr. John Davis of Langford Engineering, Inc. ("Langford"), Engineer for the Authority; Ms. Kathleen Ellison and Ms. Kaitlyn Malek of Norton Rose Fulbright US LLP ("NRF"), Attorneys for the Authority; and Mr. Tim Davis and Ms. Andrea Hermann, residents within the Authority.

Call to Order. The President called the meeting to order in accordance with notice posted pursuant to law, a copy of the Certificate of Posting of which is attached hereto as Exhibit "A," and the following business was transacted:

1. **Public Comments.** There were no public comments at this time.

2. **Approve minutes of the September 7, 2021 regular meeting.** Proposed minutes of the September 7, 2021 meeting, previously distributed to the Board, were submitted for consideration and approval. Upon motion by Supervisor Wilson, seconded by Supervisor Roa, after full discussion and the question being put to the Board, the Board voted to approve the minutes of the September 7, 2021 regular meeting, as amended.

3. **Status report on Gaylord Water Plant project and take any necessary action.** Mr. J. Davis discussed with the Board the Gaylord Water Plant project stating that construction has started on the tanks and is currently at 13.25% complete. He stated that the tank materials have a projected delivery date of November 24, 2021, per the email from Wharton-Smith, Inc., a copy of which is attached hereto as Exhibit "B." Mr. J. Davis further stated that since the Water Plant is offline, the Authority's water is coming from the Piney Point and Creekside plants, both of which are operating well. Discussion ensued regarding the project's budget.

Mr. J. Davis presented to the Board pay estimate no. 4 in the amount of $110,250.00 to Wharton-Smith, Inc., a copy of which is attached hereto as Exhibit "C." Upon motion by Supervisor Ewing, seconded by Supervisor Stubbs, after full discussion and the question being put to the Board, the Board voted to approve pay estimate no. 4 in the amount of $110,250.00 to Wharton-Smith, Inc.

Mr. Cantu presented to and reviewed with the Board the Gaylord Water Plant construction schedule and timeline, a copy of which is attached hereto as Exhibit "D." He stated that the timeline will help with further discussion of when fencing and landscaping will be taking place.

Mr. T. Davis inquired about the solicitation of bids for fencing and landscaping. He said he wanted to make sure he and his neighbors have input into the process of selecting the fencing and landscaping. Supervisor Baysal asked Mr. T. Davis to put his requests in writing. Mr. T. Davis said he has been advised not to put his requests in writing. Mr. Cantu stated that the Authority would contact the current contractor for a bid as well as get quotes from other contractors. Mr. Cantu stated that within the next few months there will be further discussion regarding the topic. Extensive discussion ensued.

4. Status update regarding Well No. 6 Emergency Repairs. Mr. J. Davis presented to and reviewed the revised recommendations for Well No. 6, a copy of which is attached hereto as Exhibit "E." He stated that this Well was originally built in 1983 and upon the initial inspection the Well is producing gravel making it no longer functional. He stated that in order to bring it back online, C&C Water Services, LLC ("C&C") will need to remove and replace a section of the liner that that is currently compromised. He stated that this will cost close to $375,000. He further stated that a new motor control center will cost roughly $160,000. Mr. J. Davis stated that these are just preliminary estimates and he will have the final cost at a later date. Discussion ensued regarding the repairs and further review of Well No. 6.

Supervisor Braly inquired about placing a generator at Well No. 6. Mr. Cantu stated that there is no space at that Well to place a generator and that Well No. 5 would be a better option for placement of a generator. Discussion ensued.

5. Status report on Wastewater Treatment Plant Grit Classifier project and take any necessary action. Mr. J. Davis stated that there has been another delay but the Grit Classifier is now expected to arrive the week of October 11, 2021. Mr. J. Davis stated that if the classifier arrives during the scheduled timeline, the project will be completed by the November meeting.

6. Update on Authority Water and Sewer Rates. Mr. Cantu reported that he was able to get the new Authority Water and Sewer Rates changed in the Authority's billing system faster than expected so the rates were effective with the October billing statement. He stated that he has put together a statement that will be included with the bill notifying the residents of the increase.

Mr. Cantu presented to and reviewed with the Board a Summary of Water Revenues, a copy of which is hereto attached at Exhibit "F." He reported that this represents a good view of where the Authority will be at the end of 2022.

7. **Renew Authority insurance, to wit: General Liability, Commercial Umbrella Liability, Supervisor and Officers Liability, Worker's Compensation, Errors and Omissions, Boiler and Machinery, Real and Personal Property, Automobile Physical Damage and Mobile Equipment and take any necessary action.** Mr. Cantu presented to and reviewed with the Board a rate comparison from TML, a copy of which is hereto attached at Exhibit "G." Mr. Cantu reported on the cyber security liability insurance and deductibles. He stated that the Authority is currently insured at the Tier 1 level, which is a million dollar coverage plan. He recommended that the Authority move to Tier 2 coverage, which has broader coverage for a minimal increase in premium. Supervisor Braly suggested that the property values for the property insurance be reviewed to make sure they are sufficient. The Board also inquired about having Directors and Officers liability Insurance and requested that Mr. Cantu further investigate the costs of having coverage. Extensive discussion ensued.

Upon motion by Supervisor Braly, seconded by Supervisor Stubbs, after full discussion and the question being put to the Board, the Board voted to approve: (1) the renewal of the TML Insurance; (2) switching from Tier 1 to Tier 2 for cyber security coverage; and (3) obtaining additional information on the directors and officers liability insurance.

8. **Consider credit agreement for liquidity contingency planning and take any necessary action.** Mr. Cantu presented to and reviewed with the Board the Working Capital Loan Option, a copy of which is hereto attached at Exhibit "H." He stated that after last month's discussion regarding the Authority's finances, he contacted Allegiance Bank to discuss options for a short term revenue note. Discussion ensued regarding the potential fees that could be incurred. It was the consensus of the Board to have Mr. Cantu follow up with Allegiance Bank regarding the short term revenue note options and get a term sheet for further review.

9. **Manager's Report including: monthly water samples, Wastewater Treatment Facility's monthly discharge compliance, Tax Recap, Investment Report on the Authority's investments, monthly Identity Theft Compliance Report, and any other matters concerning business of the Authority.** Mr. Cantu presented to and reviewed with the Board the Manager's Report.

Mr. Cantu presented the Discharge Monitoring Report, a copy of which is attached hereto as Exhibit "I."

Mr. Cantu presented the Wastewater Treatment Facility Monthly Operating Report, a copy of which is attached hereto as Exhibit "J." He stated that there were no violations this month and that everything is in compliance.

Mr. Cantu presented the Monthly Tax Office Report, a copy of which is attached hereto as Exhibit "K."

Mr. Cantu reported that there were no identity theft issues within the month.

Mr. Cantu presented the Funds Balance – Investment Report, a copy of which is attached hereto as Exhibit "L."

Mr. Cantu presented the Budget Variance Quarterly Report, a copy of which is attached hereto as Exhibit "M." Discussion ensued regarding the variances.

10. **Authorize payment of bills.** Upon motion by Supervisor Ewing, seconded by Supervisor Stubbs, after full discussion and the question being put to the Board, the Board voted unanimously to approve payment of the bills, a list of which is attached hereto as Exhibit "N."

THERE BEING NO FURTHER BUSINESS TO COME BEFORE THE BOARD, the meeting was adjourned.

* * *

The above and foregoing minutes were passed and approved by the Board of Supervisors on November 2, 2021.

President, Board of Supervisors

ATTEST:

Secretary, Board of Supervisors

(AUTHORITY SEAL)

Langford Engineering, Inc.
1080 West Sam Houston Parkway North, Suite 200
Houston, Texas 77043

MONTHLY ESTIMATE NO. 5
LEI Job No. 032-117 Contract No. 2

Memorial Villages Water Authority

Gaylord Water Plant Improvements

1-Oct-21

Thru

31-Oct-21

Owner:	Memorial Villages Water Authority 8955 Gaylord Houston, TX 77024			
Contractor:	Wharton-Smith, Inc. 750 Monroe Rd. Sanford, FL 32771			
Contract Time:	360 Calendar Days		Extensions:	0 Calendar Days
Total Time:	360 Calendar Days		Time Used:	202 Calendar Days
Contract Dated:	2-Apr-2121			
Work Order Dated:	12-Apr-2021			
Completion Date:	7-Apr-2022	(Scheduled) (Actual)		
Percent Time Used:	56.11%			
Percent Complete:	25.02%			
Current Contract:	$3,643,142.50			

B

Item No.	Description	Bid Qty	Unit Meas.	Work Prior Period	Work This Period	Qty To Date	Unit Price	Total Amount
	Base Bid							
1.	Mobilization of Equipment, Materials and Personnel on Site, Equipment Storage, Including Installation of Construction/Safety Fencing, as per Plans and Specifications, Not to Exceed 5% of Base Bid Items	1	L.S.	1.00	0.00	1.00	$ 150,000.00	$150,000.00
2.	Demolition of Proper Disposal (in Compliance with all Applicable State and Local Laws) of Booster Pump Station, Including Clear Well Basin and Backfill, Five (5) Vertical Turbine Pumps and Motors, Header Piping, and Appurtenances, as per Plans and Specifications, Complete in Place							
2.1	Demo Booster Pumps, Motors, and Header Piping	1	L.S.	0.00	1.00	1.00	$ 19,000.00	$19,000.00
2.2	Demo Clearwell and Walls to 24" Below Bottom of Pavement	1	L.S.	0.00	1.00	1.00	$ 13,000.00	$13,000.00
2.3	Flow Fill Clearwell	1	L.S.	0.00	1.00	1.00	$ 3,000.00	$3,000.00
3.	Demolition and Proper Disposal (in Compliance with all Applicable State and Local Laws) of 60' Diameter x 24' High Existing Steel Welded Ground Storage Tank and Associated Concrete Ringwall Foundation, Piping, and Appurtenances, as per Plans and Specifications, Complete in Place							
3.1	Tank 1 Demo							
3.1.1	Demo GST Dome and Wall Panels	1	L.S.	0.00	1.00	1.00	$ 30,000.00	$30,000.00
3.1.2	Demo Ringwall Foundation	1	L.S.	0.00	1.00	1.00	$ 22,000.00	$22,000.00
3.1.3	Demo Associated Above Ground Piping	1	L.S.	0.00	1.00	1.00	$ 8,000.00	$8,000.00
3.2	Tank 2 Demo							
3.2.1	Demo GST Dome and Wall Panels	1	L.S.	0.00	1.00	1.00	$ 30,000.00	$30,000.00
3.2.2	Demo Ringwall Foundation	1	L.S.	0.00	1.00	1.00	$ 22,000.00	$22,000.00
3.2.3	Demo Associated Above Ground Piping	1	L.S.	0.00	1.00	1.00	$ 8,000.00	$8,000.00
4.	Demolition and Proper Disposal (in Compliance with all Applicable State and Local Laws) of Site Water Line Piping, Including Excavation, Backfill, and Staging, Above Ground and Buried, as per Plans and Specifications, Complete in Place							
4.1	Demo 4" Water Line	1	L.S.	0.00	0.00	0.00	$ 3,000.00	$0.00
4.2	Demo 8" Water Line	1	L.S.	0.00	0.00	0.00	$ 7,000.00	$0.00
4.3	Demo 12" Water Line	1	L.S.	0.00	0.00	0.00	$ 5,000.00	$0.00
4.4	Demo 16" Water Line	1	L.S.	0.00	0.00	0.00	$ 7,000.00	$0.00
4.5	Demo 18" Water Line	1	L.S.	0.00	0.00	0.00	$ 3,000.00	$0.00

5.	Demolition and Proper Disposal (in Compliance with all Applicable State and Local Laws) of Existing Storm Sewer System, Including Inlets and Piping, as per Plans and Specifications, Complete in Place								
5.1	Demo Storm Inlet & Pipe Between GST 1 & 2	1	L.S.	0	0	0	$	2,000.00	$0.00
5.2	Demo Storm Inlet & Pipe S of GST 2	1	L.S.	0	0	0	$	1,000.00	$0.00
5.3	Demo Inlet at BPS	1	L.S.	0	0	0	$	1,000.00	$0.00
5.4	Demo Inlet at Office	1	L.S.	0	0	0	$	1,000.00	$0.00
6.	Demolition and Proper Disposal (in Compliance with all Applicable State and Local Laws) of Concrete Pavement, Including Saw Cutting, 6" Curb and Sidewalks, as per Plans and Specifications, Complete in Place	930	S.Y.	50	800	850	$	15.00	$12,750.00
7.	Furnish and Install Booster Pump Station, Including Reinforced Concrete Foundation and Supports, Five (5) Horizontal Split Case Pumps and Motors, Suction and Discharge Header Piping, Fittings, Valves,								
7.1	Submittals	1	L.S.	1	0	1	$	5,000.00	$5,000.00
7.2	Subgrade Prep	1	L.S.	0	0	0	$	35,000.00	$0.00
7.3	Form and Pour Slab	1	L.S.	0	0	0	$	90,000.00	$0.00
7.4	Form and Pour Pump Pads	1	L.S.	0	0	0	$	25,000.00	$0.00
7.5	Install Flange Piping and Valves	1	L.S.	0	0	0	$	125,000.00	$0.00
7.6	Install Pumps	1	Ea.	0	0	0	$	25,000.00	$0.00
8.	Remove Existing Chlorine Analyzer Electrical Conduit, Replace Conduit as Required, and Install Dual Exterior Receptacle Adjacent to City of Houston Supply Line, Including Associated Electrical, Complete in Place	1	L.S.	0	0.00	0	$	5,000.00	$0.00
9.	Furnish and Install Storm Drainage System Including Inlets, Piping of Type and Size Shown and Connection to Existing Storm System as per Plans and Specifications, Complete in Place								
9.1	Install Storm Inlets	8	Ea.	0	0	0	$	3,000.00	$0.00
9.2	Install 8" PVC Storm Sewer	1	L.S.	0	0	0	$	2,000.00	$0.00
9.3	Install 18" PVC Sewer	1	L.S.	0	0	0	$	4,000.00	$0.00

10.	All Work and Materials Associated with the Installation of all Waterline Yard Piping, Including Excavation, Bedding and Backfill, Valves, Valve Boxes and Covers, Fittings, and Appurtenances, Tie-In to Existing and Proposed Waterlines, Meter Vaults, and Ground Storage Tanks, Disinfection and Testing for a Fully Functioning System, as per Plans and Specifications, Complete in Place							
10.1	Install 3/4" Service Line	1	L.S.	0	0	0	$ 10,000.00	$0.00
10.2	Install 4" Water Line	1	L.S.	0	1	1	$ 20,000.00	$20,000.00
10.3	Install 12" Fill Line	1	L.S.	0.00	0.75	0.75	$ 60,000.00	$45,000.00
10.4	Install 12" Equalization Line	1	L.S.	0	0	0	$ 15,000.00	$0.00
10.5	Install 12" Discharge Line to S. Meter Vault	1	L.S.	0.75	0.00	0.75	$ 110,000.00	$82,500.00
10.6	Install 12" Discharge N. of the BPS	1	L.S.	0.00	0.20	0.20	$ 60,000.00	$12,000.00
10.7	Install 16" Fill Line	1	L.S.	0	0	0	$ 45,000.00	$0.00
10.8	Install 18" Suction Line @ GST	1	L.S.	0	0	0	$ 40,000.00	$0.00
10.9	Install 18" Suction Line @ BPS	1	L.S.	0	0	0	$ 40,000.00	$0.00
11.	12" Ductile Iron Pipe, (ANSI/AWWA C151/A21.51), Class 51, Waterline, Directional Bore Construction, All Depths, Including Fittings, as per Plans and Specifications, Complete in Place	75	L.F.	75	0	75	$ 260.00	$19,500.00
12.	Removal and Replacement of 6" Fire Hydrant Assembly (AWWA C-502), Including 12" x 6" Tee, 6" Gate Valve and Valve Box), 5-Foot Bury, Complete in Place	1	L.S.	0.00	0.50	0.50	$ 6,000.00	$3,000.00
13.	Wet Connection, Including but not Limited to Removing Existing Fittings, Cutting Existing Pipe, Transition Fittings, Thrust Blocking, and Restraining Rods, All Sizes and Pipe Materials, as per Plans and Specifications, Complete in Place	6	Ea.	0	0	0	$ 650.00	$0.00
14.	Temporary Electrical System - Provide and Install all Electrical Work, Including Service Equipment, Temporary Generator, Conduit, Conductors to Serve MVWA Office Building, Garage/Shop, Carport, and Fence Lighting, Including Removal Upon Project Completion, as per Plans and Specifications	1	L.S.	1	0	1	$ 40,000.00	$40,000.00
15.	Temporary Electrical Service Allowance by Local Utility Provider for Installation of Service Drop. Owner Shall Pay Exact Amount Once Provided with Actual Ticket Invoice Documentation, Complete in Place	1	L.S.	0	0.00	0	$ 50,000.00	$0.00

16.	Permanent Electrical System - Provide and Install all Electrical Work, Including Service Equipment, Demolition and Removal of Existing Motor Control Center, Installation of New Motor Control Center, Modify Autosensory Controls for Existing Water Well, and Proposed Booster Pump Station, Lighting, and Conductors, as per Plans and Specifications, Complete in Place							
16.1	Electrical Submittal	1	L.S.	1	0	1	$ 20,000.00	$20,000.00
16.2	Demo	1	L.S.	0.00	0.75	0.75	$ 90,000.00	$67,500.00
16.3	Duct Bank Install	1	L.S.	0.75	0.10	0.85	$ 110,000.00	$93,500.00
16.4	MCC Install	1	L.S.	0	0	0	$ 100,000.00	$0.00
16.5	Autosensory Modifications	1	L.S.	0	0	0	$ 30,000.00	$0.00
16.6	BPS Electrical Rough In	1	L.S.	0.00	0.80	0.80	$ 80,000.00	$64,000.00
16.7	BPS Switches Install	1	L.S.	0	0	0	$ 20,000.00	$0.00
16.8	BPS Cabling & Termination	1	L.S.	0	0	0	$ 40,000.00	$0.00
16.9	MCC Building Cabling & Termination	1	L.S.	0	0	0	$ 50,000.00	$0.00
16.1	Lighting &	1	L.S.	0	0	0	$ 5,000.00	$0.00
16.11	Grounding Loop Install	1	L.S.	0	0	0	$ 5,000.00	$0.00
17.	Permanent Electrical System Allowance by Local Utility Provider for Installation of Service Drop, Owner shall pay Exact Amount Once Provided with Actual Ticket Invoice Documentation, Complete in Place	1	L.S.	0	0	0	$ 7,000.00	$0.00
18.	All Work and Materials for the Demolition and Repair of MCC Building Interior Floor Slab Required for Installation of Electrical Conduits for Service to MCC, Including Excavation and Backfill as per Plans and Specifications, Complete in Place							
18.1	Sawcut/Remove Slab	1	L.S.	0	1	1	$ 13,000.00	$13,000.00
18.2	Excavation	1	L.S.	0	1	1	$ 6,000.00	$6,000.00
18.3	Backfill	1	L.S.	0	0	0	$ 4,000.00	$0.00
18.4	Form and Pour New MCC Slab	1	L.S.	0	0	0	$ 3,000.00	$0.00
19.	Construction of MCC Building Interior Partition Wall, with FRP Pocket Sliding Door, Interior Ceiling, Drywall Installation, Window Replacement, and Painting of Building Interior and Exterior, as per Plans and Specifications (This Item Does not Include Work Described in Bid Item No. 16), Complete in Place							
19.1	Window Replacement	1	L.S.	0	0	0	$ 10,000.00	$0.00
19.2	Install Partition Wall/Sliding Door/Drywall	1	L.S.	0	0	0	$ 15,000.00	$0.00
19.3	Interior Ceiling Improvements	1	L.S.	0	0	0	$ 6,000.00	$0.00

19.4	Clean/Surface Prep/Coat (Interior and Exterior)	1	L.S.	0	0	0	$	4,000.00	$0.00
20.	8" Thick Reinforced Concrete Pavement, Including all Construction and Expansion Joints and Joint Sealants, as per Plans and Specifications, Complete in Place	825	S.Y.	0.00	14.25	14.25	$	92.00	$1,311.00
21.	Cement-Stabilized Sand Subgrade Material for Concrete Pavement as per Plans and Specifications, Complete in Place	140	C.Y.	0	0	0	$	32.00	$0.00
22.	Preparation, Manipulation, and Compaction of 6" Thick Cement-Stabilized Sand Subgrade Under Pavement, Including Excavation and Grading as per Plans and Specifications, Complete in Place	825	C.Y.	0.00	14.25	14.25	$	14.00	$199.50
23.	All Work and Materials Associated with Construction of 5" Thick Reinforced Concrete Sidewalks and Joints Including Stabilized Subgrade and Sidewalk Ramps, as per Plans and Specifications, Complete in Place	65	S.Y.	0.00	41.50	41.50	$	85.00	$3,527.50
24.	All Work and Materials Associated with Construction of 6" Reinforced Concrete Curb, as per Plans and Specifications, Complete in Place	165	L.F.	0	4	4	$	30.00	$120.00
25.	Replace Existing Surface Water 12" ACV with New Watts Dual Solenoid Flow Control Valve & Tie-In to Existing SCADA System at City of Houston Surface Water Meter Run, Including Electrical & Programming Additions and/or Modifications, as per Plans and Specifications, Complete in Place	1	L.S.	0.00	0.75	0.75	$	18,000.00	$13,500.00
26.	All Work and Materials Associated with Abrasive Blasting and Coating of Existing Water Well No. 1, Including Well Head and Well Header Piping Final Color Shall be Forest Green as Approved by Engineer, as per Plans and Specifications, Complete in Place	1	L.S.	0	0	0	$	2,500.00	$0.00
27.	All Work and Materials Associated with Abrasive Blasting and Coating of Existing Water Meter Run, Including Valves and Appurtenances. Final Color shall be Forest Green, as Approved by Engineer, asper Plans and Specifications, Complete in Place	1	L.S.	0	0	0	$	2,500.00	$0.00
28.	Concrete Meter Vault, Including Tie-In to Proposed Yard Piping Appropriately Sized Aluminum Pedestrian Rated Lid, 10" MVWA Venturi Flow Meter, and Associated Pressure Sensor Lines as per Plans and Specifications								
28.1	Install S 12" Meter Vault	1	Ea.	0	0	0	$	32,000.00	$0.00

28.2	Install N 12" Meter Vault	1	Ea.	0	0	0	$ 32,000.00	$0.00
29.	Furnish and Install Reinforced Concrete Meter Vault, Including Tie-In to Proposed Yard Piping Appropriately Sized Traffic Rated (H-20) Lid, 16" MVWA Electronic Flow Meter on 16" Surface Waterline and Electronic Transmitter Around 5' Above Ground with Aluminum Sun Shield and Associated Electrical, as per Plans and Specifications, Complete in Place							
29.1	Install 16" Meter Vault	1	Ea.	0	0	0	$ 45,000.00	$0.00
30.	Furnish and Install Eclipse Model 88WC Sampling Station, as per Plans and Specifications, Complete in Place	1	L.S.	0	0	0	$ 1,000.00	$0.00
31.	Trench Safety System for all Pipe, Sizes, all Depths, All Soil Types, Complete in Place	560	L.F.	0	150	150	$ 10.00	$1,500.00
32.	Furnish and Install 6" Removable Steel or Concrete Filled Pipe Bollards with Barco Products Sliding Flat-Top Reflective Post Sleeves (Yellow with Red Reflective Stripes) as Approved by Engineer, as per Plans and Specifications, Complete in Place	10	Ea.	0	0	0	$ 500.00	$0.00
33.	All Work and Materials for Parking Site Striping, Including ADA Compliant Striping, as per Plans & Specifications, Complete in Place	1	L.S.	0	0	0	$ 1,000.00	$0.00
34.	Installation, Maintenance, and Removal of Erosion Control Structures, as per Plans and Specifications, Complete in Place	1	L.S.	1	0	1	$ 300.00	$300.00
35.	Cut, Plug, and Abandon Existing Waterlines, All Sizes, All Depths, as per Plans and Specifications, Complete in Place	3	Ea.	0	0	0	$ 3,000.00	$0.00
36.	All Work and Materials Associated in the Abandonment of Existing Gate Valves and Boxes, Including Closing of Existing Gate Valve, Removal of Existing "Type A" Box, Appropriate Backfilling Block Sod, or 2" Concrete Cap (Dependent on Valve Location), as per Plans and Specifications, Complete in Place	6	Ea.	0	0	0	$ 600.00	$0.00
37.	All Work and Materials Associated with Removal of Existing Chain Link Fence and Replacing with Proposed 8" Site Western Red Cedar Fencing, with Cap, Trim, and Steel Posts, One Sided Pickets, Including Concrete Supports and Painting with Color Approved by Owner, as per Plans and Specifications, Complete in Place	440	L.F.	0	0	0	$ 180.00	$0.00

38.	All Work and Materials Associated with Removal of Existing Chain Link Fence and Replacing with Proposed 8" Polyurethane Painted Black Iron Rod Fencing with Metal Lath Screening (Expanded Metal), Including Concrete Supports, as Approved by Owner, Complete in Place	35	L.F.	0	0	0	$ 200.00	$0.00
Alt. B	Furnish Material and Labor to Install New Forest Green 62' Diameter x 24' Height, 530,000 Gallon Glass-Fused-to-Steel Bolted Ground Storage Tank with Painted Low Profile Roof, as Manufactured by Permastore, not to Exceed 6' in Height from Top of Tank Wall to Top of Dome, (Paint Color Shall Match Tank), Forest Green Aluminum Roof Guard Rail, Non-Slip Tape, Tank Shell Access, Manways, Interior Floor Drains and Associated 8" Gate Valve, (NRS), (IBBM), and Gate Valve and Cover, Including 8" Pipe Connections to Inlet, Exterior Ladder, and Fiberglass Interior Ladder System, NSF 61 Cert. Interior Floor Coating, COH Fill Line, Well Fill ines, Equalization Line, 18" Suction Flow Line, Overflow Line and Tie-In to Existing 18" Suction Line as Shown on Plans, Including Valves, Fittings, Supports, Sample Port, Pressure Sensor Line, and Level Gauge, Concrete Reinforced Foundation (4,000 PSI min.), Including Design per Soil Reports (Texas P.E.), and Tank Disinfection, per AWWA and Start-Up, Full MVWA Approval, as per Plans and Specifications, Design for Future Height Adjustment from 24' to 33' Wall Height, Complete In Place							
B.1	Approved Tank Submittals	1	L.S.	1	0	1	$ 75,000.00	$75,000.00
B.2	Tank 1							
B.2.1.	Subgrade Prep	1	L.S.	0	0	0	$ 30,000.00	$0.00
B.2.2.	Install and Under Piping	1	L.S.	0	0	0	$ 25,000.00	$0.00
B.2.3.	Form and Pour Ringwall	1	L.S.	0	0	0	$ 100,000.00	$0.00
B.2.4.	Backfill	1	L.S.	0	0	0	$ 50,000.00	$0.00
B.2.5.	Form and Pour Tank Slab	1	L.S.	0	0	0	$ 100,000.00	$0.00
B.2.6.	Install Wall Panels	1	L.S.	0	0	0	$ 172,500.00	$0.00
B.2.7.	Install Dome	1	L.S.	0	0	0	$ 125,000.00	$0.00
B.2.8.	Tank Piping Connection (Fill Suction EQ)	1	L.S.	0	0	0	$ 20,000.00	$0.00
B.2.9.	Floor Coating	1	L.S.	0	0	0	$ 10,000.00	$0.00
B.2.10.	Disinfection	1	L.S.	0	0	0	$ 5,000.00	$0.00
B.3.	Tank 2							
B.3.1.	Subgrade Prep	1	L.S.	0	0	0	$ 30,000.00	$0.00
B.3.2.	Install in and Under Piping	1	L.S.	0	0	0	$ 25,000.00	$0.00
B.3.3.	Form and Pour Ringwall	1	L.S.	0	0	0	$ 100,000.00	$0.00
B.3.4.	Backfill	1	L.S.	0	0	0	$ 50,000.00	$0.00

B.3.5.	Form and Pour Tank Slab	1	L.S.	0	0	0	$ 100,000.00	$0.00
B.3.6.	Install Wall Panels	1	L.S.	0	0	0	$ 172,500.00	$0.00
B.3.7.	Install Dome	1	L.S.	0	0	0	$ 125,000.00	$0.00
B.3.8.	Tank Piping Connection (Fill, Suction, EQ)	1	L.S.	0	0	0	$ 20,000.00	$0.00
B.3.9.	Floor Coating	1	L.S.	0	0	0	$ 10,000.00	$0.00
B.3.10.	Disinfection	1	L.S.	0	0	0	$ 5,000.00	$0.00
	Supplemental Items							
a.	Extra Concrete as Approved by Engineer, Complete in Place	50	C.Y.	0	0	0	$ 300.00	$0.00
b.	Extra Bank-Sand Bedding and/or Backfill, as Approved by Engineer, Complete in Place	50	C.Y.	0	0	0	$ 25.00	$0.00
c.	Extra Aggregate Bedding as Approved by the Engineer, Complete in Place	100	C.Y.	0	0	0	$ 40.00	$0.00
d.	Extra Cement-Stabilized Sand Backfill as Approved by Engineer, Complete in Place	100	C.Y.	0	0	0	$ 40.00	$0.00
e.	Extra Reinforced Steel or Extra Welded Wire Fabric, as Approved by Engineer, Complete in Place	500	Lb.	0	0	0	$ 1.00	$0.00
f.	Additional Underground 1" Electrical Conduit Without Conductors, as Necessary, as Approved by Engineer, Complete in Place	200	L.F.	0	0	0	$ 20.00	$0.00
g.	Additional Select Fill for the Use of GST Subgrade, as Necessary, as Approved by Engineer, Complete in Place	100	C.Y.	0	0	0	$ 25.00	$0.00
h.	Removal of Existing Expansion Joints, and Application of Joint Sealants as Approved by Owner, Complete in Place	2,000	L.F.	0	0	0	$ 8.00	$0.00
i.	Furnish and Install Additional 12" Resilient Seat Gate Valve (AWWA C-509), NSF61, IBBM, NRS, Counter-Clockwise Open (M.J.), with Valve Box, as Approved by Engineer, Complete in Place	2	Ea.	0	0	0	$ 2,500.00	$0.00
j.	Remove and Replacement of Existing 18" Ductile Iron Pipe Waterline, Open-Cut Construction, All Depths, Including Excavation, Bedding and Backfill, Fittings, as Approved by Engineer, Complete in Place	50	L.F.	0	0	0	$ 225.00	$0.00

Change Order No. 1

39.	All Work and Materials Associated with Cutting and Removing Approximately 25 L.F. of 12" Asbestos Cement Pipe, Including Proper Disposal (In Compliance with all Applicable State and Local Laws) and Mobilization/Demobilization of Subcontractor, as Described on the Attached Proposal Produced by R & M Solutions, Complete in Place	1	L.S.	1	0	1	$ 7,187.50	$7,187.50

Summary of Work to Date		
Work Performed to Date		$911,395.50
Less 10% Retainage		$91,139.55
Net Amount Earned to Date		$820,255.95
Add: Materials Stored at Close of Period		$0.00
Less 10% Retained on Hand		$0.00
Subtotal Work Completed and Materials Stored		$820,255.95
Less Previous Payments		$434,463.75
AMOUNT DUE THIS ESTIMATE		**$385,792.20**
Summary of Adjusted Contract		
Original Contract Amount		$3,635,955.00
Change Order No. 1		$7,187.50
CURRENT CONTRACT AMOUNT		**$3,643,142.50**

Note: There are no known disputes between the Contractor and Owner/Engineer Concerning the Quantities shown hereon

Recommended for Payment:

By: John K Davis Date: 11-02-2021

Langford Engineering, Inc.

Print Name: John K. Davis, P.E.

Accepted:

By: Date: 11/02/2021

Wharton-Smith, Inc.

Print Name: Tyler O'Brien

Approved:

By: Gary Schenk Date: 11-2-21

Memorial Villages Water Authority

Print Name: GARY SCHENK

Distribution: Memorial Villages Water Authority (1)
Norton Rose Fulbright US, LLP (1)
Wharton-Smith, Inc. (1)
Langford Engineering, Inc. (2)

CONTRACTOR'S AFFIDAVIT OF BILLS PAID

OWNER: Memorial Villages Water Authority

PROJECT: Gaylord Water Plant Improvements

CONTRACTOR: Wharton-Smith, Inc.

I certify that all just and lawful bills against the above-named Contractor for labor, material, and expendable equipment employed in the performance of said Project have been paid in full prior to acceptance of this partial payment of the Owner to comply with the Contract requirements. This is to certify that I am relieving Memorial Villages Water Authority of liability and claims occurring in connection with this Project through October 31, 2021 (the date of Pay Estimate No. 5).

Wharton-Smith, Inc.

Andre P. Boagni, Area Manager

Subscribed and sworn to before me, the undersigned authority on this the 26th day of October, 2021.

NOTARY PUBLIC STATE OF TEXAS
BETH WALKER
Notary ID #4678058
My Commission Expires
August 18, 2024

Notary Public, State of Texas

WAIVER AND LIEN RELEASE

STATE OF TEXAS
COUNTY OF FORT BEND

The undersigned has contracted with Memorial Villages Water Authority to furnish labor and/or materials in connection with certain improvements to real property known as Gaylord Water Plant Improvements.

CONTRACTOR: Wharton-Smith, Inc.

This Payment:	$ 385,792.20
Total Paid to Date Including This Payment:	$ 820,255.95
For Work Performed Through:	October 31, 2021
Pay Estimate No.	5

Upon receipt of this payment and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the undersigned does hereby waive and release any mechanic's lien or material man's lien or claims of lien, including any constitutional lien or claim thereto, that the undersigned has or hereafter has on the above mentioned real property and/or improvements thereon on account of any work furnished or to be furnished by the undersigned whether pursuant to the above mention contract or otherwise.

The undersigned further certifies and warrants that there are no known mechanic's or material man's liens outstanding as of the date hereof, that all bills incurred by it with respect to the work will be paid within 10 days of the receipt of the above amount or sooner, and that there is no known basis for filing any mechanic's or material man's lien on the property and/or improvements above described by any person or entity performing work on behalf of the undersigned, and to the extent permitted by law, the undersigned does hereby waive and release any mechanic's or material man's lien or claim of lien of any such person or entity, and further agrees to indemnify and hold the owner harmless from any said lien or claim including the payment of related costs, expenses, or reasonable attorney's fees.

Wharton-Smith, Inc.

André P. Boagni, Area Manager

Subscribed and sworn to before me, the undersigned authority on this the 2nd day of November, 2021.

BETH WALKER
Notary ID #4678058
My Commission Expires
August 18, 2024

Notary Public for the State of Texas

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PART I
GENERAL CONDITIONS

I. DEFENSE

The **Fund** shall have the right and the duty to defend any **suit** against the **Member** or **Covered Party** seeking **damages** on account of such liability as covered in this **Plan**, even if any of the allegations of the **suit** are groundless, false, or fraudulent, and may make such investigation and settlement of any **claim** or **suit** it deems expedient, but the **Fund** shall not be obligated to pay any **claim** or judgment or to defend any **suit** or pay any amounts specified under General Conditions XIV, Supplementary Payments, after the **Fund** has paid or offered to pay the applicable limit of the **Fund's** liability. In the event that there is a conflict of interest between the **Fund** and the **Member** or **Covered Party**, the **Fund** shall retain its contractual right to select defense counsel and control the defense of the **suit**, without waiving its right to pay only those **damages** which are covered under the terms of the **Plan**.

II. DEFINED WORDS

Whenever words or phrases appear in this **Plan** in bold type, they are used as defined in the Definitions section or in the Coverage parts of this **Plan**. Otherwise, words or phrases used herein shall have the ordinary meaning attached to their usage.

III. INSPECTION AND AUDIT

A. The **Fund** shall be permitted but not obligated to inspect the **Member's** property and operations at any time. Neither the **Fund's** right to make inspections nor the making thereof nor any report thereon shall constitute an undertaking on behalf of or for the benefit of the **Member** or others to determine or warrant that such property or operations are safe or healthful or are in compliance with any law, rule, or regulation.

B. The **Fund** may examine and audit the **Member's** books and records at any time during the **Agreement Period** and extensions thereof and within three years after the final termination of this **Agreement**, as far as they relate to the subject matter of this coverage.

IV. MEMBER'S DUTIES IN THE EVENT OF AN OCCURRENCE, WRONGFUL ACT, CLAIM, OR SUIT FOR ALL COVERAGES ADOPTED

A. In the event of an **occurrence** or **wrongful act**, written notice containing particulars sufficient to identify the **Member** and also reasonably obtainable information with respect to the time, place, and circumstances thereof, and the names and addresses of the injured and available witnesses shall be given by or for the **Member** to the **Fund** or any of its authorized agents as soon as practicable. Failure to provide written notice to the **Fund** of an **occurrence** or **wrongful act** as soon as practicable, at the sole discretion of the **Fund**, may be declared a material breach of the duties of the **Member** or **Covered Party** under this **Agreement** and result in forfeiture of coverage for that **occurrence** or **wrongful act**. Knowledge or notice of an **occurrence**, **claim**, or **wrongful act** by an agent, servant, or employee of the **Member** shall not constitute knowledge or notice to the **Member**, unless the **Member's Fund Contact**, as designated in the **Agreement**, shall have received notice from its agent, servant, or employee. The inadvertent failure of an agent, servant, or employee of the **Member** to notify the **Fund** of any **occurrence** or **wrongful act** of which he has knowledge shall not invalidate the coverage afforded by this **Agreement**.

B. If a **claim** is made or **suit** is brought against the **Member** or **Covered Party**, the **Member** or **Covered Party** shall immediately forward to the **Fund** at its Austin, Texas, address every demand, notice, summons, or other process received. Failure to immediately forward to the **Fund** such documents, at the sole discretion of the **Fund**, may be declared a material breach of the duties of the **Member** or **Covered Party** under this **Agreement** and result in forfeiture of coverage for that **claim**. In the event of a default judgment as the result of the **Member** or **Covered Party's** failure to comply with this provision, the **Fund** will retain defense counsel to attempt to have the judgment set aside. The **Member** will be responsible for payment of all legal fees and expenses incurred in attempting to have the judgment set aside. The **Member** will also be responsible for payment of any legal fees or expenses awarded to the Plaintiff in connection with having the judgment set aside. Legal fees and expenses, whether incurred in the attempt to have the judgment set aside or awarded to the Plaintiff in connection with having the judgment set aside, will be paid by the **Member** and do not apply toward its deductible. If the default judgment becomes final, the **Fund** may declare a material breach of the duties of the **Member** or **Covered Party** under this **Agreement** and a forfeiture of coverage for that **claim**.

C. The **Member** or **Covered Party** shall cooperate with the **Fund** and give any information as may reasonably be required and, upon the **Fund's** request, assist in making settlement, in the conduct of **suits** and in enforcing any right of contribution or indemnity against any person or organization who may be liable to the **Member** or **Covered Party** because of injury or **damage** with respect to which coverage is afforded under the **Agreement**; and the **Member** or **Covered Party** shall attend hearings and trials and assist in securing and giving evidence and obtaining the attendance of witnesses. The **Member** or **Covered Party** shall not, except at its own cost, voluntarily make any payment, assume any obligation, or incur any expense other than for first aid to others at the time of an accident. It shall be understood that the **Member** or **Covered Party** shall not take any action whatsoever, subsequent to an **occurrence** or **wrongful act** that could increase the liability exposure of or jeopardize the **Fund** in any way. Failure of the **Member** or **Covered Party** to comply with the requirements of this paragraph, at the sole discretion of the **Fund**, may be declared a material breach of the duties of the **Member** or **Covered Party** under this **Agreement** and result in forfeiture of coverage for that **claim**.

V. ACTION AGAINST FUND

A. No action shall lie against the **Fund** unless, as a condition precedent thereto, there shall have been full compliance with all of the terms of this **Agreement**, nor until the amount of the **Member's** or **Covered Party's** obligation to pay shall have been finally determined either by judgment against the **Member** or **Covered Party** after actual trial or by written agreement of the **Member** or **Covered Party**, the claimant and the **Fund**. The **Member** or **Covered Party** shall not assign, transfer, or pledge all or any portion of the **Member's** or **Covered Party's** rights or interests under this **Agreement**, and the **Fund** shall not be liable to any person claiming any such rights by virtue of any reported assignment, transfer, or pledge thereof. Breach of the **Fund's** obligation to provide a defense shall not relieve the **Member** or **Covered Party** of complying with the provisions of this paragraph. Further, any such assignment, transfer, or pledge shall relieve the **Fund** of all duties and obligations under this **Agreement** to the **Member** or **Covered Party** in respect to the **claim** in which the rights were assigned, transferred, or pledged.

B. Any person or organization or legal representative thereof who has secured judgment or written agreement shall thereafter be entitled to recover under this **Agreement** to the extent of the coverage afforded by this **Agreement**. No person or organization shall have any right under this **Agreement** to join the **Fund** as a party to any action against the **Member** or **Covered Party** to determine the **Member's** or **Covered Party's** liability, nor shall the **Fund** be impleaded by the **Member** or **Covered Party** or its legal representative. Bankruptcy or insolvency of the **Member** or of the **Member's** or **Covered Party's** estate shall not relieve the **Fund** of any of its obligations hereunder.

VI. COVERED PARTY COUNTERCLAIMS

This coverage is not intended to and does not provide coverage for any **claim** or **suit** when **Covered Parties** are asserting **claims** against each other which would otherwise have resulted in coverage under this **Agreement** applying to each **Covered Party** involved in such **claims**. This provision does not apply:

A. To the Member; or

B. To a **Covered Party** of one **Member** asserting **claims** against a **Covered Party** of another **Member**.

VII. OTHER INSURANCE

A. The coverage afforded by the **Agreement** is primary coverage, except when stated to apply in excess of or contingent upon the absence of other insurance. When this coverage is primary and the **Member** or **Covered Party** has other insurance which is stated to be applicable to the loss on an excess or contingent basis, the amount of the **Fund's** liability under the **Agreement** shall not be reduced by the existence of such other insurance.

B. When both this coverage and other insurance apply to the loss on the same basis, whether primary, excess, or contingent, the **Fund** shall not be liable under the **Agreement** for a greater proportion of the loss than that stated in the applicable contribution provision below:

1. CONTRIBUTION BY EQUAL SHARES. If all of such other valid and collectible

insurance provides for contribution by equal shares, the **Fund** shall not be liable for a greater proportion of such loss than would be payable if each insurer or the **Fund** contributes an equal share until the share of each insurer or the **Fund** equals the lowest applicable limit of liability under any one policy or **Agreement** or the full amount of the loss is paid, and with respect to any amount of loss not so paid the remaining insurers or the **Fund** then continue to contribute equal shares of the remaining amount of the loss until each such insurer or the **Fund** has paid its limit in full or the full amount of the loss is paid; or

2. CONTRIBUTION BY LIMITS. If any such other insurer does not provide for contribution by equal shares, the **Fund** shall not be liable for a greater proportion of such loss than the applicable limit of liability under the **Agreement** for which such loss bears to the total applicable limit of liability of all valid and collectible insurance against such loss.

C. As respects **non-owned automobiles**, the coverage provided by this Coverage Document shall be in excess of any valid and collectible insurance available to the **Member** or **Covered Party**.

D. As respects **hired automobiles** and watercraft, this coverage shall be excess over any valid and collectible insurance available to the **Member** or **Covered Party.**

E. As respects any **occurrence** or **wrongful act** arising out of the ownership, maintenance, or use of an airport or medical clinic, this coverage shall be excess over any valid and collectible insurance available to the **Member** or **Covered Party** and shall be non-contributory with any insurance or self-insurance purchased by the **Member or Covered Party** specifically for such airport or medical clinic.

F. This coverage shall be excess over any valid and collectible insurance which provides coverage to the **Member** or **Covered Party** as an additional named insured, an additional insured, or any other insured, including any excess coverage to which the **Member** or **Covered Party** is entitled through its status as an additional named insured, additional insured, or other insured.

G. This coverage shall be excess over any valid and collectible insurance which provides coverage to the **Member** or **Covered Party** for any specific operation or location, unless such insurance was purchased specifically to apply in excess of the limit of liability of this coverage.

H. This coverage shall be excess over any valid and collectible insurance that provides coverage to a City Attorney or City Engineer who is not an employee of the **Member** when acting within the scope of his or her professional duties or services as a City Attorney or City Engineer, regardless of how such policy shall be named.

I. When this coverage is excess, the **Fund** will pay only its share of the amount of **damages,** if any, that exceeds the sum of:

1. The total amount that all such other insurance would pay for the loss in the absence of this coverage; and

2. The total of all deductibles and self-insured amounts under any other insurance.

In the event the deductibles of any other insurer providing primary coverage and the limits of liability of that insurance equal or exceed the deductible under this **Plan**, the **Member** shall not have a deductible for **claims** which trigger the **Fund's** excess obligations. In the event the deductibles of any other insurers providing primary coverage and the limits of liability of that insurance are less than the **Member's** deductible under this **Plan**, the **Member's** deductible for **claims** which trigger the **Fund's** excess obligations shall be the difference.

J. The **Fund** will have no duty to defend any **claim** or **suit** when its coverage is excess and one or more primary insurers have a duty to defend the **Member** or **Covered Party.** However, the **Fund** continues to have the right, in its discretion, to become associated with the defense or control of a **claim** or **suit** which involves or is likely to involve this coverage.

VIII. SUBROGATION

In the event of any payment under this **Agreement**, the **Fund** shall be subrogated to all the **Member's** or **Covered Party's** rights of recovery thereof against any person or organization, and the **Member** or **Covered Party** shall execute and deliver instruments and papers and do whatever else is necessary to secure such rights. The **Member** shall do nothing after loss to prejudice such rights.

A waiver of subrogation is included for **Members** if required by **contract**.

IX. CHANGES

Notice to any agent of knowledge possessed by any agent or by any other person shall not effect a waiver or a change in any part of the **Agreement** or estop the **Fund** from asserting any right under the terms of the **Agreement**; nor shall the terms of the **Agreement** be waived or changed, except by amendment issued to form part of the **Agreement**, signed by an authorized representative of the **Fund** and reinsurer if applicable.

It is agreed that the Board of Trustees of the **Fund** shall have the right to amend, change, or revise the coverages, limits, terms, and exclusions provided in this **Agreement** as needed during the **Agreement Period** to maintain the fiscal soundness of the **Fund**. In the event the Board determines to change or revise any coverage, term, exclusion, or limits of liability provided by this **Agreement**, it shall cause written notice of the change or revision to be given to the **Member** stating in the notice the effective date which, if necessary to satisfy or comply with reinsurer requirements, may be prior to sending the written notice of change or revision. The **Member** shall have the right to terminate this **Agreement** and all of its coverages under the **Plan** because of any change or revision by delivering to the **Fund's** offices in Austin, Texas, notice of termination, provided the effective date of termination may not be earlier than the date the written notice is actually received in the **Fund** offices and the **Member** shall be liable for payment of all contributions due to the **Fund** for that **Fund Year** prorated as of the effective date of termination.

X. ASSIGNMENT

Assignment of interest under the **Agreement** shall not bind the **Fund** until its consent is endorsed thereon.

XI. INTERLOCAL AGREEMENT IN EXCESS OF THE FUND YEAR

This **Agreement** is indefinite in term and shall continue until terminated by either the **Member** or the **Fund**. The limit of the **Fund's** liability stated in the **Agreement Declarations** as "aggregate" shall apply separately to the first **Fund Year** beginning at the inception of the **Agreement** through the next September 30, and to each consecutive **Fund Year** thereafter.

XII. REIMBURSABLE DEDUCTIBLE

It is agreed that:

A. The **Fund's** obligation under this **Agreement** to pay **damages** and **claim expenses** on behalf of a **Member** or **Covered Party** shall be subject to the limits of liability stated herein less the stated deductible amount;

B. The deductible amounts stated in the **Declarations** apply:

1. Separately to each **occurrence** or **wrongful act**; and

2. To all **damages** and **claim expenses** as a result of that **occurrence** or **wrongful act**.

For Automobile Physical Damage and Automobile Catastrophe Coverage, deductibles apply separately as stated in Section III. D. of Part V., Automobile Physical Damage Coverage;

C. The terms of this **Agreement**, including those with respect to (1) the **Fund's** rights and duties with respect to the defense of **suits**, and (2) the **Member's** duties in the event of an **occurrence** apply irrespective of the application of the deductible amount; and

D. The **Fund** may pay any part or all of the deductible amount to effect settlement of any **claim** and upon notification of the action taken, the **Member** shall promptly reimburse the **Fund** for such part of the deductible amount as has been paid by the **Fund**.

XIII. EXPOSURE SUMMARY

Any unintentional error or omission made by the **Member** or **Covered Party** in completing the exposure summary shall not void or impair the coverage hereunder, provided the **Member** reports to the **Fund** such error or omission as soon as reasonably possible after discovery. In respect to the section "Exclusions Applicable to All Coverages", this provision does not limit or in any way alter Exclusion O.

XIV. SUPPLEMENTARY PAYMENTS

The **Fund** will pay, subject to the reimbursable deductible as stated in the **Agreement**, and in addition to the applicable limits of liability provided by this **Agreement**:

A. All expenses incurred by the **Fund**, including all **claim expenses**, all costs taxed against the **Member** or **Covered Party** in any **suit** defended by the **Fund**;

B. Prejudgment interest awarded against the **Member** or **Covered Party** on the part of the judgment to be paid by the **Fund**. If the **Fund** makes any offer to pay the applicable limit of the **Fund's** liability, the **Fund** will not pay any prejudgment interest based on that period of time after the offer;

C. All interest on the full amount of any judgment that accrues after the entry of the judgment and before the **Fund** has paid, offered to pay, or deposited in court that part of the judgment that is within the applicable limit of the **Fund's** liability;

D. Premiums on appeal bonds required in any such **suit**, premiums on bonds to release attachments in any such **suit** for an amount not in excess of the applicable limit of liability of the **Agreement**, and the cost of bail bonds required of the **Member** or **Covered Party** because of an accident or traffic law violation arising out of the use of any vehicle to which the **Agreement** applies, not to exceed $250 per bail bond, but the **Fund** shall have no obligation to apply for or furnish any such bonds; and

E. Expenses incurred by the **Member** or **Covered Party** for first aid of others at the time of an accident for **bodily injury** to which the **Agreement** applies.

The **Fund** shall not be obligated to pay any amounts under this extension of coverage after the **Fund** has paid or offered to pay the applicable limit of the **Fund's** liability.

XV. INTERPRETATION

This **Agreement** will be construed according to general rules of contract construction. This **Agreement** is drafted on behalf of all **Members** of the **Fund** and will be construed in a manner which most reasonably and accurately reflects the intent of the **Agreement**.

PART II
DEFINITIONS

Whenever the following words or phrases appear throughout the **Plan**, they are defined as follows:

A. **ADVERTISING INJURY** means injury arising out of an offense committed during the **Agreement Period** occurring in the course of the **Member's** advertising activities, if such injury arises out of libel, slander, defamation, violation of right of privacy, piracy, unfair competition or infringement of copyright, title, or slogan.

B. **AGREEMENT** means the Interlocal Agreement executed between the **Fund** and the **Member** and the **Declarations** of Coverage designating those coverages, limits, and deductibles of the **Plan** adopted by the **Member.**

C. **AGREEMENT PERIOD** means the continuous period since the **Member** became a **Member** of the **Fund** for the particular coverage excluding, however, any periods of time therein that the **Member** did not participate as a **Member** of the **Fund** for that coverage.

D. **AGREEMENT TERRITORY**, except as otherwise provided herein, means anywhere in the world, provided the original **suit** for such **damages** is brought within the United States of America, except automobile liability territory shall mean the United States of America, its territories or possessions, or Canada.

E. **AIRCRAFT** means a landplane, seaplane, amphibian helicopter, ultra-light, or balloon and shall include the engines, propellers, rotor blades, tools, and repair equipment therein which are standard for the make and type of the **aircraft**, and operating and navigation instruments and radio equipment usually attached to the **aircraft**, including parts temporarily detached and not replaced by other similar parts.

F. **AUTOMOBILE** means a land motor vehicle, trailer, or semi-trailer designed for travel on public roads (including any machinery, equipment, tools, or apparatus attached thereto and not intended to be removed for use off or away from the vehicle), but does not include **mobile equipment**.

G. **AUTOMOBILE BUSINESS** means the business or occupation of selling, repairing, servicing, storing, or parking **automobiles.**

H. **BODILY INJURY** means bodily injury, sickness, or disease sustained by any person, including death at any time resulting therefrom.

I. **CLAIM** means a demand or **suit** against any **Covered Party** for **damages** because of an **occurrence** or **wrongful act.** All **claims** and **damages** arising out of a single **wrongful act**, interrelated **wrongful acts**, or a series of related **wrongful acts** by one or more **Covered Party(ies)** shall be considered a single **wrongful act.**

J. **CLAIM EXPENSES** means all allocated expenses (those expenses applicable to a particular **claim** but not including **claims** service fees paid to the **claims** subcontractor) incurred by the **Fund**, or by a **Member** or other **Covered Party** with the **Fund's** consent, in the investigation, negotiation, arbitration, settlement, and defense of any **claim** or **suit** including payments under the "Supplementary Payments" provisions of this **Agreement.**

K. **COMMANDEERED AUTOMOBILE** and **COMMANDEERED BOAT** means an **automobile** or boat that the **Member** seizes, confiscates, or takes arbitrarily by force into the **Member's** temporary care, custody, or control while using it as part of an **emergency situation. Commandeered automobile** and **commandeered boat** does not include an **automobile** or a boat owned or available to an employee or volunteer of the **Member** from whom the **Member** has tacit approval to use the **automobile** or boat.

L. **COMPLETED OPERATIONS HAZARD** includes **bodily injury** and **property damage** arising out of operations or reliance upon a representation or warranty made at any time with respect thereto, but only if the **bodily injury** or **property damage** occurs after such operations have been completed or abandoned and occurs away from premises owned by or rented to the **Member.** Operations include materials, parts, or equipment furnished in connection therewith.

   Operations shall be deemed completed at the earliest of the following times:

   1. When all operations to be performed by or on behalf of the **Member** under a **contract** have been completed;

   2. When all operations to be performed by or on behalf of the **Member** at the site of the operations have been completed; or

3. When the portion of the work out of which the injury or **damage** arises has been put to its intended use by any person or organization other than another contractor or subcontractor engaged in performing operations for a **Member** as a part of the same project.

Operations which may require further service or maintenance work or correction, repair, or replacement because of any defect or deficiency, but which are otherwise complete, shall be deemed completed.

The **Completed Operations Hazard** does not include **bodily injury** or **property damage** arising out of:

1. Operations in connection with the transportation of property, unless the **bodily injury** or **property damage** arises out of a condition in or on a vehicle created by the loading or unloading thereof; or

2. The existence of tools, uninstalled equipment, or abandoned or unused materials.

M. CONTRACT means any contract or agreement relating to or arising out of the conduct of the **Member's** business.

N. COVERED CONTRACT means:

1. A **contract** for a lease of premises. However, that portion of the **contract** for a lease of premises that indemnifies any person or organization for damage by fire to premises while rented to the **Member** or temporarily occupied by the **Member** with permission of the owner is not a **covered contract**;

2. An elevator maintenance **contract**;

3. A sidetrack **contract**;

4. An easement or license **contract**, except in connection with construction or demolition operations on or within 50 feet of a railroad;

5. An Interlocal **contract** entered into under the Texas Interlocal Cooperation Act;

6. Lease **contract** under which the **Member** leases equipment from another party;

7. Mutual aid **contracts** between governmental entities for police and firefighting services;

8. That part of any other **contract** pertaining to the **Member's** business under which the **Member** assumes the tort liability of another party to pay for **bodily injury** or **property damage** to a third person or organization. Tort liability means a liability that would be imposed by law in the absence of a **contract**. This paragraph does not include that part of any **contract**:

   a. That indemnifies a railroad for **bodily injury** or **property damage** arising out of construction or demolition operations within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, road beds, tunnel, underpass, or crossing;

   b. If the **Member** or **Covered Party** is acting in the capacity of or providing the services of an architect, engineer, or surveyor, for **damages** arising out of the rendering or providing or failure to render or provide such architect, engineer, or surveyor services by such **Covered Party**, including:

      (1) The preparation or approval of maps, plats, drawings, opinions, reports, surveys, change orders, designs, or specifications; and

      (2) Supervisory, inspection, or engineering services;

   c. If the indemnitee of the **Member** or **Covered Party** is an architect, engineer, or surveyor, to the liability of the indemnitee, his agents, or employees, arising out of:

      (1) The preparation or approval or the failure to prepare or approve maps, plats, drawings, opinions, reports, surveys, change orders, designs, or specifications; or

      (2) The giving of or the failure to give directions or instructions by the indemnitee, his or her agents, or employees, provided such giving or failure to give is the primary cause of the **damages**.

O. COVERED PARTY is defined in each of the coverage sections of this document. **Covered Party** shall also include the heirs, estates, assigns, or legal representatives of any person qualifying as **Covered Party**.

P. DAMAGES means monetary judgment, award, or settlement, but does not include fines, civil penalties, of whatever kind or nature, damages for which insurance is prohibited by law, pre-judgment interest and post-judgment interest thereon, or attorneys' fees unless those attorneys' fees are awarded in connection with a covered **damage**.

Q. **DECLARATIONS** means the document which sets forth information that identifies, by **Member**, the types of coverage to be provided by the **Fund**, the amounts of any deductible, the coverage period, the limits of liability of the **Fund** including any aggregate limit, the **Fund** contribution and any endorsements to this **plan** of coverage that may be appended to the **declaration** or referred to in the **declaration**, and such other information matters as determined by the **Fund**.

R. **EMERGENCY SITUATION** means an unexpected situation demanding immediate official action.

S. **FUND** means the Texas Municipal League Joint Self-Insurance Fund.

T. **FUND MEMBER** means the political subdivision within the State of Texas which is a present participant in the **Fund**.

U. **FUND YEAR** means the twelve-month period following the effective date set forth in the **declarations**.

V. **HIRED AUTOMOBILE** means an **automobile** not owned by the **Member** which is used by **contract** by or on behalf of, or lent to, the **Member**, but does not include **automobiles** owned by or registered in the name of:

1. An officer, director, elected or appointed official, or any member of a board or commission of the **Member**; or

2. An employee or agent of the **Member** who is granted an operating allowance of any sort for the use of such **automobile**.

W. **INSURANCE** means the "self-insurance" provided under the **Agreement**.

X. **JOINT VENTURE** under this **Agreement** shall mean a relationship by which the **Member** and one or more other persons, organizations, or legal entities combine their labor, property, or resources for mutual benefit in a single undertaking for either a definite period or on a continuing basis.

Y. **LAW ENFORCEMENT ACTIVITIES** means the actions and functions that are required or within the defined scope of duties for a **Member's** Law Enforcement Agency which include, but are not limited to, actions towards the prevention and control of crime. The term **Law Enforcement Activities** does not include employment or personnel related practices, actions, or decisions that result in **claims** against the **Member** or a **Covered Party** by employees, former employees, or prospective employees of the Law Enforcement Agency.

Z. **MEMBER** means **Fund Member**.

AA. **MEMBER'S PRODUCTS** means goods or products manufactured, sold, handled, or distributed by the **Member** or by others trading in its name, including any container thereof (other than a vehicle), but **Member's Products** shall not include a vending machine or any property other than such container rented to or located for use of others but not sold.

BB. **MOBILE EQUIPMENT** means any of the following types of land vehicles, including any attached machinery or equipment:

1. Bulldozers, farm machinery, forklifts, and other vehicles designed for use principally off public roads;

2. Vehicles maintained for use solely on or next to premises owned by or rented to the **Member** and not licensed for highway use;

3. Vehicles that travel on crawler treads;

4. Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:

   a. Power cranes, shovels, loaders, diggers, or drills; or

   b. Road construction or resurfacing equipment such as graders, scrapers, or rollers;

5. Vehicles not described in 1, 2, 3, or 4 above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:

   a. Air compressors, pumps, and generators including spraying, welding, building cleaning, geophysical exploration, lighting, and well servicing equipment; or

   b. Cherry pickers or similar devices used to raise or lower workers;

6. Vehicles not described in 1, 2, 3, or 4 above maintained primarily for purposes other than the transportation of persons or cargo.

However, self-propelled vehicles with the following types of permanently attached equipment are not **mobile equipment** but will be considered **automobiles**:

1. Equipment designed primarily for:

   a. Snow removal;

b. Road maintenance, but not construction or resurfacing;

c. Street cleaning;

d. Firefighting.

2. Cherry pickers and similar devices mounted on **automobile** or truck chassis and used to raise or lower workers; and
3. Air compressors, pumps, and generators, including spraying, welding, building cleaning, geophysical exploration, lighting, and well servicing equipment.

CC. NON-OWNED AUTOMOBILE means an **automobile** which is neither an owned **automobile** nor a **hired automobile** of the **Member**.

DD. OCCURRENCE shall mean an accident which results in **bodily injury** or **property damage** neither expected nor intended from the standpoint of the **Member** or **Covered Party**. **Occurrence** shall also include an offense committed by the **Member** or **Covered Party** which results in **personal injury** or **advertising injury** and any intentional act by the **Member** or **Covered Party** which results in **bodily injury** or **property damage** if such injury arises solely from the use of reasonable force for the purpose of protecting persons or property.

With respect to **bodily injury** and **property damage**, all **damages** arising out of continuous or repeated exposure to substantially the same general conditions shall be considered as arising out of one **occurrence**.

With respect to **personal injury**, all **damages** arising out of a single offense, interrelated offenses, or a series of related offenses shall be deemed to arise out of one **occurrence**.

With respect to an **advertising injury**, all **damages** involving the same injurious material or act, regardless of the frequency of repetition thereof, the number or kind of media used and the number of claimants, shall be deemed to arise out of one **occurrence**.

With respect to Law Enforcement Liability Coverage only, **occurrence** shall mean an event, including continuous or repeated exposure to conditions which result in **personal injury, bodily injury, advertising injury**, or **property damage** sustained during the **Fund Year**, by any person or organization, and arising out of the **Member's law enforcement activities**. All claims arising out of (a) a riot or insurrection; (b) a civil disturbance resulting in an official proclamation of a state of emergency; (c) a temporary curfew; or (d) martial law shall be deemed to constitute one **occurrence**.

EE. PERSONAL INJURY means injury arising out of one or more of the following offenses:

1. False arrest, detention, or imprisonment;

2. Malicious prosecution;

3. Wrongful entry, eviction, or other invasion of the right of private occupancy committed by or on behalf of the property's owner, landlord, or lessor;

4. The publication or utterance of a libel, slander, or other defamatory or disparaging material, or publication or utterance in violation of an individual's right of privacy;

5. False, erroneous, or improper service of civil papers; or

6. Assault and battery.

For the purposes of Law Enforcement Liability Coverage only, the following are included within the definition of **personal injury**:

1. Violation of property rights; or

2. Violation of civil rights.

FF. PLAN means the **plan** of coverage offered its **Members** by the **Fund** and as more specifically designated in the **Agreement.**

GG. PRIOR ACTS PERIOD means the **Agreement Period** as defined herein during which the **Member** has been a **Member** of the **Fund** for a particular coverage plus the period of time, if any, between the retroactive date stated in the **Declarations** as applicable to a particular coverage and the beginning of the **Agreement Period** for the **Member** for that particular coverage.

HH. PRODUCTS HAZARD includes **bodily injury** and **property damage** arising out of the **Member's Products** or reliance upon a representation or warranty made at any time with respect thereto, but only if the **bodily injury** or **property damage** occurs away from premises owned by or rented to the **Member** and after physical possession of such products has been relinquished to others.

II. PROPERTY DAMAGE means:

1. Physical injury to or destruction of tangible property which occurs during the **Agreement Period**, including the loss of use thereof at any time resulting therefrom; or

2. Loss of use of tangible property which has not been physically injured or destroyed, provided such loss of use is caused by an **occurrence** during the **Agreement Period**.

Property damage shall include **damage** arising out of the handling of or performing post-mortem examinations on human bodies.

JJ. **SUIT** means a proceeding before a judicial court of law and does not include a proceeding before an administrative agency. However, **suit** shall include responding to claims filed with the Equal Employment Opportunity Commission, the Texas Work Force Commission Civil Rights Division, or any state or local commission created to enforce anti-discrimination in employment laws.

KK. **WRONGFUL ACT** means any actual or alleged error, misstatement, misleading statement, act or omission, neglect or breach of duty including misfeasance, malfeasance, or nonfeasance, including **wrongful acts** relating to the **administration** of **Employee Benefits Program** by the **Member** and employment practices including but not limited to hiring or failure to hire, improper dismissal or discipline, improper promotion or failure to promote, discrimination in employment practices, or allegations related to such employment practices of the **Member** by a **Member** or **Covered Party** which occurs during the **Fund Year** or **prior acts period**.

With respect to the definition of **Wrongful Act**:

1. **EMPLOYEE BENEFITS PROGRAM** means the **administration** of group life insurance, group accident or health insurance, profit sharing plans, pension plans and stock subscription plans, unemployment insurance, social security benefits, workers' compensation and disability benefits, or any other similar plan; and

2. **ADMINISTRATION** means the counseling of employees, including their dependents and beneficiaries, with respect to the **Employee Benefits Program**, the handling of records in connection with the **Employee Benefits Program** or effecting or terminating any employee's participation in a plan included in the **Employee Benefits Program**.

PART III
GENERAL LIABILITY COVERAGE

I. INSURING AGREEMENT

The **Fund** will pay on behalf of the **Member** or **Covered Party** all sums which the **Member** or **Covered Party** shall become legally obligated to pay as **damages** arising out of an **occurrence** that takes place during the **Fund Year** and within the **Agreement Territory**:

A. Because of **bodily injury**, **property damage**, **advertising injury**, or **personal injury** to which this coverage applies as stated in the **Agreement**, including **claims** within the **completed operations hazard** and the **products hazard**; and

B. Because of **bodily injury** that arises from rendering or failure to render:

1. Incidental medical services or first aid (including transportation) at the scene of an accident or injury by any **Covered Party** not regularly engaged in the medical profession;

2. Medical services (including transportation) by emergency medical technicians, paramedics, nurses, and aides employed by or volunteering on behalf of the **Member's** emergency medical service, if any, while in the course of their employment or duties as such; or

3. Medical services or treatments administered on behalf of the **Member's** public health district, local health units, or local health department by the following employees or volunteers of a **Member** and performed at a location not providing 24-hour overnight bed care;

   a. Licensed medical professional employees and volunteers of the **Member** other than physicians, surgeons and dentists; and

   b. Non-licensed employees and volunteers of the **Member** trained to perform specific medical services or treatments.

   The coverage provided under this paragraph shall be excess over any policy of insurance that provides coverage for the **Covered Party** identified in a. and b. of this paragraph and applies only after all other available insurance coverage is exhausted.

II. COVERED PARTIES

Each of the following is a **Covered Party** under this Part of the Liability Coverage Document to the extent set forth below:

A. The **Member**;

B. Any officer, director, elected or appointed official, any member of a board or commission of the **Member**, and any employee of the **Member**, when such person is acting within the scope of their duties or employment as such; and

C. Any volunteer while acting within the scope of duties assigned by the **Member** and while under the general supervision of an officer, director, elected or appointed official, member of a board or commission of the **Member**, or an employee of the **Member**.

III. LIMITS OF LIABILITY

Regardless of the number of (1) **Members** or **Covered Parties** under this **Agreement**, (2) persons or organizations who sustain **bodily injury**, **property damage**, **personal injury**, or **advertising injury**, or (3) **claims** made or **suits** brought on account of **bodily injury**, **property damage**, **personal injury**, or **advertising injury**, the **Fund's** liability for the applicable **Fund Year** is limited as follows:

A. The total liability for the **Fund** for all **damages**, including **damages** for care and loss of services, because of **bodily injury**, **property damage**, **personal injury**, or **advertising injury** sustained by one or more persons as the result of any one **occurrence** shall not exceed the limit of liability stated in the **Declarations** for General Liability for the applicable **Fund Year** as applicable to "each **occurrence**."

B. With respect to the **Member's** liability arising out of any **joint venture** to which this coverage applies, the **Fund** shall not be liable for an amount greater than the pro rata share of any **damages** based on the number of participants in the **joint venture**, unless the **Member's** liability is expressed otherwise contractually in the **joint venture** agreement.

C. For the purpose of determining the limits of the **Fund's** liability, all **bodily injury**, **property damage**, **personal injury**, and **advertising injury** arising out of continuous or repeated exposure to substantially the same general conditions or continuous or repeated publication or dissemination of substantially the same information shall be considered as arising out of one **occurrence**.

D. Subject to the above provisions applicable to each **occurrence**, the total liability of the **Fund** for all **damages** because of **bodily injury**, **property damage**, **advertising injury**, or **personal injury**, regardless of the number of **occurrences** taking place during the **Fund Year**, shall not exceed the limit of liability stated in the **Declarations** for the applicable **Fund Year** as "aggregate."

IV. EXCLUSIONS

A. For the purpose of General Liability Coverage only, Exclusion B of the "Exclusions Applicable to All Coverages" shall not apply with respect to:

1. **Bodily injury** that arises at an airport or while on board an **aircraft**, which is on the ground, from rendering or failure to render:

    a. Incidental medical services or first aid (including transportation) at the scene of an accident or injury by any **Covered Party** not regularly engaged in the medical profession; or

    b. Medical services (including transportation) by emergency medical technicians, paramedics, nurses, and aides employed by the **Member's** emergency medical service, if any, while in the course of their employment as such;

2. Any premises which, although on premises designated as airport premises, are separate and distinct from those premises normal and customary to the operation of an airport or ownership, servicing, maintenance, or operation of **aircraft**.

B. In addition to those other matters excluded from coverage in the "Exclusions Applicable to All Coverages," this General Liability Coverage does not apply to:

1. Any **occurrences**, **claims**, or **damages** arising out of the **law enforcement activities** of the **Member** or any **Covered Party** including, but not limited to, the prevention and control of crime, but this Exclusion shall not apply to losses which arise solely from defects in premises occupied by or used by law enforcement or police departments;

2. The ownership, operation, use, loading, unloading, or maintenance of an **automobile**;

3. Any **occurrences**, **claims**, or **damages** for which coverage is otherwise afforded, or would have been afforded if the **Member** had elected the coverage under the Automobile Liability, Law Enforcement Liability, or Errors and Omissions Liability Coverages, it being intended by the parties that this coverage not overlap nor apply in addition to those coverages to the same **occurrences**, **claims**, or **damages**; and

4. **Claims** or **suits** against the **Member** or **Covered Party** for the recovery of **damages** or attorney fees based upon the **Member's**:

    a. Enactment or enforcement of allegedly invalid, unlawful or discriminatory ordinances, regulations, requirements, or restrictions; or

    b. Alleged noncompliance with or violation of applicable municipal, state, or federal laws and regulations, unless such noncompliance or violation results in actual physical **damages** to property or actual **bodily injury** to a person.

5. Any medical services performed at any location specifically designed or used for the purpose of providing such medical services, including all hospitals and other medical facilities where overnight medical care is provided or any clinic where emergency medical services are provided, but this Exclusion shall not apply to losses arising out of operations of emergency medical personnel who are not employees of such medical facility, while in training, or moving injured persons into or out of such facility, except that the coverage shall be excess of any other insurance available to the **Member** or **Covered Party**.

6. Any **occurrences**, **claims**, or **damages** arising from employment matters with employees or officials of the **Member**.

C. For the purpose of this coverage only, subparagraph 1.d(1) of the Exclusion D of the "Exclusions Applicable to All Coverages" shall not apply to **bodily injury** or **property damage** arising out of the escape of fuel, lubricants, or other operating fluids that are needed to perform the normal electrical, hydraulic, or mechanical functions necessary for the operation of **mobile equipment** or its parts, if such fuels, lubricants, or operating fluids escape from a vehicle part designed to hold, store, or receive them. Subparagraph 1.d(1) of said Exclusion D shall apply if the fluids, lubricants, or other operating fluids are intentionally discharged, dispersed, or released, or if such fuels or lubricants or other operating fluids are brought on or to the premises, site, or location with the intent to be discharged, dispersed, or released as part of the operations being performed by the **Member** or any contractor or subcontractor.

PART IV - A
AUTOMOBILE LIABILITY COVERAGE

I. INSURING AGREEMENT

The **Fund** will pay on behalf of the **Member** or **Covered Party** all sums which the **Member** or **Covered Party** shall become legally obligated to pay as **damages** arising out of an **occurrence** that takes place during the **Fund Year** and within the **Agreement Territory** because of **bodily injury** or **property damage**, to which this coverage applies as stated in the **Agreement**, arising out of the ownership, operation, use, loading, unloading, or maintenance of an **automobile.**

II. COVERED PARTIES

Each of the following is a **Covered Party** under this Part of the Liability Coverage Document to the extent set forth below:

A. The **Member**;

B. Any officer, director, elected or appointed official, any member of a board or commission of the **Member**, and any employee of the **Member**, when such person is acting within the scope of his or her duties or employment as such or the actual use is with the permission of the **Member** (subject to paragraphs E and F with respect to the use of **automobiles**);

C. Any volunteer while acting within the scope of duties assigned by the **Member**, and while under the general supervision of an officer, director, elected or appointed official, member of a board or commission of the **Member**, or an employee of the **Member** (subject to paragraphs D, E, and F with respect to the use of **automobiles**);

D. With respect to use of an owned **automobile** or one hired by or on behalf of the **Member**, any person not listed in paragraphs B or C above or organization, provided the actual use is with the permission of the **Member**. The **Fund's** total liability for all **damages** for such person or organization arising out of any one **occurrence** shall be limited to the lesser of the limit of liability shown on the **Declarations** for Automobile Liability for the applicable **Fund Year** or the limits of recovery provided for the **Member's** type of government unit in Chapter 101 of the Texas Civil Practice and Remedies Code, commonly known as the Texas Tort Claims Act, regardless of whether or not that Act applies to the **occurrence**. Coverage shall not extend to the owner or lessor of an **automobile** hired by or on behalf of the **Member** unless coverage for such owner or lessor is required by **contract.** However, this coverage shall not extend to any person with respect to the loading or unloading of such owned or **hired automobile** unless that person or organization is:

1. A lessee or borrower of the **automobile** or an employee of such lessee or borrower; or

2. A **Covered Party** as defined in A, B, or C above;

E. Any officer, director, elected or appointed official, employee, volunteer, or any member of a board or commission of the **Member** with respect to use of a **non-owned automobile** while such **automobile** is being used in the business of the **Member**; and

F. This coverage does not apply to any person while employed in or otherwise engaged in duties in connection with an **Automobile Business**, other than an **Automobile Business** operated by the **Member**.

III. EXTENSION OF COVERAGE

AGREEMENT TERRITORY is extended to include infrequent trips to Mexico that:

A. Do not exceed 25 miles from the boundary of the United States of America; and

B. Do not exceed 10 days at any one time.

This extension applies only to **Covered Parties** who live in the United States of America, and an **automobile** which is principally garaged and used in the United States of America. If either of these two requirements is not met, this extension will not apply.

AUTOMOBILE ACCIDENTS IN MEXICO ARE SUBJECT TO THE LAWS OF MEXICO ONLY - NOT THE LAWS OF THE UNITED STATES OF AMERICA. UNLIKE THE UNITED STATES, THE REPUBLIC OF MEXICO CONSIDERS AN **AUTOMOBILE** ACCIDENT A CRIMINAL OFFENSE AS WELL AS A CIVIL MATTER.

IN SOME CASES, THE COVERAGE UNDER THIS **AGREEMENT** MAY NOT BE RECOGNIZED BY MEXICAN AUTHORITIES AND THE **FUND**

MAY NOT BE ALLOWED TO IMPLEMENT THIS COVERAGE AT ALL IN MEXICO. THE **COVERED PARTY** SHOULD CONSIDER PURCHASING **AUTOMOBILE** COVERAGE FROM AN INSURANCE COMPANY LICENSED IN MEXICO BEFORE DRIVING INTO MEXICO.

IV. LIMITS OF LIABILITY

Regardless of the number of (1) **Members** or **Covered Parties** under this **Agreement**, (2) persons or organizations who sustain **bodily injury** or **property damage**, or (3) **claims** made or **suits** brought on account of **bodily injury** or **property damage**, the **Fund's** liability for the applicable **Fund Year** is limited as follows:

A. The total liability for the **Fund** for all **damages**, including **damages** for care and loss of services, because of **bodily injury** or **property damage** sustained by one or more persons as the result of any one **occurrence** shall not exceed the limit of liability stated in the **Declarations** for Automobile Liability for the applicable **Fund Year** as applicable to "each **occurrence**," or as further limited under Section **II.** of this Automobile Liability Coverage;

B. With respect to the **Member's** liability arising out of any **joint venture** to which this coverage applies, the **Fund** shall not be liable for an amount greater than the pro rata share of any **damages** based on the number of participants in the **joint venture**, unless the **Member's** liability is expressed otherwise contractually in the **joint venture** agreement; and

C. For the purpose of determining the limits of the **Fund's** liability, all **bodily injury** and **property damage** arising out of continuous or repeated exposure to substantially the same general conditions shall be considered as arising out of one **occurrence**.

V. EXCLUSIONS

A. For the purpose of this coverage only, Exclusion B of the "Exclusions Applicable to All Coverages" shall not apply with respect to the ownership, operation, use, loading, unloading, or maintenance of **automobiles** at an airport, except when such **automobiles** are on runways or other airport premises where **aircraft** are operated, serviced, maintained, or stored.

B. For the purpose of this coverage only, Exclusion D of the "Exclusions Applicable to All Coverages" shall not apply to:

1. **Bodily injury** or **property damage** arising out of the overturn or collision of an **automobile**; or

2. **Pollutants** (as defined in Exclusion D of the "Exclusions Applicable to All Coverages") that are needed for or result from the normal electrical, hydraulic, or mechanical functioning of an **automobile** or its parts if:

    a. The **pollutants** escape, seep, migrate, or are discharged, dispersed, or released from an **automobile** part designed to hold, store, receive, or dispose of such **pollutants**; and

    b. The **bodily injury** or **property damage** does not arise out of the operation of compressors, pumps, and generators, including spraying, welding, building, cleaning, geophysical exploration, lighting, and well servicing equipment.

C. This coverage does not apply to those matters excluded in the "Exclusions Applicable to All Coverages" portion of this **Agreement**, nor to the following:

Any **occurrences, claims**, or **damages** for which coverage is otherwise afforded, or would have been afforded if the **Member** had elected the coverage under the General Liability, Law Enforcement Liability, or Errors and Omissions Liability Coverages, it being intended by the parties that this coverage not overlap nor apply in addition to those coverages to the same **occurrences, claims**, or **damages**.

D. This coverage does not apply to **claims** or **suits** for **damages** that arise out of the use of an **automobile** by the **Member's** Law Enforcement Agency in pursuit of a criminal offender, unless those **damages** are the result of physical contact with the pursuit vehicle.

VI. FINANCIAL RESPONSIBILITY LAWS

A. When the **Agreement** is certified as proof of financial responsibility for the future under the provisions of any motor vehicle financial responsibility law, such coverage as is provided by the **Agreement** for **bodily injury** liability or for **property damage** liability shall comply with the provisions of such law to the extent of the coverage and limits of liability required by such law. The **Member** agrees to reimburse the **Fund** for any payment made by the **Fund** which the **Fund** would not have been obligated to make under the terms of the **Agreement** except the agreement contained in this paragraph.

B. If under the provisions of a motor vehicle financial responsibility law or a motor vehicle compulsory insurance law or any similar law of any state or province, a nonresident is required to maintain insurance with respect to the operation or use of a motor vehicle in such state or province and such insurance requirements are greater than the coverage provided by the **Agreement**, the limits of the **Fund's** liability and the kinds of coverage afforded by the **Agreement** shall be as set forth in such law, in lieu of the coverage otherwise provided by the **Agreement**, but only to the extent required by such law and only with respect to the operation or use of a motor vehicle in such state or province, provided that the coverage under this provision shall be reduced to the extent that there is other valid and collectible insurance under this or any other motor vehicle insurance policy. In no event shall any person be entitled to receive duplicate payments for the same elements of loss.

PART IV - B
AUTOMOBILE MEDICAL PAYMENTS COVERAGE

I. INSURING AGREEMENT

The **Fund** will pay reasonable expenses incurred for necessary medical and funeral services to or for an **eligible person** who sustains **bodily injury** caused by an **accident** involving a **covered automobile**.

II. LIMITS OF COVERAGE

A. Regardless of the number of **covered automobiles, eligible persons, claims** made, or vehicles involved in an **accident**, the most the **Fund** will pay for **bodily injury** for any one **eligible person** is $25,000, unless a different limit of liability is stated in the **Declarations** for the applicable **Fund Year**, but in no event shall the **Fund** pay more than $10,000 for funeral services.

B. Any amounts otherwise payable for expenses under this coverage shall be reduced by any amounts paid or payable for the same expenses under the General and Automobile Liability Coverages provided by the **Fund.**

C. No payment will be made unless the **eligible person** or that person's legal representative agrees in writing that such payment shall be applied to, and the **Fund** shall receive credit toward, any judgment that person may ultimately obtain against the **Fund Member** or **Covered Party**, and payable by the **Fund** on behalf of its **Member** or **Covered Party** under its Automobile Liability Coverage.

D. Payments under this provision shall be only for medical services rendered within 90 days of the date of the **accident**.

III. ADDITIONAL DEFINITIONS

A. **ACCIDENT** means the collision of a **covered automobile** with another object or with a vehicle to which it is attached, or upset of such **covered automobile.**

B. **COVERED AUTOMOBILE** means an **automobile** with a design capacity of eight passengers, in addition to the driver, or less which is owned or leased by the **Fund Member** or an **automobile** while temporarily used as a substitute for an owned **covered automobile** that has been withdrawn from normal use because of its breakdown, repair, servicing, loss, or destruction. (This coverage is only applicable to passengers in **covered automobiles** with a design capacity in excess of eight passengers if an endorsement to that effect is a part of the **Declarations**.)

C. **ELIGIBLE PERSON** means any person who sustains **bodily injury** while **occupying** a **covered automobile** with the reasonable belief that such person is entitled to do so. Persons in the custody of the **Member** arising out of the **Member's law enforcement activities** are not **eligible persons**.

D. **OCCUPYING** means in; upon; or getting in, on, out, or off.

IV. EXCLUSIONS

This coverage does not apply to **bodily injury**:

A. To any employee of the **Member** while in the course and scope of his or her duties;

B. To any volunteer or elected or appointed official of the **Member** while in the course and scope of their duties as such if the volunteer or elected or appointed official is entitled to receive workers' compensation benefits;

C. To any **eligible person** who, as a result of their injuries in an **accident**, is entitled to workers' compensation benefits under applicable laws. This Exclusion applies whether the injured person is an employee of the **Fund Member** or someone else;

D. For that portion of medical or funeral expenses which any **eligible person** is entitled to collect from any insurance company or insurance plan or self-insurance plan. This Exclusion does not apply to deductibles or co-insurance payments which must be paid by or on behalf of the **eligible person**; or

E. For any medical or funeral expenses which are payable under any other section of the **Agreement.**

V. ADDITIONAL CONDITIONS

A. In the event that the **Fund** makes any payment under this coverage, the **Fund** shall be subrogated to the **eligible person's** right of recovery against any other person or organization, and the **eligible person** shall execute and deliver instruments and papers and do whatever else is necessary to secure such rights. If the **eligible person** recovers from another party, he or she shall hold the proceeds in trust for the **Fund** and reimburse the **Fund** to the extent of the **Fund's** payment.

B. This coverage shall be non-contributory with any other coverage or insurance. To the extent any other coverage or insurance is available to the **eligible person**, whether on a primary or excess basis, this coverage shall not apply.

C. No person or entity other than the **eligible person** or his or her heirs or legal guardian shall have any **claim** against the **Fund** under this coverage.

VI. DEDUCTIBLE

Payments under this provision will be subject to the Automobile Liability Coverage deductible shown on the **Declarations**.

PART V
AUTOMOBILE PHYSICAL DAMAGE COVERAGE

I. INSURING AGREEMENT

The **Fund** will pay for **loss** to **covered automobiles** which occurs during the **Agreement Period** while the **covered automobile** is within the **Agreement Territory.**

II. COVERAGES

A. COMPREHENSIVE - from any cause except collision; but, for the purpose of this coverage, breakage of glass, or **loss** caused by missiles, falling objects, fire, theft or larceny, windstorm, hail, earthquake, explosion, riot or civil commotion, malicious mischief or vandalism, water, flood, or colliding with a bird or animal shall not be deemed **loss** caused by collision;

B. COLLISION - caused by collision of a **covered automobile** with another object or with a vehicle to which it is attached, or upset of such **covered automobile.**

III. LIMIT OF LIABILITY AND DEDUCTIBLES

A. The limit of the **Fund's** liability for **loss** to any one **covered automobile** shall not exceed the **actual cash value** of such **covered automobile** or, if the **loss** is to a part thereof, the **actual cash value** of such part at the time of **loss** less any applicable deductible.

B. Such coverage and respective deductible apply separately to each **covered automobile**. A land motor vehicle and one or more trailers or semi-trailers attached thereto shall be held to be separate **covered automobiles** with respect to limits of liability and any deductible provisions applicable thereto.

C. Except for **damage** resulting from hail, the maximum deductible a **Member** must pay for all **covered automobiles** for **loss** arising out of a single **occurrence** involving more than one **covered automobile** is the amount shown on the **Declarations** as the Automobile Physical Damage "occurrence deductible."

For damage resulting from hail, the maximum deductible is the lesser of:

1. The applicable Automobile Physical Damage deductible for each **covered automobile**;
2. The Automobile Catastrophe Coverage deductible, provided Automobile Catastrophe Coverage is elected in addition to Automobile Physical Damage Coverage on each **covered automobile**; or
3. The Automobile Catastrophe Coverage deductible, if elected without Automobile Physical Damage Coverage.

D. Any deductibles applicable to any **loss** covered by this Automobile Physical Damage Coverage section shall not be reduced by any deductibles applicable to any other coverage provided through the **Fund**, and such other applicable deductibles shall not be reduced because of the deductibles applicable under this coverage. However, if, in a single **occurrence**, a **loss** to an **automobile(s)** is covered by this Automobile Physical Damage Coverage and the personal property in the **automobile(s)** is covered by the **Fund** under its Property Coverage Document, but there is no **loss** to any structure or premise identified in the property schedule referenced in the Property Coverage Document, the total deductible shall not exceed the largest deductible which is applicable either under this Automobile Physical Damage Coverage or the Property Coverage Document.

IV. SUPPLEMENTARY PAYMENTS

In addition to the applicable limits of liability, the **Fund** will, with respect to such coverage as is afforded herein, pay towing, handling, and storage charges for which the **Member** becomes legally liable. In the event of a theft covered by this coverage of an entire **covered automobile**, the **Fund** will reimburse the **Member** for the rental of a substitute for such **automobile** during the period commencing 48 hours after such theft has been reported to the **Fund** and the police. This period will terminate, regardless of expiration of the **Agreement Period**, when such **automobile** is returned to use or the **Fund** pays for the **loss**; but, as to any one such theft, such reimbursement shall not exceed $40 for any one day nor $1,200 total. For firetrucks and ambulances that qualify as **covered automobiles**, the **Fund** will also reimburse the **Member** for necessary rental of a replacement vehicle during the period of repair resulting from damage covered under this **Agreement**, up to $250 for any one day subject to an aggregate maximum of $7,500 for any one

Fund Year after the per vehicle deductible has been met.

V. ADDITIONAL DEFINITIONS

When used in reference to this coverage:

A. ACTUAL CASH VALUE means the lesser of:

1. The cost to repair;
2. The cost to replace with like kind and quality less proper deduction for depreciation; or
3. The amount actually expended to replace, if replaced.

B. AGREEMENT TERRITORY means the United States of America, its territories or possessions, or Canada, including infrequent trips to Mexico that:

1. Do not exceed 25 miles from the boundary of the United States of America; and
2. Do not exceed ten days at any one time.

C. COVERED AUTOMOBILE means:

1. An **automobile** owned by the **Member**, or leased for six months or longer by the **Member**, and for which the Automobile Schedule attached to the **Declarations** indicates that Automobile Physical Damage Coverage is provided; or
2. A rented, leased, borrowed, or **commandeered automobile** for less than six months by the **Member**, provided that the Automobile Schedule attached to the **Declarations** indicates that Automobile Physical Damage Coverage is provided for one or more **automobiles** owned by the **Member** or leased for six months or longer.

D. FLEET AUTOMATIC BASIS means coverage is afforded for **automobiles** for which the Automobile Schedule attached to the **Declarations** at inception indicates that Automobile Physical Damage Coverage is provided, and for all newly acquired **automobiles**. By endorsement to the **Member's Declaration**, **Fleet Automatic Basis** may be defined to apply only to **automobiles** equal to or exceeding specific age and/or **actual cash value** requirements, or other conditions as agreed to by the **Fund** and **Fund Member**.

E. LOSS means direct and accidental loss or damage.

VI. EXCLUSIONS

This coverage does not apply:

A. To **damage** which is due and confined to:

1. Wear and tear;
2. Freezing; or
3. Mechanical failure;

unless such **damage** is the result of other **loss** covered by this **Agreement.**

B. To tires, unless:

1. **Loss** is determined to be coincidental with and from the same cause as other **loss** covered by this coverage; or
2. Stolen, or damaged by fire, malicious mischief, or vandalism.

C. To **loss** to:

1. Any device or instrument designed for the recording, reproduction, or recording and reproduction of sound unless such device or instrument is permanently installed in the **covered automobile**; or
2. Any tape, wire, record disk, or other medium for use with any device or instrument designed for the recording, reproduction, or recording and reproduction of sound.

D. To **loss** resulting from hostile or warlike action in time of peace or war, including action in hindering, combating, or defending against an actual, impending, or expected attack:

1. By any government or sovereign power (de jure or de facto) or by any authority maintaining or using military, naval, or air forces;
2. By military, naval, or air forces; or
3. By an agent of any such government, power, authority, or forces.

E. To **losses** resulting from rebellion, revolution, civil war, usurped power, or action taken by governmental authority in hindering, combating, or defending against such **occurrence**.

F. To **losses** resulting from seizure or destruction by order of public authority, except destruction by order of public authority to prevent the spread of fire or explosion.

G. Against risks of contraband or illegal trade.

H. Nuclear reaction, nuclear radiation, or radioactive contamination, all whether controlled or uncontrolled, and whether such **loss** be direct or indirect, proximate, or remote, or be in whole or in part caused by, contributed to, or aggravated by the peril(s) covered in this **Agreement**, except:

1. If fire ensues, liability is specifically assumed for direct **loss** by such ensuing fire but not including any **loss** due to nuclear reaction, nuclear radiation, or radioactive contamination;

2. The **Fund** shall be liable for **loss** or **damage** caused by sudden and accidental radioactive contamination, including resultant radiation **damage** for each **occurrence** from material used or stored or from the processes conducted on covered premises, provided at the time of **loss** there is neither a nuclear reaction capable of sustaining nuclear fission in a self-supporting chain reaction nor any new or used nuclear fuel on the covered premises.

For the purpose of this coverage section only, all exclusions in the "Exclusions Applicable to All Coverages" shall not apply.

VII. AUTOMOBILE CATASTROPHE COVERAGE OPTION

With respect to **covered automobiles** on which the **Declarations** indicate a limit and deductible for Automobile Catastrophe Coverage, the following exclusions are added to the "Exclusions" under paragraph VI of Part V, Automobile Physical Damage Coverage:

A. To Collision Coverage;

B. To **loss** to any **automobile** other than a **covered automobile**;

C. To **loss** to any **covered automobile** unless two or more **covered automobiles** are damaged in the same **occurrence** and the total **damages** to all **covered automobiles** exceeds the deductible for Automobile Catastrophe Coverage shown on the **Declarations**.

VIII. ADDITIONAL COVERAGE FOR AUTOMOBILES OWNED BY VOLUNTEER FIREFIGHTERS AND VOLUNTEER EMERGENCY MEDICAL SERVICE PERSONS

The **Fund** will pay up to $500 for the cost of repairs for an **automobile** owned by a volunteer firefighter or volunteer emergency medical service person if such **automobile** is damaged when such volunteer is utilizing such **automobile** in responding to an emergency for the **Member**. If the volunteer has other insurance which is applicable to such **automobile**, the **Fund** will pay either up to $500 for the cost of repairs to such **automobile** or the amount of the deductible of such other insurance, whichever amount is less. The payments to be made by the **Fund** under this provision shall not be subject to any deductible amount.

IX. CONDITIONS

A. DEFINED WORDS

Whenever words or phrases appear in this **Plan** in bold type, they are used as defined in the Definitions Section or in the Coverage Parts of this **Plan**.

B. REQUIREMENTS IN CASE OF **LOSS**

1. The **Member** shall give immediate notice to the **Fund** or any of its authorized agents of any **loss**, **claim**, or **suit**, and as soon as is practicable give written information with respect to the time, place, persons, or witnesses involved, and the circumstances of the **loss**, **claim**, or **suit**.

2. The **Member** shall cooperate with the **Fund** and, upon the **Fund's** request, assist in making settlement in the conduct of **suits** and in enforcing any right of contribution or indemnity against any person or organization who may be liable to the **Member** because of injury or **damage** with respect to which **coverage** is afforded under the **Agreement**.

3. When a **loss** takes place, the **Member** shall give notice thereof to the proper police authority if the **loss** involves a violation of the law.

C. OTHER INSURANCE

The coverage afforded by this **Agreement** is primary coverage except when stated herein or in this **Agreement** to apply in excess of or contingent upon the absence of other insurance. When this coverage is primary and the **Member** has other insurance which is stated to be applicable to the **loss** on an excess or contingent basis, the amount of the **Fund's** liability under this **Agreement** shall not be reduced by the existence of such other insurance. When both this coverage and other insurance apply to the **loss** on the same basis, whether primary, excess, or contingent, the **Fund** shall not be liable under this **Agreement** for a greater proportion of the **loss** than stated in this applicable contribution provision below:

1. CONTRIBUTION BY EQUAL SHARES - If all of such other valid and collectible insurance provides for contribution by equal shares, the **Fund** shall not be liable for a greater proportion of such **loss** than would be payable if each insurer or the **Fund** contributes an equal share until the share of each insurer or the **Fund** equals the lowest applicable limit of liability under any one policy or **Agreement**, or the full amount of the **loss** is paid; and with respect to any amount of **loss** not so paid the remaining insurers or the **Fund** then continue to contribute equal shares of the remaining amount of the **loss** until each such insurer or the **Fund** has paid its limit in full or the full amount of the **loss** is paid; or

2. CONTRIBUTION BY LIMITS - If any such other insurance does not provide for contribution by equal shares, the **Fund** shall not be liable for a greater proportion of such **loss** than the applicable limit of liability under this **Agreement** for which such **loss** bears to the total applicable limit of liability of all valid and collectible insurance against such **loss**.

D. APPRAISAL

If the **Member** and the **Fund** fail to agree as to the amount of **loss**, each shall, upon the written demand either of the **Member** or of the **Fund** made within 60 days after receipt of proof of **loss** by the **Fund**, select a competent and disinterested appraiser. The appraisers shall then select a competent and disinterested umpire. If they should fail for 15 days to agree upon such umpire, then upon the request of the **Member** or of the **Fund**, such umpire shall be selected by a judge of a court of record in the county and state in which such appraisal is pending. Then, at a reasonable time and place, the appraisers shall appraise the **loss**, stating separately the value at the time of **loss** and the amount of **loss**. If the appraisers fail to agree, they shall submit their differences to the umpire. An award in writing by any two shall determine the amount of **loss**. The **Member** and the **Fund** shall each pay its chosen appraiser and shall bear equally the other expenses of the appraisal and of the umpire.

E. PAYMENT FOR **LOSS**

With respect to any **loss** covered by this coverage, the **Fund** may pay for said **loss** in money, or may:

1. Repair or replace the damaged or stolen property;

2. Return at its expense any stolen property to the **Member**, with payment for any resultant damage thereto, at any time before the **loss** is so paid or the property is so replaced; or

3. Take all or any part of the damaged or stolen property at the agreed or appraised value;

but there shall be no abandonment to the **Fund**.

F. **LOSS** PAYABLE

Loss, if any, shall be adjusted with and payable to the **Member**, whose receipt shall constitute a release in full of all liability under this **Agreement** with respect to such **loss**.

G. NO BENEFITS TO BAILEE

None of the provisions of this **Agreement** shall inure directly or indirectly to the benefit of any carrier or other bailee for hire.

H. SUIT AGAINST THE **FUND**

No **suit** or action on this **Agreement** for the recovery of any **claim** shall be sustainable in any court of law or equity unless the **Member** shall have fully complied with all the requirements of this **Agreement**. The **Fund** agrees that any action or proceeding against it for recovery of any **loss** under this **Agreement** shall not be barred if commenced within the time prescribed therefor in the statutes of the State of Texas.

I. SUBROGATION

1. Any release from liability entered into by the **Member** prior to **loss** hereunder shall not affect this **Agreement** or the right of the **Member** to recover hereunder. The right of subrogation against the **Member** is waived.

2. In the event of any payment under this **Agreement**, the **Fund** shall be subrogated to the extent of such payment to all the **Member's** rights of recovery therefor. The **Member** shall execute all papers required and shall do anything that may be necessary at the expense of the **Fund** to secure such right. The **Fund** will act in concert with all other interests concerned, i.e., the **Member** and any other

entity or individual participating in the payment of any **loss** as primary or excess insurers, in the exercise of such rights of recovery. If any amount is recovered as a result of such proceedings, the net amount recovered after deducting the costs of recovery shall be divided between the interests concerned in the proportion of their respective interests. If there should be no recovery, the expense of proceedings shall be borne proportionately by the interests instituting the proceedings.

J. SALVAGE AND RECOVERIES

All salvages, recoveries, and payments, excluding proceeds from subrogation and underlying insurance recovered or received subsequent to a **loss** settlement under this **Agreement**, shall be applied as if recovered or received prior to the said settlement and all necessary adjustments shall be made to the parties involved.

K. TITLES OF PARAGRAPHS

The titles of the paragraphs of this **Agreement** and of endorsements and supplemental **contracts**, if any, now, or hereafter attached hereto, are inserted solely for convenience of reference and shall not be deemed in any way to limit or affect the provisions to which they relate.

L. ERRORS OR OMISSIONS

Any unintentional error or omission made by the **Member** in making reports shall not void or impair the coverage hereunder, provided the **Member** reports such error or omission as soon as reasonably possible after discovery.

M. REPORTING AND CONTRIBUTIONS

Prior to the beginning of each **Fund Year**, the **Member** agrees to report to the **Fund** either the **actual cash values** or the original cost new of all **automobiles** to be **covered automobiles** for Automobile Physical Damage Coverage. Contributions shall be increased or reduced for the next **Fund Year** based on the current report.

PART VI
LAW ENFORCEMENT LIABILITY COVERAGE

I. INSURING AGREEMENT

The **Fund** will pay on behalf of the **Member** or **Covered Party** all sums which the **Member** or **Covered Party** shall become legally obligated to pay as **damages** arising out of an **occurrence** that takes place during the **Fund Year** and within the **Agreement Territory**:

A. Because of **bodily injury, property damage, advertising injury,** or **personal injury** to which this coverage applies as stated in this **Agreement** that arises from the **Member's law enforcement activities.**

B. Because of **bodily injury** that arises out of the **Member's law enforcement activities** from rendering or failure to render incidental medical services or first aid (including transportation) at the scene of an **accident** or injury by any **Covered Party** not regularly engaged in the medical profession.

II. COVERED PARTIES

Each of the following is a **Covered Party** under this Part of the Liability Coverage Document to the extent set forth below:

A. The **Member**;

B. Any law enforcement commission, board, authority, administrative department, or other similar law enforcement unit operated by and under the jurisdiction of the **Member**;

C. Any duly elected or appointed official or member of a governing body of a public entity which is a **Covered Party** under A or B above, while acting within the scope of his or her law enforcement duties; and

D. Any employee of the **Member** or authorized volunteer, but only while carrying out their duties related to the **Member's law enforcement activities.**

III. LIMITS OF LIABILITY

Regardless of the number of (1) **Members** or **Covered Parties** under this **Agreement**; (2) persons or organizations who sustain **bodily injury, property damage, personal injury**, or **advertising injury**; or (3) **claims** made or **suits** brought on account of **bodily injury, property damage, personal injury**, or **advertising injury**, the **Fund's** liability for the applicable **Fund Year** is limited as follows:

A. The total liability for the **Fund** for all **damages,** including **damages** for care and loss of services, because of **bodily injury, property damage, personal injury**, or **advertising injury** sustained by one or more persons as the result of any one **occurrence** shall not exceed the limit of liability stated in the **Declarations** for Law Enforcement Liability for the applicable **Fund Year** as applicable to "each **occurrence**;"

B. For the purpose of determining the limits of the **Fund's** liability, all **bodily injury, property damage, personal injury**, and **advertising injury** arising out of continuous or repeated exposure to substantially the same general conditions or continuous or repeated publication or dissemination of substantially the same information shall be considered as arising out of one **occurrence**;

C. With respect to the **Member's** liability arising out of any **joint venture** to which this coverage applies, the **Fund** shall not be liable for an amount greater than the pro rata share of any **damages** based on the number of participants in the **joint venture**, unless the **Member's** liability is expressed otherwise contractually in the **joint venture** agreement; and

D. Subject to the above provisions applicable to each **occurrence**, the total liability of the **Fund** for all **damages** because of **bodily injury, property damage, advertising injury,** or **personal injury**, regardless of the number of **occurrences** taking place during the **Fund Year,** shall not exceed the limit of liability stated in the **Declarations** for the applicable **Fund Year** as "aggregate."

IV. EXCLUSIONS

For the purpose of this coverage only, Exclusion H.7. in the "Exclusions Applicable to All Coverages" Part shall not apply with respect to property that has been seized or impounded in the course of the **Member's law enforcement activities** while such property is in the care, custody, or control of a **Covered Party.**

For the purpose of this coverage only, Exclusion B of the "Exclusions Applicable to All Coverages" Part shall not apply with respect to the **law enforcement activities** of the **Member** while engaged in **law enforcement activities** at an airport or while on board an **aircraft** which is on the ground.

For purposes of this coverage only, Exclusion T of the "Exclusions Applicable to All Coverages" Part shall not apply to property damage arising from the **Member's law enforcement activities**.

In addition to those other matters excluded from coverage in the "Exclusions Applicable to All Coverages" Part of this **Agreement**, this **Agreement** does not apply to:

A. **Bodily injury** or **property damage** arising out of the ownership, maintenance, operation, use, loading, and unloading of:

1. Any **automobile** or **aircraft** owned or operated by or rented or loaned to any **Member**; or

2. Any other **automobile** or **aircraft** operated by any person in the course of his or her employment by any **Member**.

This Exclusion does not apply to **damages** that arise from the use of either **commandeered automobiles** or an **automobile** by the **Member's** Law Enforcement Agency in pursuit of a criminal offender if such **damages** are not the result of physical contact with the pursuit vehicle; and

B. Any **occurrences**, **claims**, or **damages** for which coverage is otherwise afforded, or would have been afforded if the **Member** had elected the coverage under the General Liability and Automobile Liability Coverages, it being intended by the parties that this coverage not overlap nor apply in addition to those coverages to the same **occurrences, claims**, or **damages**.

PART VII
ERRORS AND OMISSIONS LIABILITY COVERAGE

I. INSURING AGREEMENT

LIABILITY OF **MEMBER** OR **COVERED PARTY**

The **Fund** will pay on behalf of the **Member** or **Covered Party** all monetary **damages** which the **Member** or **Covered Party** shall be legally obligated to pay for any civil **claim** or **claims** because of a **wrongful act** which occurs during the **Fund Year** and within the **Agreement Territory.**

II. COVERED PARTIES

Each of the following is a **Covered Party** under this Part of the Liability Coverage Document to the extent set forth below:

A. The **Member**;

B. Any officer, director, elected or appointed official, any member of a board or commission of the **Member**, and any employee of the **Member** when such **Covered Parties** are acting within the scope of their duties or employment as such; or

C. Any volunteer while acting within the scope of duties assigned by the **Member** and while under the general supervision of an officer, director, elected or appointed official, member of a board or commission of the **Member** or an employee of the **Member**.

III. LIMITS OF LIABILITY

Regardless of the number of (1) **Members** or other **Covered Parties** under this **Agreement**, (2) persons or organizations who sustain **damages** payable under this **Agreement**, or (3) **claims** made or **suits** brought during the applicable **Fund Year** within the Errors and Omissions Coverage afforded by this **Agreement**, the **Fund's** liability is limited as follows:

A. The total liability for the **Fund** for all **damages** arising out of a **wrongful act** shall not exceed the limit of liability stated in the **Declarations** for Errors and Omissions Liability Coverage for the applicable **Fund Year**;

B. For the purpose of determining the **Fund's** limit of liability, all **claims** and **damages** arising out of a single **wrongful act**, interrelated **wrongful acts**, or a series of related **wrongful acts** by one or more **Covered Party(ies)** shall be considered a single **wrongful act**. If such **wrongful act** takes place over more than one **Fund Year** in which coverage is provided to the **Member** by this **Agreement**, the **wrongful act** shall be deemed to have taken place during the first **Fund Year** during which any of the related **wrongful acts** occurred and coverage was provided under this **Agreement** and only the limit of liability during said first **Fund Year** shall apply;

C. With respect to the **Member's** liability arising out of any **joint venture** to which this coverage applies, the **Fund** shall not be liable for an amount greater than the pro rata share of any **damages** based on the number of participants in the **joint venture**, unless otherwise expressed contractually in the **joint venture** agreement; and

D. Subject to the above provisions, the **Fund's** total limit of liability for all **damages** arising out of **claims** made for **wrongful acts**, regardless of the number of **claims**, **Members** or other **Covered Parties** involved, shall not exceed the amount stated in the **Declarations** for the applicable **Fund Year** as "aggregate."

IV. EFFECTIVE DATES

For those **Members** participating in the **Fund** for Errors and Omissions Coverage prior to June 1, 1985, this coverage shall extend to include **wrongful acts** occurring prior to the date that the **Member** first joined the **Fund** for Errors and Omissions Coverage if the **Member** did not give notice of such **wrongful act** to any prior insurers or the **Member** had no knowledge of such **wrongful act** likely to give rise to a **claim**. For those **Members** joining after June 1, 1985, this coverage begins on the actual date they entered the **Fund** for Errors and Omissions Coverage and will not provide coverage for any **claim** or **claims** arising from **wrongful acts** which took place prior to the **Prior Acts Period.**

V. RETROACTIVE DATE

Except as provided otherwise under Section IV, Effective Dates above, this coverage does not apply to a **wrongful act** which occurred before the Retroactive Date, if any, shown in the **Declarations.**

VI. ADDITIONAL COVERAGE FOR REIMBURSEMENT OF CRIMINAL DEFENSE EXPENSES

A. Notwithstanding any Exclusions in this **Agreement**, the **Fund** shall reimburse any **Covered Party**, where allowed by law, for: reasonable attorneys' fees; and reasonable and necessary costs, excluding loss of income, when incurred in defense of any **criminal proceeding** arising out of what otherwise would be within the course and scope of the **Covered Party's** duties or employment by the **Member**.

B. Reimbursement shall be made only if the **Covered Party** is exonerated by a court of law from all charges or all charges are subsequently withdrawn or dismissed without any admission of guilt.

C. When a **Covered Party** is one of two or more defendants represented by the same attorney or law firm, payment shall be limited to the **Covered Party's** proportionate share of the total of the reasonable attorneys' fees and the reasonable and necessary costs paid.

D. The term "**Covered Party**" shall be as defined in Section II of this Errors and Omissions Liability Coverage.

E. The term "**criminal proceeding**" means the criminal prosecution of a **Covered Party** commenced by the filing with the court of an information or an indictment, alleging that the **Covered Party** had, during the **Fund Year**, and within the **Agreement Territory**, committed one or more crimes. Any such prosecution shall be considered a single "**criminal proceeding**," notwithstanding the fact that the prosecution may involve multiple incidents, multiple counts or charges, and/or multiple trials and/or multiple appellate proceedings.

F. LIMITS OF LIABILITY

1. The limit of liability of the **Fund** for each **criminal proceeding** shall not exceed $10,000, regardless of the number of **Covered Parties** that may be defendants in the criminal proceeding.

2. In the event there are multiple **Covered Parties** as defendants in the same criminal proceeding, payment or reimbursement shall be limited or divided between the **Covered Parties** according to each **Covered Party's** proportionate share of the total of all reasonable attorneys' fees and reasonable and necessary costs paid.

G. DEDUCTIBLE

Any deductible under this **Agreement** shall not apply to this additional coverage for reimbursement for criminal defense expenses.

VII. EXCLUSIONS

A. For the purpose of this coverage only, Exclusion B. in the "Exclusions Applicable to All Coverages" Part, shall not apply with respect to any airport board or commission of the **Member**.

B. In addition to those matters excluded from coverage in the "Exclusions Applicable to All Coverages" Part of this **Agreement**, the **Fund** shall not be obligated to make any payment, nor to defend any lawsuits in connection with any **claim** made against any **Member** or **Covered Party**:

1. Based on or attributable to the **Member** or **Covered Party** gaining any personal profit or advantages to which the **Member** or **Covered Party** was not legally entitled;

2. For the return by the **Member** or **Covered Party** of any remuneration paid to the **Member** or **Covered Party** in violation of law;

3. Brought about or contributed to by the dishonesty or fraudulent acts of the **Covered Party**; however, notwithstanding the foregoing, the **Member** or **Covered Party** shall be protected under the terms of this **Agreement** as to any **claims** upon which **suit** is brought against them by reason of any alleged dishonesty or fraudulent acts on the part of them, unless a judgment or other final adjudication thereof adverse to them shall establish that acts of active and deliberate dishonesty or fraud committed by them with actual dishonest or fraudulent purpose and intent were material to the cause of action so adjudicated;

4. For the loss of, criminal abstraction of, **damage** to, or destruction of any tangible property or the loss of use of such property by reason of the foregoing;

5. For any **damages** or **claim expense** arising out of the **law enforcement activities** of the **Member**;

6. For any **damages** which result from a **wrongful act** committed intentionally with knowledge of wrongdoing; however, the

Fund will provide a defense to the **Member** or **Covered Party** for **suits** containing those allegations;

7. Arising from a **Member's** or **Covered Party's** activities in a fiduciary capacity with respect to public property and funds, bond obligations, and employee benefit and retirement funds and obligations;

8. Arising from activities of any attorney-at-law, medical personnel, architect, engineer, or accountant in the scope of their professional duties; however, notwithstanding the foregoing, the **Member** or **Covered Party** shall be protected under the terms of this **Agreement** as to any **claims** made against them solely as public officials or as employees of the **Member**;

9. Arising from a **Member's** or any **Covered Party's** failure to purchase insurance coverage; or

10. For any **damages**, whether direct, indirect, or consequential, arising from or caused by **bodily injury**, **property damage**, **advertising injury**, **personal injury**, mental anguish, or mental injury, except that **damages** for mental anguish or mental injury shall not be excluded from coverage when those **damages** are sought in connection with the alleged violation of a civil right guaranteed by the U.S. Constitution, the Constitution of the State of Texas, or any state or federal statute. This Exclusion does not apply to the publication or utterance of a libel, slander, or other defamatory or disparaging material, or publication or utterance in violation of the individual's right of privacy which arises out of the employment matters of the **Member**.

C. This coverage does not apply to any **occurrence**, **claim**, or **damages** for which coverage is otherwise afforded, or would have been afforded if the **Member** had elected the coverages, under the General Liability and Automobile Liability or the Law Enforcement Liability Coverages, it being intended by the parties that this coverage not overlap nor apply in addition to any of the other coverages to the same **occurrence**, **claim**, or **damages**.

PART VIII
EXCLUSIONS APPLICABLE TO ALL COVERAGES

Unless otherwise provided in the **Agreement**, **Declarations**, under specific coverages, or by endorsement, the coverage provided in this **Agreement** does not apply to or provide coverage for the following:

A. **Claims** or **suits** for **damages** arising out of the ownership, maintenance, operation, use, loading, or unloading of any **aircraft** owned or operated by or rented or loaned to any **Member** or **Covered Party**;

B. Liability arising out of the ownership, maintenance, or use of any airport;

C. **Claims** or **suits** for **damages** claimed as a result of the **Member's** failure to supply gas, oil, water, electricity, waste water service, or steam or the **Member's** failure to supply sufficient gas, oil, water, electricity, or steam to meet demand. This Exclusion does not apply if the failure to supply sufficient quantities results from the sudden and accidental injury to tangible property owned or used by the **Member** to procure, produce, process, or transmit the gas, oil, water, electricity, waste water, or steam;

D. 1. **Claims** or **suits** for **damages** arising out of the actual, alleged, or threatened discharge, seepage, migration, dispersal, release, or escape of pollutants:

a. At or from any premises, site, or location which is or was at any time owned, rented, or occupied by the **Member**;

b. At or from any premises, site, or location which is or was at any time used by or for the **Member** or others for the handling, storage, disposal, processing, or treatment of waste;

c. Which are or were at any time transported, handled, stored, treated, disposed of, or processed as waste by or for the **Member** or any person or organization for whom the **Member** may be legally responsible;

d. At or from any premises, site, or location on which the **Member** or any contractors or subcontractors working directly or indirectly on the **Member's** behalf are performing operations:

1) If the pollutants are brought on or to the site or location in connection with such operations by the **Member**, contractor, or subcontractor; or

2) If the operations are to test for, monitor, clean up, remove, contain, treat, detoxify, or neutralize or in any way respond to, or assess the effects of the pollutants; or

e. Which arises from exposure included within the **completed operations hazard**.

Subparagraphs a. and d.(1) of paragraph 1. of this Exclusion do not apply to **bodily injury** or **property damage** caused by heat, smoke, or fumes from a hostile fire. A hostile fire means one which becomes uncontrollable or breaks out from where it was intended.

This Exclusion D.1. shall not apply to the **claims** within the **products hazard**.

This Exclusion D.1. shall not apply to any **claim** or **suit** for **damages** which resulted from a **sudden event** that takes place during the **Fund Year** and within the **Agreement Territory**, and which was caused by an actual, alleged, or threatened discharge, dispersal, release, or escape of pollutants.

"Sudden event" shall mean an **accident** where the pollution resulting therefrom and the injury resulting from such pollution all occur within 45 days following the **accident**. A related series of **accidents** shall be deemed to be a single event. In the case of a related series of **accidents**, the **sudden event** shall be deemed to have taken place when the first **accident** in the related series of such **accidents** took place. **"Accident"** shall mean an abrupt discharge, dispersal, release, or escape of **pollutants** neither expected nor intended from the standpoint of the **Member** or **Covered Party**.

Subject to the provisions in this **Agreement** concerning limits of liability applicable to each **occurrence** under the General Liability Coverage and the limits of liability for each **occurrence** stated in the **Declarations** for **sudden events** involving **pollutants**, the total liability of the **Fund** for all **damages** resulting from **bodily injury**, **property damage**, or **personal injury** within the **sudden event** exception described above, regardless of the number of **sudden events**, shall not exceed the limits of liability stated in the **Declarations** for the applicable **Fund Year** as "aggregate" for General Liability Coverage.

2. Any loss, cost, or expense arising out of any request, demand, order or statutory or regulatory requirement that the **Member** test for, monitor, clean up, remove, contain, treat, detoxify, or neutralize or in any way respond to, or assess the effects of **pollutants**.

"Pollutants" means any solid, liquid, gaseous, or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals, and waste, but does not include chlorine used for the treatment of water at swimming pools, water treatment plants, or sewage treatment plants. Waste includes materials to be recycled, reconditioned, or reclaimed;

E. **Claims** or **suits** due to war, whether or not declared, civil war, insurrection, rebellion, or revolution or to any act or condition incident to any of the foregoing;

F. Any obligation for which the **Member** or any carrier as its insurer may be held liable under the workers' compensation, unemployment compensation, or disability benefits laws, or under any similar laws; nor any **claims** or **suits** by or **damages** to volunteers, elected officials, or appointed officials if the **Member** provided coverage to the volunteer, elected official, or appointed official under the above laws;

G. **Claims** or **suits** for **damages** due to **bodily injury** to any employee of the **Member** arising out of and in the course of his or her employment by the **Member**; provided, however, this Exclusion shall not apply to **claims** asserted under the Jones Act, 46 U.S.C. §688, or liability assumed by the **Member** under a **covered contract** to indemnify another against **claims**, **suits**, or **damages** due to **bodily injury** to an employee of the **Member**;

H. **Claims** or **suits** for **property damage** to:

1. Personal property rented or leased by a **Member** or **Covered Party**, or equipment on loan to the **Member** or **Covered Party**;

2. Real property or to structures or portions thereof rented to or occupied by the **Member** or **Covered Party**, including fixtures permanently attached thereto. This Exclusion shall not apply to **property damage** caused by a **Covered Party's** negligence to real property rented to the **Member** or **Covered Party**;

3. Property while on premises owned by or rented to the **Member** or **Covered Party** for the purpose of having operations performed on such property by or on behalf of the **Member**;

4. Property in the custody of the **Member** or **Covered Party** which is to be installed, erected, or used in construction by the **Member**;

5. Work performed by or on behalf of the **Member** or **Covered Party** arising out of such work or any portion thereof, or out of such materials, parts, or equipment furnished in connection therewith;

6. That particular part of any property, not on premises owned by or rented to the **Member** or **Covered Party**, upon which operations are being performed by or on behalf of the **Member** or **Covered Party**;

7. Property being used by the **Member** or **Covered Party**, or in the care, custody, or control of the **Member** or **Covered Party**, or as to which the **Member** or **Covered Party** is for any purpose exercising physical control, except for **property damage** by fire to real property rented to the **Member** or **Covered Party** to the extent addressed under Paragraph H.2. above. This Exclusion shall not apply to **commandeered automobiles** or **commandeered boats** or to the coverage provided under Part V of this **Agreement** entitled "Automobile Physical Damage Coverage;" or

8. Real property which the **Member** has sold, given away, or abandoned, if the **property damage** arises out of any part of that real property;

I. **Claims** or **suits** for **damages** due to loss of use of tangible property which has not been physically injured or destroyed resulting from:

1. A delay in or lack of performance by or on behalf of the **Member** of a **contract** or agreement; or

2. The failure of the **Member's Products** or work performed by or on behalf of the **Member** to meet the level of performance, quality, fitness, or durability warranted or represented by the **Member**.

But this Exclusion does not apply to loss of use of other tangible property resulting from the sudden and accidental physical injury to or destruction of the **Member's products** or work performed by or on behalf of the **Member** after such products or work have been put to use by any person or organization other than the **Member**;

J. **Claims** or **suits** for **property damage** to the **Member's products** arising out of such products or any part of such products;

K. **Claims** or **suits** for **damages** claimed for or due to the withdrawal, inspection, repair, replacement, or loss of use of the **Member's products** or work completed by or for the **Member** or of any property of which such products or work form a part, if such products, work or property are withdrawn from the market or from use because of any known or suspected defect or deficiency therein;

L. **Damages**, fines, civil penalties, or attorneys' fees for which the **Member** or **Covered Party** is obligated to pay by reason of the assumption of liability under any ordinance, resolution, or **contract**. This Exclusion does not apply to liability:

1. That the **Member** would have in absence of the **contract**; or

2. For **bodily injury** or **property damage** assumed in a **contract** that is a **covered contract**, provided the **bodily injury** or **property damage** occurs after the execution of the **contract**. Solely for the purpose of liability assumed in a **covered contract**, reasonable attorneys' fees and litigation expenses incurred by or for a party other than the **Member** are deemed to be **damages** because of **bodily injury** or **property damage**, provided:

    a. Liability to such party for, or the cost of, that party's defense has also been assumed in the same **covered contract**; and

    b. Such attorneys' fees and litigation expenses are for defense of that party against a civil or alternative dispute resolution proceeding in which **damages** to which this coverage applies are alleged.

In no event shall there be coverage for liability assumed under a **covered contract** if the **occurrence**, conduct, **wrongful act**, **claim**, or **damages** is otherwise excluded from coverage under this **Agreement**. In no event shall there be coverage for liability to indemnify another for punitive or exemplary damages of whatever kind or nature;

M. Any **claim** or **suit** for breach of **contract** or failing to procure a bond as required by law.

For purposes of this Exclusion, the term "**contract**" shall include express **contracts**, implied in fact **contracts**, implied in law **contracts**, promissory estoppel, detrimental reliance, justifiable reliance, quantum meruit, unjust enrichment, and any other claim arising from the existence or alleged existence of a **contract**;

N. Any **claims** or **suits** for **damages** due to:

1. The rendering of or failure to render:

    a. Medical, surgical, dental, x-ray or nursing service or treatment, or the furnishing of food or beverages in connection therewith; or

    b. Any service or treatment conducive to health of a professional nature;

2. The furnishing or dispensing of drugs or medical, dental, or surgical supplies or appliances;

3. The handling of or performing of autopsies; or

4. Any liability of any **Member** or **Covered Party** arising out of the **Member's** ownership, operation, control, or direction of any hospital or other premises providing medical services where overnight bed care is provided.

In reference to subparagraphs 1, 2, and 3 above, coverage shall not be excluded to the extent specifically provided by paragraph B of Section I of Part III, General Liability Coverage;

O. The liability of the **Member** or any **Covered Party** arising out of its activities or participation in a **joint venture** with others involving amusement parks, skateboard facilities, dams and water reservoirs, jails, prisons or any facility utilized to confine or detain those confined under legal process, nursing homes and sanitariums, day care for minors (other than temporary recreation programs), electric or gas utility operations, railroads, sewage treatment plants, water treatment plants, wharves, or other facilities for boats or vessels unless:

1. Disclosed in the application for coverage for the applicable **Fund Year**; or

2. If commenced during the **Fund Year**, reported to the **Fund** within 30 days of commencement and the appropriate additional contribution paid to the **Fund**;

P. **Claims** or **suits** for:

1. **Damages** arising out of any publication or utterance, if the first injurious publication or utterance of the same or similar material by or on behalf of the **Member** was made prior to the effective date of this coverage; or

2. **Damages** arising out of any publication or utterance of material concerning any person or organization or goods, products, or services, or in violation of an individual's right of privacy, made by or at the direction of the **Member** or **Covered Party** with actual malice;

3. **Damages** arising out of:

a. Failure of performance of a **contract**, but this Exclusion does not apply to the unauthorized appropriation of ideas based upon alleged breach of implied **contract**;

b. Infringement of trademark, service mark, or trade name, other than titles or slogans, by use thereof on or in connection with goods, products, or services sold, offered for sale, or advertising; or

c. Incorrect description or mistake in advertised price of goods, products, or services sold, offered for sale, or advertised;

4. **Damages** arising out of an offense committed by any **Member** or **Covered Party** in the business of advertising, broadcasting, publishing, or telecasting;

Q. **Claims** or **suits** for **damages** arising from:

1. Any dishonest, fraudulent, criminal, malicious, or recklessly indifferent act or omission of any **Member** or **Covered Party**;

2. Acts or omissions performed by a **Covered Party** for personal financial gain; or

3. Acts or omissions by a **Covered Party** who knowingly violated a rule, regulation, ordinance, or law of the **Member** or the State of Texas or of the United States;

R. Any **claim** or **suit** for **damages**, or portion thereof, for back salary or wages, front pay in lieu of reinstatement, any **damages** under the Fair Labor Standards Act or Texas Minimum Wage Act, any employment benefits, or any other benefits wrongfully withheld.

Notwithstanding the foregoing, the **Fund** shall pay as **damages** 50% of back salary or back wages, not to exceed a maximum payment by the **Fund** of $25,000, for **Members** participating in the **Fund** for Errors and Omissions Coverage. Such payment shall be subject to the terms, conditions, limits of liability, and deductible for Errors and Omissions Coverage. However, the **Fund** shall not pay any back salary or back wages unless such are awarded in connection with other **damages** covered under Errors and Omissions Coverage and shall not pay any **damages** or wages awarded under the Fair Labor Standards Act, the Texas Minimum Wage Act, any civil service statute, or any collective bargaining agreement;

S. Fines imposed by law, or matters which may be deemed uninsurable under the law pursuant to which this **Agreement** shall be construed;

T. **Claims** or **suits** based:

1. On the Texas Private Real Property Rights Preservation Act; or

2. Upon or arising out of or in connection with the principles of eminent domain, including condemnation proceedings, inverse condemnation, or takings, by whatever name called, nuisance, or trespass to real property, whether such liability accrues directly against the **Member** or by virtue of any agreement entered into by or on behalf of the **Member**;

U. Any **claim** or **suit** for **damages** whether direct, indirect, or consequential to any exposure to asbestos or lead, nor shall the **Fund** have the duty to defend any such action. This Exclusion shall not apply to the claims within the **products hazard**.

V. **Claims** or **suits** for **damages** arising out of the ownership, maintenance, operation, use, loading, or unloading of any watercraft in excess of 26 feet in length owned or operated by or rented or loaned to any **Member** or **Covered Party**; but this Exclusion does not apply to watercraft while ashore on premises owned by, rented to, or controlled by the **Member**;

W. Any **claims** or **suits** based upon or arising out of or in connection with the **Member's** or **Covered Party's** exercise of or failure to exercise its zoning or subdivision regulatory powers, except where or to the extent that such **claim** or **suit** seeks **damages**, unless otherwise excluded from coverage under this **Agreement.**

The **Fund** shall pay a maximum of $150,000 for **damages** and defense attorney fees for **claims** or **suits** seeking **damages** based upon or arising out of or in connection with the **Member's** or **Covered Party's** exercise or failure to exercise its zoning or subdivision regulatory powers;

X. Claims or **suits** against the **Member** or **Covered Party** which do not seek civil **damages** or monetary relief other than costs of court or attorneys' fees for prosecuting the **suit**, such as, but not limited to: criminal prosecutions and proceedings; election contests; actions for injunctions or declaratory judgments; actions to enforce or invalidate ordinances, city charter provisions, or code provisions; actions specifically to enforce or invalidate **contracts** with the **Member** or between the **Member** and others; actions by government agencies against the **Member** or **Covered Party** to require compliance with applicable law or regulation; and actions by any person seeking exemption from applicable ordinances or regulations of the **Member**; except **claims** or **suits** filed with the Equal Employment Opportunity Commission, the Texas Work Force Commission Civil Rights Division, or any state or local commission created to enforce anti-discrimination in employment laws shall not be excluded;

Y. Liability assumed under a **contract**:

1. If the **Member** or **Covered Party** is acting in the capacity of or providing the services of an architect, engineer, or surveyor, for **damages** arising out of the rendering or providing or failure to render or provide such architect, engineer, or surveyor services by such **Covered Party**, including:

   a. The preparation or approval of maps, plats, drawings, opinions, reports, surveys, change orders, designs, or specifications; and

   b. Supervisory, inspection, or engineering services;

2. If the indemnitee of the **Member** or **Covered Party** is an architect, engineer, or surveyor, to the liability of the indemnitee, his or her agents or employees, arising out of:

   a. The preparation or approval or the failure to prepare or approve maps, plats, drawings, opinions, reports, surveys, change orders, designs, or specifications; or

   b. The giving of or the failure to give directions or instruction by the indemnitee, his or her agents or employees, provided such giving or failure to give is the primary cause of the **damages**; and

3. That indemnifies any person or organization for **damage** by fire to premises rented or loaned to the **Member** or **Covered Party**;

Z. Claims or **suits** for **damages** of any kind or character arising out of the bursting, breach, failure, or structural defect of any dam or water reservoir disclosed each **Fund Year** in the application for coverage under this **Agreement** and for which coverage would otherwise be provided under this **Agreement**, where such bursting, breach, or failure occurs while the dam is classified as "unsafe" by the United States Army Corps of Engineers, the Texas Water Commission, or successor agencies; and

AA. Claims or **suits** for **damages** of any kind or character by the **Member** against any of the **Member's** officers, elected or appointed officials, any member of a board or commission of the **Member**, any volunteer of the **Member**, any agent of the **Member**, any employee of the **Member**, any organization or person with coverage by virtue of entering into a **Covered Contract** with a **Member**, or any organization or person added by endorsement as a **Covered Party** by virtue of the **Member's** participation in the **Fund**.

BB. Any **claim** or **suit** for **damages**, or portion thereof, for the refund of taxes, assessments, fees, or charges as a result of an improper or illegal levy, tax, imposition, assessment, or valuation of property or for the refund of any governmental grant or subsidy.

CC. Claims or **suits** for **damages** based on physical or architectural barriers in violation of Title II of the Americans with Disabilities Act, Chapter 504 of the Rehabilitation Act of 1973, or Chapter 121 of the Texas Human Resources Code, including any amendments to those laws.

DD. Damages, including, but not limited to, **advertising injury, personal injury, bodily injury, property damage**, fines, civil penalties, and attorneys' fees arising out of:

1. Any access to or disclosure of any person's or organization's confidential or personal information, including patents, trade secrets, processing methods, customer lists, financial information, credit card information or any other type of nonpublic information; or

2. The loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate electronic data.

This exclusion applies even if **damages** are claimed for notification costs, credit monitoring expenses, forensic expenses, public relations expenses or any other loss, cost or expense incurred by the **Member** or others arising out of that which is described in Paragraph 1. or 2., above.

As used in this exclusion, electronic data means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

PART IX
NUCLEAR ENERGY LIABILITY EXCLUSION

THIS EXCLUSION MODIFIES THE PROVISIONS OF THE **AGREEMENT.**

I. It is agreed that the **Agreement** does not apply:

   A. Under any liability coverage to **bodily injury** or **property damage**:

      1. With respect to which a **Member** under the **Agreement** is also an insured under a nuclear energy liability policy issued by the Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters or Nuclear Insurance Association of Canada, or would be an insured under any such policy but for its termination upon exhaustion of its limit of liability; or

      2. Resulting from the **hazardous properties** of **nuclear material** and with respect to which:

         a. Any person or organization is required to maintain financial position pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof; or

         b. The **Member** is or, had the **Agreement** not been entered into, would be entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization;

   B. Under any "Extensions of Coverage" provision relating to first aid, to expenses incurred with respect to **bodily injury** resulting from the **hazardous properties** of **nuclear material** and arising out of the operation of a **nuclear facility** by any person or organization; or

   C. Under any liability coverage, to **bodily injury** or **property damage** resulting from the **hazardous properties** of **nuclear material**, if:

      1. The **nuclear material**:

         a. Is at any **nuclear facility** owned by, or operated by, or on behalf of a **Member**; or

         b. Has been discharged or dispersed therefrom;

      2. The **nuclear material** is contained in **spent fuel** or **waste** at any time possessed, handled, used, processed, stored, transported, or disposed of by or on behalf of a **Member**; or

      3. The **bodily injury** or **property damage** arises out of the furnishing by a **Member** of services, materials, parts, or equipment in connection with the planning, construction, maintenance, operation, or use of any **nuclear facility**, but if such facility is located within the United States of America, its territories or possessions, or Canada, this Exclusion C.3. applies only to **property damage** to such **nuclear facility** and any property thereafter.

II. **DEFINITIONS**

As used in this Exclusion:

   A. HAZARDOUS PROPERTIES include radioactive, toxic, or explosive properties;

   B. NUCLEAR FACILITY means:

      1 Any **nuclear reactor**;

      2. Any equipment or device designed or used for:

         a. Separating the isotopes of uranium or plutonium,

         b. Processing or utilizing **spent fuel**, or

         c. Handling, processing, or packaging **waste;**

      3. Any equipment or device used for the processing, fabricating, or alloying of **special nuclear material,** if at any time the total amount of such material in the custody of the **Member** at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof or more than 250 grams of uranium 235; or

      4. Any structure, basin, excavation, premises, or place prepared or used for the storage or disposal of **waste**, and includes the site on which any of the foregoing is

located, all operations conducted on such site and all premises used for such operations;

C. **NUCLEAR MATERIAL** means **source material, special nuclear material**, or **byproduct material**;

D. **NUCLEAR REACTOR** means any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of fissionable material;

E. **PROPERTY DAMAGE** includes all forms of radioactive contaminations of property;

F. **SOURCE MATERIAL, SPECIAL NUCLEAR MATERIAL,** and **BYPRODUCT MATERIAL** have the meanings given them in the Atomic Energy Act of 1954, or in any law amendatory thereof;

G. **SPENT FUEL** means any fuel element or fuel component, solid, or liquid, which has been used or exposed to radiation in a **nuclear reactor**; and

H. **WASTE** means any **waste** material:

1. Containing **byproduct material** other than the tailings or **wastes** produced by the extraction or concentration of uranium or thorium from any ore processed for its **source material** content; and

2. Resulting from the operation by any person or organization of any **nuclear facility** included under the first two paragraphs of the definition of **nuclear facility.**

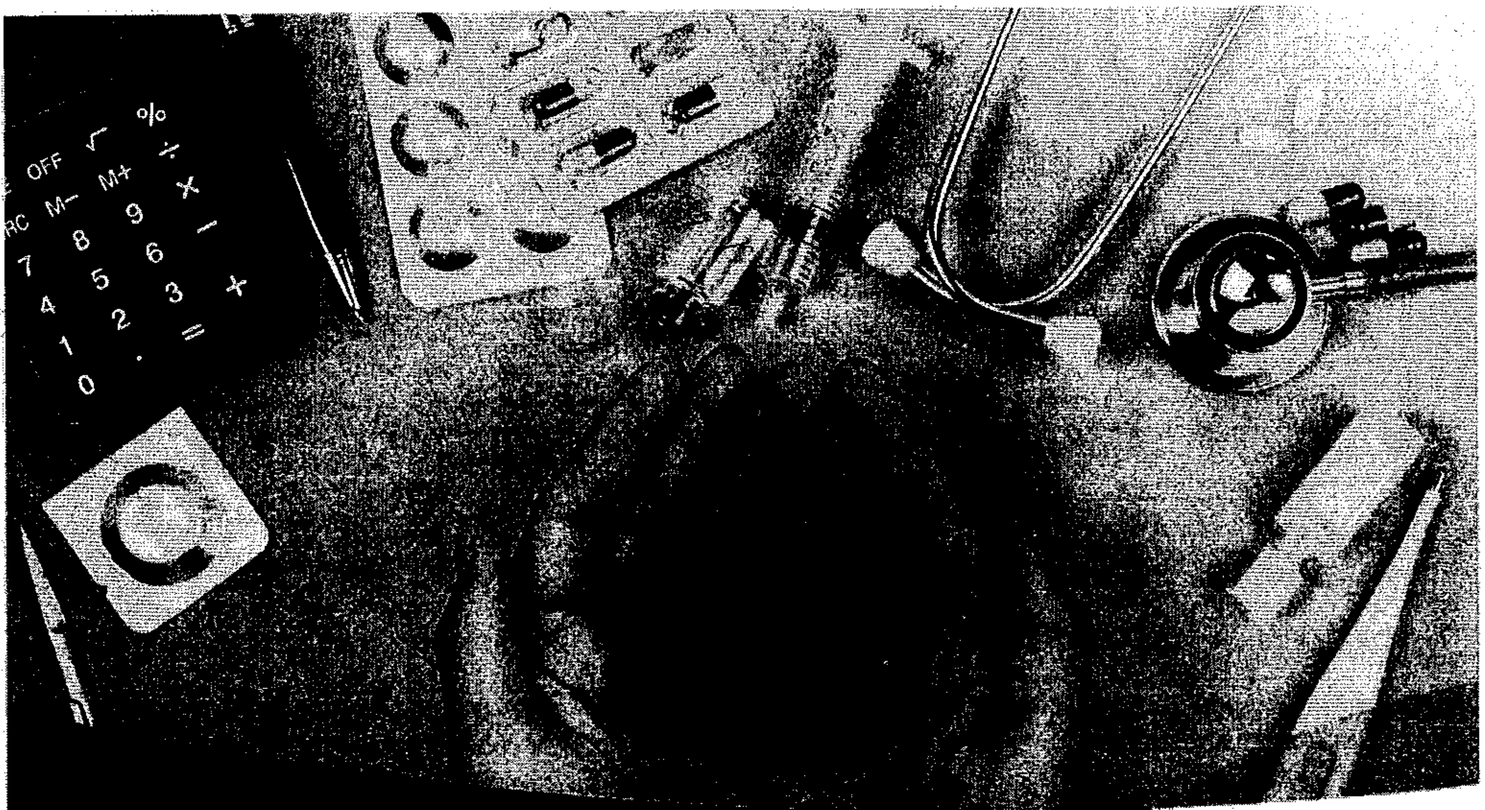
Texas Municipal League Intergovernmental Risk Pool
1821 Rutherford Lane • Austin, TX 78754
(800) 537-6655
www.tmlirp.org

Errors & Omissions Liability Limit & Deductible Options

Member Name: Memorial Villages Water Authority
Member ID: 6798
Contract Type: Liability
Coverage Type: Liability Package
Coverage Period: 10/01/2021 to 10/01/2022

Limit Each Occurrence	Deductible per Occurrence						
	1,000	2,500	5,000	10,000	25,000	50,000	100,000
300,000	1,417	1,337	1,244	1,118	900	705	496
500,000	1,567	1,487	1,394	1,268	1,050	855	646
1,000,000	1,717	1,637	1,544	1,418	1,200	1,005	796
2,000,000	1,867	1,787	1,694	1,568	1,350	1,155	946
3,000,000	2,017	1,937	1,844	1,718	1,500	1,305	1,096
5,000,000	2,317	2,237	2,144	2,018	1,800	1,605	1,396
10,000,000	3,067	2,987	2,894	2,768	2,550	2,355	2,146

Limit shown is each wrongful act. Unless otherwise noted, annual aggregate limit is twice the each wrongful act limit except limits over 5 million. 10 million aggregate limit applies to all wrongful act limits over 5 million. Contributions represented on the grid are annual contributions. Estimates based on simple proration for other than an annual term may vary from actual calculated contributions due to rounding.



Village Mutual Insurance Group PY 2022 Renewal Presentation

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Executive Summary

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- Plan year 2021: engaged RFPs securing a 1.9% increase with a 9.9% premium rate cap on plan year 2022
- Average premium increase 3.3% over the most recent (12) renewal plan years
- Gold standard ACA plans
- Final plan year 2022 renewal stands at 5% increase which is less than the 9.9% rate cap noted above
- Plan year 2022 renewal under consideration is below budget
- Group ancillary Life, Dental, Disability and Vision plans for upcoming plan year 2022 renewal; **NO** increase

Health Plan Memorandum

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Group Medical Plans (VMIG offers 3 different Medical plans)

The Village Mutual Insurance Group (VMIG) Medical/RX Plan has contracted with BCBSTX since 1/1/2021 this year. The group enjoyed a 1.9% increase for PY 2021 after engaging a comprehensive RFP process in Q4 2021.

BCBSTX was awarded the contract for 1/1/2021, leaving United Healthcare.

The VMIG secured a 9.9% premium rate cap for PY 2022 but negotiated a 5% increase effective 1/1/2022.

Ancillary Plans Memorandum

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Group Ancillary Coverage

The VMIG received NO increase% renewals from:

- Guardian Life (Dental)
- Lincoln Financial Group (Life and Disability)
- Superior Vision (Vision)

The VMIG board has unanimously recommended for each governance authority to approve the plan year 2021 ancillary contracts to the above mentioned Carriers, effective January 1, 2021.

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2022 BCBSTX Medical Plan Renewal Analysis

Medical Analysis

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	PPO	EPO	ACO	CURRENT - PY 2021			RENEWAL - PY 2022		
Carrier				BCBSTX - PPO	BCBSTX- PPO	BCBSTX -	BCBSTX - PPO	BCBSTX- PPO	BCBSTX -
Plan Name				MTBCO011	MTBCP014	MTBEE011-	MTBCO011	MTBCP014	MTBEE011-
Individual Annual Deductible				$1,000	$1,500	$1,000	$1,000	$1,500	$1,000
Family Annual Deductible				$3,000	$4,500	$3,000	$3,000	$4,500	$3,000
Co-Insurance				20%	20%	20%	20%	20%	20%
Individual Out of Pocket Maximum				$4,000	$4,500	$4,000	$4,000	$4,500	$4,000
Family Out of Pocket Maximum				$12,000	$13,500	$12,000	$12,000	$13,500	$12,000
PCP Visit Copay				$30	$35	$30	$30	$35	$30
Specialist Copay				$60	$70	$60	$60	$70	$60
TeleHealth Copay				$0	$0	$0	$0	$0	$0
Routine Lab/Imaging									
• Billed by Physician				100%	100%	Ded +20%	100%	100%	Ded +20%
• Free Standing				100%	100%	Ded +20%	100%	100%	Ded +20%
• Out Patient Hospital Facility				100%	100%	Ded +20%	100%	100%	Ded +20%
Emergency Room									
• Facility				$500 + Ded + 20%	$500 + Ded + 20%	$500 + Ded + 20%	$500 + Ded + 20%	$500 + Ded + 20%	$500 + Ded + 20%
• Physician				Ded + 20%	Ded + 20%	Ded + 20%	Ded + 20%	Ded + 20%	Ded + 20%
• Urgent Care Copay				$75	$75	$75	$75	$75	$75
Rx Out of Pocket Max				N/A	N/A	N/A	N/A	N/A	N/A
• Copays				$0/$10/$50/$100/$150/$250**	$0/$10/$50/$100/$150/$250**	$0/$10/$50/$100/$150/$250**	$0/$10/$50/$100/$150/$250**	$0/$10/$50/$100/$150/$250**	$0/$10/$50/$100/$150/$250**
• Mail Order				3X	3X	3X	3X	3X	3X
• Speciality									
Generic Push/Step Therapy/Prior Auth				Yes	Yes	Yes	Yes	Yes	Yes
Rates	**PPO**	**EPO**	**ACO**	**Proposed**	**Proposed**	**Proposed**	**Proposed**	**Proposed**	**Proposed**
Employee	68	3	2	$818.46	$787.63	$753.24	$859.54	$827.01	$790.90
Employee + Spouse	14	3	1	$1,882.80	$1,811.64	$1,732.46	$1,976.95	$1,902.12	$1,819.07
Employee + Child(ren)	16	2	1	$1,473.26	$1,417.73	$1,355.83	$1,547.18	$1,488.62	$1,423.62
Employee + Family	22	6	4	$2,537.28	$2,441.65	$2,335.04	$2,664.56	$2,563.73	$2,451.79
Monthly Cost				$161,403.96	$26,282.87	$13,934.92	$169,501.66	$26,647.01	$14,631.67
Annual Cost				$1,936,847.52	$303,394.44	$167,219.04	$2,034,019.92	$319,564.16	$175,579.99
Combined Annual Cost					$2,407,461.00			$2,528,164.07	
Change from Current					N/A			5.01%	

Dental

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	Guardian	Guardian	Guardian
Carrier	Guardian	Guardian	Guardian
Plan Name	NAP PX (Buy Up)	PPO VZ (Base)	DHMO
Calendar Year Max	$1,500	$1,500	N/A
CY Deductible	$50 Ind / $150 Fam	$50 Ind / $150 Fam	N/A
Ortho Life Max	$1,000	N/A	Various Co-Pays
Preventive Services	100%	100%	Various Co-Pays
Basic Services	80%	80%	Various Co-Pays
Major Services	50%	50%	Various Co-Pays
Orthodontia	50%	N/A	Various Co-Pays
Endo & Perio	80%	80%	Various Co-Pays
Oral Surgery	80%	80%	Various Co-Pays
Waiting Period			
	Out of Network	Out of Network	Out of Network
R & C	80th Percentile	80th Percentile	80th Percentile

Rates	NAP PX	PPO VZ	DHMO	Current	Renewal	Current	Renewal	Current	Renewal
Employee	26	24	9	$37.00	$37.00	$27.96	$27.96	$9.88	$9.88
Employee + Spouse	13	7	0	$73.46	$73.46	$55.52	$55.52	$16.93	$16.93
Employee + Child(ren	5	3	3	$96.10	$96.10	$65.95	$65.95	$25.79	$25.79
Employee + Family	12	12	7	$132.54	$132.54	$93.51	$93.51	$30.52	$30.52
Monthly Cost				$3,987.96	$3,987.96	$2,379.65	$2,379.65	$379.93	$379.93
Annual Cost				$47,855.52	$47,855.52	$28,555.80	$28,555.80	$4,559.16	$4,559.16
Change from Current				0.00%		0.00%		0.00%	

Vision

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Plan Name		Superior Vision Current	
Exam/ Materials		$10/$25	
Frames Allowance		$150	
Single Lenses		Covered in Full	
Bi Focal Lenses		Covered in Full	
Tri Focal Lenses		Covered in Full	
Progressive Lenses		Covered at lined Trifocal Level	
Lenticular Lenses		Covered 100%	
Polycarbonate Child		Covered 100%	
Polycarbonate Adult		$33	
Factory Scratch Child		$17-$33	
Factory Scratch Adult		$17-$33	
Ultraviolet Coat		$16	
Anti-Reflective Coat		$43-$85	
Photochromatic		$31-$82	
Elective Contacts Allowance		$150	
Fitting Exam		$25/$50	
Necessary Contacts		Covered in Full	
Frequency		12/12/24	
		Out of Network	
Exam Allowance		Up to $42	
Frames Allowance		Up to $60	
Single Lenses Allowance		up to $26	
Bi Focal Lenses Allowance		Up to $34	
Tri Focal Lenses Allowance		Up to $50	
Progressive Lenses Allowance		Up to $50	
Lenticular Lenses		Up to $100	
Polycarbonate Child		Up to $210	
Polycarbonate Adult		N/A	
Factory Scratch Child		N/A	
Factory Scratch Adult		N/A	
Ultraviolet Coat		N/A	
Anti-Reflective Coat		N/A	
Photochromatic		N/A	
Elective Contacts Allowance		Up to $100	
Necessary Contacts Allowance		Up to $210	
Rates		**Current**	**Renewal**
Employee	63	$6.40	$6.40
Employee + Spouse	24	$12.80	$12.80
Employee + Child(ren)	14	$14.70	$14.70
Employee + Family	32	$22.64	$22.64
Monthly Cost		$1,640.68	$1,640.68
Annual Cost		$19,688.16	$19,688.16
Change from Current		0.00%	

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Basic Life, Vol Life & LTD

Carrier	Lincoln Current	
Class 1	All Full Time Active Employees working 30 hours week	
Benefit Amount	$50,000	
Maximum Benefit	$50,000	
Guarantee Issue Limit	$50,000	
Conversion and Portability	Included	
	Age Reductions	
Age 65	35%	35%
Age 70	60%	60%
Age 75	75%	75%
Rates	Current	Renewal
Life Rate Per $1000	$0.210	$0.210
AD&D Rate Per $1000	$0.030	$0.030
Total Rate Per $1000	$0.240	$0.240
Est. Monthly Volume	$7,012,500	$7,012,500
Est. Monthly Cost	$1,683.00	$1,683.00
Est. Annual Cost	$20,196.00	$20,196.00
Change from Current	0.00%	
Rate Guarantee Until	1/1/2021	

Carrier / Benefits	Current Lincoln	
Eligibility	All Full Time Employees working 30 hrs. a wk.	
Class 1	Active Full Time Employees	
Class 2	Grandfather Participants	
Employee Benefit	$10,000 increments up to 5X Annual Salary	
Spouse Benefit	50% of EE	
Child Benefit - Limiting Age	age 25	
Birth- 14 days	N/A	
15 days - 6 mos.	$1,000	
6 mos - Limiting Age	$10,000	
Employee Guarantee Issue		
Under age 60	$100,000	
Age 60-69	$10,000	
Spouse Guarantee Issue		
Under age 60	$20,000	
Age 60-69	None	
Child Guarantee Issue	$10,000	
Employee AD&D Benefit	same as Life	
Dependent AD&D Benefit	same as Life	
Portability	Yes	
	Age Reductions	
Age 65	35%	
Age 70	55%	
Age 75	70%	
Rates per $1000	Employee	Spouse
Under 25	$0.120	$0.120
25-29	$0.130	$0.130
30-34	$0.160	$0.160
35-39	$0.240	$0.240
40-44	$0.240	$0.240
45-49	$0.370	$0.370
50-54	$0.720	$0.720
55-59	$1.160	$1.160
60-64	$1.600	$1.600
65-69	$4.410	$4.410
70-74	$4.410	$0.000
75-79	$4.410	$0.000
80-84	$4.410	$0.000
Child Rate	$1.620	
Member/Ind AD&D Rate	$0.03	
Family AD&D Rate	$0.49	
Rate Guarantee Until	1/1/2021	

Plan Name / Benefits	Lincoln Current	
Eligibility	All Active Full Time Employees working 30 hrs. a week	
Definition of Earnings	24 months Own Occ	
Employee Benefit	60% of Monthly Earnings	
Maximum Monthly Benefit	$10,000	
Elimination Period Accident	90 days	
Elimination Period Sickness	90 days	
Benefit Duration	SSNRA	
Pre-Existing Limitation	3/12	
Zero Day Residual	Include	
Tax Free Benefit	Include	
Employer FICA Match	Include	
Rates	Current	Renewal
Rate Per $100	$0.47	$0.47
Est. Monthly Volume	$851,418.39	$851,418.39
Est. Monthly Cost	$4,001.67	$4,001.67
Est. Annual Cost	$48,020.00	$48,020.00
Change from Current	0.00%	
Rate Guarantee Until	1/1/2021	

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Compensation, AM Best & Disclosures

Compensation - Health

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A.M. Best Ratings & Compensation - Health

While GBS does not guarantee the financial viability of any health insurance carrier or market, it is an area we recommend that clients closely scrutinize when selecting a health insurance carrier or HMO. There are a number of rating agencies that can be referred to including, A.M. Best, Fitch, Moody's Standard & Poors and Weiss Ratings (TheStreet.com). Generally, agencies that provide ratings of U.S. Health Insurers, including traditional insurance companies and other managed care (e.g. HMO) organizations, reflects their opinion based on a comprehensive quantitative and qualitative evaluation of a company's financial strength, operating performance and market profile. However, these ratings are not a warranty of an insurer's current or future ability to meet its contractual obligations.

Carrier	Quote Status	Commission/Supplemental Compensation
	Medical	
BCBS	Proposed	0% / $7.50 to $15.00 PEPY
UHC	Renewal	0% / $0 to $54.00 PEPY
	Dental	
Guardian	Renewal	0% / 0% to 7% of premium
	Vision	
Lincoln	Rate Guarantee	0% / 1.5% of premium

Compensation - Non-Health

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A.M. Best Ratings & Compensation – Non-Health

Carrier	Status	Commission/Supplemental Compensation	AM Best Rating
		Life/AD&D	
Lincoln	Rate Guarantee	0% / 1.5% of premium	A+/XV
		LTD	
Lincoln	Rate Guarantee	0% / 1.5% of premium	A+/XV
		Vol Life / AD&D	
Lincoln	Rate Guarantee	0% / 1.5% of premium	A+/XV

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AM Best Ratings – Non-Health

A.M. Best Ratings & Compensation - Health

Arthur J. Gallagher & Co. uses A.M. Best & Co.'s rating services to evaluate the financial condition of insurers whose policies we propose to deliver. The rating of the carrier and the year of publication of that rating are indicated. Arthur J. Gallagher & Co. makes no representation and warranties concerning the solvency of any carrier, nor does it make any representation or warranty concerning the rating of the carrier which may change.

Level	Category	Level	Category
A++, A+	Superior	C, C-	Weak
A, A-	Excellent	D	Poor
B++, B+	Good	E	Under Regulatory Supervision
B, B-	Fair	F	In Liquidation
C++, C+	Marginal	S	Rating Suspended

Financial Size Categories			
FSC I	Up to 1,000	FSC IX	250,000 to 500,000
FSC II	1,000 to 2,000	FSC X	500,000 to 750,000
FSC III	2,000 to 5,000	FSC XI	750,000 to 1,000,000
FSC IV	5,000 to 10,000	FSC XII	1,000,000 to 1,250,000
FSC V	10,000 to 25,000	FSC XIII	1,250,000 to 1,500,000
FSC VI	25,000 to 50,000	FSC XIV	1,500,000 to 2,000,000
FSC VI	50,000 to 100,000	FSC XV	2,000,000 or more
FSC VIII	100,000 to 250,000		

Best's Insurance Reports, published annually by A.M. Best Company, Inc., presents comprehensive reports on the financial position, history, and transactions of insurance companies operating in the United States and Canada. Companies licensed to do business in the United State are assigned a Best's Rating which attempts to measure the comparative position of the company or association against industry ave

Disclosures

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The intent of this analysis is to provide you with general information regarding the status of, and/or potential concerns related to your current employee benefits environment. It does not necessarily fully address all of your specific issues. It should not be construed as, nor is it intended to provide legal advice. Questions regarding specific issues should be addressed by your general counsel or an attorney who specializes in this practice area.

This analysis is for illustrative purposes and is not a guarantee of future expenses, claims, costs, managed care savings, etc. There are many variables that can affect future health care costs including utilization patterns, catastrophic claims, changes in plan design, health care trend increases, etc. This analysis does not amend, extend, or alter the coverage provided by the actual insurance policies and contracts. Please see your policy or contact us for specific information for further details in this regard.

Network discount analysis is based on a representative basket of 'goods and services' an employer's health plan(s) could expect to see over the course of a year. It is in no way intended to imply a direct correlation to an employer's actual claim experience. This analysis is designed to approximate a differential in reimbursement rates among various networks in order to assess efficiency and does not in any way represent a guarantee of savings.

This proposal is an outline of the coverage proposed by the carrier(s), based on information provided by your company. It does not include all of the terms, coverages, exclusions, limitations, and conditions of the actual contract language. The policies and contracts themselves must be read for those details. Policy forms for your reference will be made available upon request.

This analysis contains a financial cost summary and an outline of key policy provisions. Although cost is an important factor in placing coverage with a stop loss carrier, key policy provisions are also critical to the selection process and they may represent additional financial liability. For example, a stop loss policy that supersedes a client's plan document language could have a negative financial impact on the Plan. Although most stop loss carriers will agree to cover medically necessary and generally accepted practices and procedures, there may be other limitations which should be considered prior to policy acceptance.

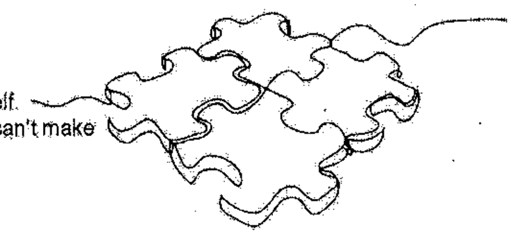
GBS and certain of its insurance carrier markets from time to time enter into arrangements providing for additional compensations to be paid to GBS by such carrier generally with respect to the total volume of premium or insurance coverages written through GBS with that carrier (i.e.: all insurance policies with that carrier where GBS is the broker). It is not clear at this time what these fees and/or commissions retained by GBS, GBS affiliates, such as excess and surplus lines brokers, wholesalers, reinsurance intermediaries, and similar parties, may earn and retain commissions and/or fees in the course of providing insurance products.

Commissions include all commissions/fees paid to Gallagher that are attributable to a contract or policy between a plan and an insurance company, or insurance service. This includes indirect fees that are paid to Gallagher paid by a third party, and includes, among other things, the payment of "finders' fees" or other fees to Gallagher for a transaction or service involving the plan. Gallagher companies may receive supplemental compensation referred to in a variety of terms and definitions, such as contingent commissions, additional commissions and supplemental commission.

Consulting and insurance brokerage services to be provided by Gallagher Benefit Services, Inc. and/or its affiliate Gallagher Benefit Services (Canada) Group Inc. Gallagher Benefit Services, Inc., a non-investment firm and wholly owned subsidiary of Arthur J. Gallagher & Co., is a licensed insurance agency that does business in California as "Gallagher Benefit Services of California Insurance Services" and in Massachusetts as "Gallagher Benefit Insurance Services." Securities and Investment Advisory Services may be offered by Gallagher Retirement Services, Inc. and executed through NFP Securities, Inc., Member FINRA/SIPC. Investment advisory services and corresponding named fiduciary services may also be offered through Gallagher Fiduciary Advisors, LLC, a Registered Investment Adviser. Gallagher Fiduciary Advisors, LLC is a single-member, limited-liability compa with Gallagher Benefit Services, Inc. as its single member. Not all individuals of Gallagher and none of Gallagher Fiduciary Advisors, LLC Indi are registered to offer securities or investment advisory services through NFP Securities, Inc. NFP Securities, Inc. is not affiliated w Gallagher & Co., Gallagher Benefit Services, Inc. or Gallagher Fiduciary Advisors, LLC. Neither Arthur J. Gallagher & Co., NFP Secu affiliates provide accounting, legal, or tax advice.

The Gallagher Way

1. We are a Sales and Marketing Company dedicated to providing excellence in Risk Management Services to our clients.
2. We support one another. We believe in one another. We acknowledge and respect the ability of one another.
3. We push for professional excellence.
4. We can all improve and learn from one another.
5. There are no second-class Citizens – everyone is important and everyone's job is important.
6. We're an open society.
7. Empathy for the other person is not a weakness.
8. Suspicion breeds more suspicion, To trust and be trusted is vital.
9. Leaders need followers. How leaders treat followers has a direct impact on the effectiveness of the leader.
10. Interpersonal business relationships should be built.
11. We all need one another, We are all cogs in a wheel.
12. No department or person is an island.
13. Professional courtesy is expected.
14. Never ask someone to do something you wouldn't do yourself.
15. I consider myself support for our Sales and Marketing. We can't make things happen without each other. We are a team.
16. Loyalty and respect are earned – not dictated.
17. Fear is a turnoff.
18. People skills are very important at Arthur J. Gallagher.
19. We're a very competitive and aggressive Company.
20. We run to problems – not away from them.
21. We adhere to the highest standards of moral and ethical behavior.
22. People work harder and are more effective when they're turned on – not turned off.
23. We are a warm, close Company. This is a strength – not a weakness.
24. We must continue building a professional Company – together – as a team.
25. Shared values can be altered with circumstances – but carefully and with tact and consideration for one another's needs



When accepted Shared Values are changed or challenged, the emotional impact and negative feelings can damage the Company.

- Robert E. Gallagher
May 1984

2019 WORLD'S MOST ETHICAL COMPANIES®™
WWW.ETHISPHERE.COM
- 8 years running -

Thank You!

Consultant: Bob Treacy, LHIC
Account Manager: Emily Fertitta

Gallagher
Insurance | Risk Management | Consulting

MEMORANDUM

TO: Honorable Tom Jinks, Mayor, City of Hedwig Village Honorable Jimmy Pappas, Mayor, City of Hunters Creek Village Honorable Marcus Vajdos, Mayor, City of Spring Valley Village Honorable Russell Herron, Mayor, City of Hilshire Village
Mr. Jay Carlton, Chair, Village Fire Department
Mr. Gary Schenk, President, Memorial Villages Water Authority

FROM: Ray Thomas, Chair, Villages Mutual Insurance Group

CC: Villages Mutual Insurance Group Board
Members' City/Board Secretaries

DATE: October 29, 2021

SUBJECT: Board Recommendation for Plan Year 2022 Insurance Carriers

The Board Members of the Villages Mutual Insurance Group ("VMIG") met on Tuesday, October 19, 2021, to review and discuss the renewal proposal submitted by Blue Cross/Blue Shield ("BCBS"), as well as renewal proposals from Guardian Dental, Superior Vision, and Lincoln National Life.

The renewal proposals from Guardian Dental (dental coverage), Superior Vision (vision coverage), and Lincoln National Life (Life/AD&D and LTD) included no rate increases for Plan Year 2022. Therefore, the Board accepted the renewal proposals from these three providers without any changes.

Regarding medical coverage, for Plan Year 2021, the Board had switched carriers from UnitedHealthcare (which had proposed a 16% rate increase) to BCBS. BCBS agreed to an increase of 1.5% for 2021, with a rate increase renewal cap of 9.9% for 2022.

After recent negotiations based on a slightly improving 2021 loss ratio for our Group and the large volume of business that our consultant Gallagher has with BCBS, the Board accepted a 5.0% increase from BCBS for 2022. The BCBS renewal offers three different plans for our Members that are the same as our existing plans, with an improved network of medical providers. Most Members seem to be satisfied with BCBS.

Therefore, the Board's recommendation for Plan Year 2022 is as follows:

Type of Insurance	Carrier
Medical	Blue Cross/Blue Shield
Dental	Guardian Dental
Vision	Superior Vision
Life/AD&D	Lincoln National Life
Long-Term Disability	Lincoln National Life
Supplemental Life	Lincoln National Life

Please place the above-recommended types of insurance and carriers on your Council or Board Agendas as soon as possible in November for consideration and advise us in writing of your Council's or Board's action.

If you have any questions, please feel free to contact Patti Torres at Village Fire Department at (713)468- 7941 .

2022 Major Medical Insurance Renewal - Contribution Considerations

Current Carrier - BC/BS

2021 PPO PLAN	Insurance Major Medical	UHC - PPO	Employees per Category	Gross Expense	Employee Contribution	District Cost
	Employee Only	$ 818.48	0	$ -	$ 70.00	$ -
	Employee + Spouse	$ 1,882.50	0	$ -	$ 130.00	$ -
	Employee + Child(ren)	$ 1,473.26	0	$ -	$ 110.00	$ -
	Employee + Family	$ 2,537.28	4	$ 10,149.12	$ 170.00	$ 9,469.12
			4	$ 10,149.12	$ 680.00	$ 9,469.12

2021 PPO PLAN	Insurance Major Medical	UHC - EPO	Employees per Category	Gross Expense	Employee Contribution	District Cost
	Employee Only	$ 787.63	4	$ 3,150.52	$ 60.00	$ 2,910.52
	Employee + Spouse	$ 1,811.54	4	$ 7,246.16	$ 120.00	$ 6,766.16
	Employee + Child(ren)	$ 1,417.73	0	$ -	$ 100.00	$ -
	Employee + Family	$ 2,441.65	3	$ 7,324.95	$ 160.00	$ 6,844.95
			11	$ 17,721.63	$ 1,200.00	$ 16,521.63

2021 HMO PLAN	Insurance Major Medical (District Pays 100%)	UHC - HMO	Employees per Category	Gross Expense	Employee Contribution	District Cost
	Employee Only	$ 753.24	1	$ 753.24	$ -	$ 753.24
	Employee + Spouse	$ 1,732.45	0	$ -	$ -	$ -
	Employee + Child(ren)	$ 1,355.83	0	$ -	$ -	$ -
	Employee + Family	$ 2,335.04	1	$ 2,335.04	$ -	$ 2,335.04
			2	$ 3,088.28	$ -	$ 3,088.28
				TOTALS	$ 1,880.00	$ 29,079.03

Proposed Carrier - BC/BS **Employee Cost Remians the Same** District Increase **10.22%**

2022 PPO PLAN	Insurance Major Medical	BCBS - PPO 011	Employees per Category	Gross Expense	Employee Contribution	District Cost
	Employee Only	$ 859.54	0	$ -	$ 70.00	$ -
	Employee + Spouse	$ 1,976.95	0	$ -	$ 130.00	$ -
	Employee + Child(ren)	$ 1,547.18	0	$ -	$ 110.00	$ -
	Employee + Family	$ 2,664.58	4	$ 10,658.32	$ 170.00	$ 9,978.32
			4	$ 10,658.32	$ 680.00	$ 9,978.32

2022 PPO PLAN	Insurance Major Medical	BCBS - PPO 014	Employees per Category	Gross Expense	Employee Contribution	District Cost
	Employee Only	$ 827.01	4	$ 3,308.04	$ 60.00	$ 3,068.04
	Employee + Spouse	$ 1,902.12	4	$ 7,608.48	$ 120.00	$ 7,128.48
	Employee + Child(ren)	$ 1,488.62	0	$ -	$ 100.00	$ -
	Employee + Family	$ 2,563.73	3	$ 7,691.19	$ 160.00	$ 7,211.19
			11	$ 18,607.71	$ 1,200.00	$ 17,407.71

2022 HMO PLAN	Insurance Major Medical	BCBS - HMO	Employees per Category	Gross Expense	Employee Contribution	District Cost
	Employee Only	$ 790.90	1	$ 790.90	$ -	$ 790.90
	Employee + Spouse	$ 1,819.07	0	$ -	$ -	$ -
	Employee + Child(ren)	$ 1,423.62	1	$ 1,423.62	$ -	$ 1,423.62
	Employee + Family	$ 2,451.79	1	$ 2,451.79	$ -	$ 2,451.79
			3	$ 4,666.31	$ -	$ 4,666.31
				TOTALS	$ 1,880.00	$ 32,052.34

RESOLUTION AUTHORIZING INDEMNIFICATION OF SUPERVISORS

THE STATE OF TEXAS §
COUNTY OF HARRIS §
MEMORIAL VILLAGES WATER AUTHORITY §

WHEREAS, Memorial Villages Water Authority (the "Authority") is a political subdivision of the State of Texas operating under Chapters 49 and 53 of the Texas Water Code; and

WHEREAS, the Board of Supervisors of the Authority (the "Board") has determined it is in the best interest of the Authority to indemnify its supervisors and former supervisors to the fullest extent allowed by law against all third-party claims and demands asserted against a director or former director by reason of his service on the Board;

NOW, THEREFORE, BE IT RESOLVED:

1. The Authority hereby indemnifies its supervisors and former supervisors to the fullest extent allowed by law against all third-party claims and demands asserted against a director or former director by reason of his service on the Board.

2. Such indemnification shall be paid from current available revenues and shall be paid only to the extent insurance proceeds are not available to cover the claim or loss.

3. The President and the Secretary of the Board are authorized to evidence adoption of this Resolution on behalf of the Board and to do all other things necessary or proper to carry out the intent hereof.

Dated: ______________________, 2021.

* * *

MEMORIAL VILLAGES WATER AUTHORITY

By:_______________________________________
President

Attest:_____________________________________
Secretary

E

AllegianceBank

Managing Your Account(s)

Customer Care: (281) 894-3200

Online Banking: AllegianceBank.com

Memorial Villages Water Authority

Statement Date: 09/30/21
Account: SM0010205221936
Contact:
Phone: 281-894-3200
Settlement Method: Debit

ACCOUNT ANALYSIS STATEMENT

FOR THE PERIOD 09/01/21 THROUGH 09/30/21

BALANCE COMPUTATION FOR THE PERIOD	
Average Daily Book Balance	5,877,758.16
Less Average Daily Float	0.00
Average Daily Collected Balance	5,877,758.16
Less DDA Balance Reserve Requirement (10 %	587,775.82
Balance To Support Services	5,289,982.34

ACCOUNT POSITION

ACCOUNT POSITION FOR THE PERIOD	FEE BASIS	BALANCE BASIS
Current Period Credit (0.6500 %)	2,826.15	5,289,982.34
Current Period Analyzed Charges	1,237.99	2,317,263.32
Analyzed Charges Due after Credit	0.00	
TOTAL FEES NOW DUE	0.00	
Balance available to support other services		2,972,719.02

F

AllegianceBank

Managing Your Account(s)
Customer Care: (281) 894-3200
Online Banking: AllegianceBank.com

SERVICE CHARGE DETAIL

SERVICES RENDERED IN PERIOD	VOLUME	UNIT PRICE	SERVICE CHARGE	BALANCE
Interest Earned				
Interest Earned			483.10	904,264
Interest Earned Subtotal			**483.10**	904,264
Account Services				
Monthly Maintenance	2	15.0000	30.00	56,154
Chargeback	1	7.5000	7.50	14,038
Subtotal Account Services			**37.50**	70,192
Depository Services				
Checks Written	105	.1500	15.75	29,481
Checks Deposited On Us	6	.1200	0.72	1,348
Checks Deposited Local	1,564	.1200	187.68	351,298
ACH Credits	47	.1200	5.64	10,557
ACH Debits	17	.1500	2.55	4,773
Deposit Correction	0	5.0000	0.00	0
Deposit	7	.3000	2.10	3,931
Subtotal Depository Services			**214.44**	401,388
Information Reporting/BEB				
Premium Reporting	1	35.0000	35.00	65,513
Online Stop Payment	1	20.0000	20.00	37,436
Subtotal Information Reporting/			**55.00**	102,949
ACH Origination Services				
Per Month Fee	2	30.0000	60.00	112,308
Per Batch	1	.0000	0.00	0
ACH Per Item	1,578	.1500	236.70	443,054
Per NOC Transaction	0	3.0000	0.00	0
Per Return Transaction	3	5.0000	15.00	28,077
Per Incoming Addenda	0	.1000	0.00	0
ACH Setup Fee	1	.0000	0.00 *	
Subtotal ACH Services			**311.70**	583,438
Wire Transfer Services				
Incoming Wire Domestic	0	6.0000	0.00	0
Outgoing Online Domestic Wire	1	10.0000	10.00	18,718
Outgoing Wire Email Advice	1	.0000	0.00	0

AllegianceBank

Managing Your Account(s)
Customer Care: (281) 894-3200
Online Banking: AllegianceBank.com

SERVICE CHARGE DETAIL

SERVICES RENDERED IN PERIOD	VOLUME	UNIT PRICE	SERVICE CHARGE	BALANCE
Incoming Wire Email Advice	0	.0000	0.00	0
Wire Setup Fee	1	.0000	0.00 *	
Subtotal Wire Services			**10.00**	18,718
Remote Deposit Services				
Deposit Express Monthly Service	1	75.0000	75.00	140,385
Subtotal Remote Deposit Service			**75.00**	140,385
Positive Pay Services				
Check Positive Pay Per Module	1	5.0000	5.00	9,359
Check Positive Pay Per Account	1	10.0000	10.00	18,718
ACH Positive Pay Per Module	1	5.0000	5.00	9,359
ACH Positive Pay Per Account	2	10.0000	20.00	37,436
Per File Transmission	1	1.0000	1.00	1,872
Positive Pay Per Item Keyed	105	.0500	5.25	9,827
Positive Pay Payee Match	1	5.0000	5.00	9,359
Per Check Positive Pay Exception	0	3.0000	0.00	0
Positive Pay ACH Exception	0	3.0000	0.00	0
Subtotal Positive Pay Services			**51.25**	95,929

SERVICE SUMMARY

Total Activity Charges	1,237.99	2,317,263
Total Charges Listed Before Credit	1,237.99	2,317,263
Analyzed charge subtotal	1,237.99	2,317,263
Total Service Fee Savings due to Special	50.00	

$1,871.79 in collected balance will offset $1.00 of charges.
This factor includes a provision for reserves.

PERMITTEE NAME / ADDRESS
NAME MEMORIAL VILLAGES WATER AUTHORITY
ADDRESS 8955 GAYLORD
HOUSTON TX, 77024

FACILITY WASTEWATER TREATMENT FACILITY
LOCATION 11 1/2 FARNHAM PARK
HOUSTON TX. 77024
Grover S. Grimes, President

NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM (NPDES)

DISCHARGE MONITORING REPORT

TOTAL FACILITY DISCHARGE

TX 0047457	011 A
PERMIT NUMBER	DISCHARGE NUMBER

F - FINAL
MAJOR

	MONITORING PERIOD		
	YEAR/MO/DAY		YEAR/MO/DAY
FROM	21/09/01	TO	21/09/30

*** NO DISCHARGE ☐ ***

PARAMETER		QUANTITY OR LOADING			QUALITY OR CONCENTRATION				NO.	FREQUENCY	SAMPLE
		AVERAGE	MAXIMUM	UNITS	MINIMUM	AVERAGE	MAXIMUM	UNITS	EX	OF ANALYSIS	TYPE
OXYGEN, DISSOLVED (DO)	SAMPLE MEASUREMENT	******	******		7.20	******	******	(19)	0	2 / WEEK	GRAB
00300 1 0 0 EFFLUENT GROSS VALUE	PERMIT REQUIREMENT	******	******	**** ****	4.0 MO MIN	******	******	MG/L		TWICE/ WEEK	GRAB
PH	SAMPLE MEASUREMENT	******	******		6.7	******	7.5	(12)	0	2 / WEEK	GRAB
00400 1 0 0 EFFLUENT GROSS VALUE	PERMIT REQUIREMENT	******	******	**** ****	6.0 MINIMUM	******	9.0 MAXIMUM	SU		TWICE / WEEK	GRAB
SOLIDS, TOTAL SUSPENDED	SAMPLE MEASUREMENT	64.72	******	(26)	******	4.13	11.30	(19)	0	2 / WEEK	COMP-6
00530 1 0 0 EFFLUENT GROSS VALUE	PERMIT REQUIREMENT	382 30 DA AVG	******	LBS/DAY	******	15 DAILY AVG.	40 DAILY MAX	MG/L		TWICE / WEEK	COMP-6
NITROGEN, AMMONIA TOTAL (AS N)	SAMPLE MEASUREMENT	2.04	******	(26)	******	0.12	0.20	(19)	0	2 / WEEK	COMP-6
EFFLUENT GROSS VALUE	PERMIT REQUIREMENT	76 30 DA AVG	******	LBS/DAY	******	2 DAILY AVG.	10 DAILY MAX	MG/L		TWICE / WEEK	COMP-6
FLOW, IN CONDUIT OR THRU TREATMENT PLANT	SAMPLE MEASUREMENT	1.642	3.842	(03)	******	******	******		0	CONT	METER TOTAL
50050 1 0 0 EFFLUENT GROSS VALUE	PERMIT REQUIREMENT	REPORT DAILY AVG	REPORT DAILY MAX	MGD	******	******	******	**** ****		CONTIN UOUS	TOTALZ
FLOW, IN CONDUIT OR THRU TREATMENT PLANT	SAMPLE MEASUREMENT	******	2,664	(78)	******	******	******		0	CONT	METER TOTAL
50050 P 0 0 See Comments Below	PERMIT REQUIREMENT	******	6422 2HR PEAK	GPM	******	******	******	**** ****		CONTIN UOUS	TOTALZ
FLOW, IN CONDUIT OR THRU TREATMENT PLANT	SAMPLE MEASUREMENT	1.624	******	(03)	******	******	******		0	CONT	METER TOTAL
50050 P 0 0 EFFLUENT GROSS VALUE	PERMIT REQUIREMENT	3.05 ANNL AVG	******	MGD	******	******	******	**** ****		CONTIN UOUS	TOTALZ

TRC 0.5 MINIMUM TO BE REPORTED IF " JET DISINFECTION " APPLIES, OTHERWISE 1.0 MINIMUM WILL APPLY.

9

PERMITTEE NAME / ADDRESS

NAME MEMORIAL VILLAGES WATER AUTHORITY
ADDRESS 8955 GAYLORD
HOUSTON TX, 77024

FACILITY WASTEWATER TREATMENT FACILITY
LOCATION 11 1/2 FARNHAM PARK
HOUSTON TX. 77024

Grover S. Grimes, President

NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM (NPDES)

DISCHARGE MONITORING REPORT

TX 0047457	011 A
PERMIT NUMBER	DISCHARGE NUMBER

FROM YEAR/MO/DAY 21/09/01 TO YEAR/MO/DAY 21/09/30

TOTAL FACILITY DISCHARGE

F - FINAL
MAJOR

*** NO DISCHARGE ***

PARAMETER		QUANTITY OR LOADING			QUALITY OR CONCENTRATION				NO.	FREQUENCY	SAMPLE
		AVERAGE	MAXIMUM	UNITS	MINIMUM	AVERAGE	MAXIMUM	UNITS	EX	OF ANALYSIS	TYPE
CHLORINE, TOTAL RESIDUAL	SAMPLE MEASUREMENT	******	******		******	******	0.09	(19)	0	8/PER DAY	GRAB
50060 B 0 0 PRIOR TO DISINFECT	PERMIT REQUIREMENT	******	******	**** ****	******	******	0.099 INST. MAX	MG/L		DAILY	GRAB
CHLORINE, TOTAL RESIDUAL	SAMPLE MEASUREMENT	******	******		1.06	******	******	(19)	0	8/PER DAY	GRAB
50060 P 0 0 SEE COMMENTS BELOW	PERMIT REQUIREMENT	******	******	**** ****	1.0 MO MIN	******	******	MG/L		DAILY	GRAB
E.coli	SAMPLE MEASUREMENT					7.01	17.00	(3Z)	0	2 / WEEK	GRAB
51040 1 0 0	PERMIT REQUIREMENT					63 DAILY AVG	200 DAILY MAX	MPN/100ml		01/07 WEEKLY	GRAB
BOD, CARBONACEOUS 05 DAY, 20 C	SAMPLE MEASUREMENT	118.59	******	(26)	******	7.05	11.50	(19)	0	2 / WEEK	COMP - 6
80082 1 0 0 EFFLUENT GROSS VALUE	PERMIT REQUIREMENT	254 30 DA AVG	******	LBS/DAY	******	10 DAILY AVG	25 DAILY MAX	MG/L		TWICE / WEEK	COMP - 6
	SAMPLE MEASUREMENT										
	PERMIT REQUIREMENT										
	SAMPLE MEASUREMENT										
	PERMIT REQUIREMENT										
	SAMPLE MEASUREMENT										
	PERMIT REQUIREMENT										

TRC 0.5 MINIMUM TO BE REPORTED IF " JET DISINFECTION " APPLIES, OTHERWISE 1.0 MINIMUM WILL APPLY.

MEMORIAL VILLAGES
WATER AUTHORITY

WASTE WATER TREATMENT FACILITY
MONTHLY OPERATING REPORT

FOR : September,2021
PERMIT # TX-0047457

DATE	TIME	TREATMENT FACILITY QUANTITY & QUALITY RESULTS										RAW INFLUENT				RAIN
		TREATED MGD	CBOD mg/l	TSS mg/l	NH3-N mg/l	PH units	CL2 min	CL2 lbs	D.O. min	DE-CL2 max	e-coli cfu/100m	BOD mg/l	NH3N mg/l	TSS mg/l	VSS mg/l	TOTAL INCHES
1	07:00	1.257000					2.34	120		0.05						
2	07:00	1.325000	11.20	11.30	0.10	7.50	2.47	140	7.50	0.05	8	123.0	28.1	52.0	48.0	
3	07:00	2.184000					1.29	140		0.05						0.22
4	08:00	3.024000					5.32	240		0.07						0.84
5	08:00	1.190000					4.53	120		0.05						
6	07:00	0.874000					4.14	100		0.05						
7	07:00	2.706000	11.50	6.30	0.20	7.30	1.33	180	7.50	0.05	2	72.5	19	122.0	74.0	1.17
8	07:00	1.449000					1.44	140		0.06						
9	07:00	1.285000	6.90	3.60	0.10	7.30	1.37	130	7.50	0.03	10	123.0	26.1	60.0	54.0	
10	07:00	1.361000					3.06	150		0.04						
11	08:00	1.267000					5.02	120		0.09						
12	08:00	1.020000					5.30	110		0.04						
13	07:00	1.060000					1.85	110		0.06						
14	07:00	3.842000	3.80	2.90	0.10	6.70	2.53	300	7.50	0.05	17	200.0	19.9	184.0	146.0	1.40
15	07:00	3.236000					3.60	240		0.04						1.80
16	07:00	1.696000	6.00	2.00	0.20	7.30	2.08	160	7.80	0.05	6	127.0	24	96.0	76.0	
17	07:00	1.622000					1.06	140		0.04						
18	08:00	1.467000					3.60	140		0.02						
19	08:00	1.595000					3.10	120		0.03						0.33
20	07:00	1.153000					1.82	90		0.04						
21	07:00	1.526000	6.50	3.80	0.10	7.00	2.67	160	7.60	0.04	13	51.6	20.5	54.0	52.0	
22	07:00	1.436000					2.66	130		0.04						
23	07:00	1.274000	6.00	1.00	0.10	7.40	2.23	140	7.50	0.04	8	107.0	23.1	102.0	90.0	
24	07:00	1.249000					3.40	120		0.04						
25	08:00	1.283000					5.09	120		0.06						
26	08:00	1.065000					6.16	100		0.07						
27	07:00	1.069000					2.75	150		0.05						
28	07:00	1.415000	8.00	3.90	0.10	7.30	2.71	120	7.80	0.04	6	218.0	31.7	178.0	152.0	
29	07:00	1.808000					1.33	150		0.06						0.36
30	07:00	2.531000	7.70	2.40	0.10	7.30	2.43	200	7.20	0.05	4	172.0	18.3	150.0	112.0	1.47
TOTAL		49.269	67.60	37.20	1.10	65.10	88.68	4380	67.90	1.45	74.00	1194.1	210.7	998.0	804.0	7.59
AVERAGE		1.642	7.51	4.13	0.12	7.23	2.96	146	7.54	0.05	8.22	132.7	23.4	110.9	89.3	0.95
MAXIMUM		3.842	11.50	11.30	0.20	7.50	6.16	300	7.80	0.09	17.00	218.0	31.7	184.0	152.0	1.80
MINIMUM		0.874	3.80	1.00	0.10	6.70	1.06	90.00	7.20	0.02	2.00	51.60	18.30	52.00	48.00	0.22

EFFLUENT CHARACTERISTICS	DISCHARGE LIMITATIONS				Self Monitoring Sample	
	Daily Avg mg/l(lbs/day)	7-Day Avg mg/l	Daily Max mg/l	Single Grab mg/l	Frequency	Type
CBOD	10 (254)	15	25	35	2/wk	Comp.
TSS	15 (382)	25	40	60	2/wk	Comp.
NH3N						
April - October	2 (51)	6	10	15	2/wk	Comp.
November - March	3 (76)	7	10	15	2/wk	Comp.
E.coli bacteria colonies per 100 ml	63 (N/A)	N/A	197	NA	1/wk	Grab
Chlorine Residual	Min. 1.0 mg/l before 20 min detention		Max. 0.1 mg/l after dechlorination		1/Day	Grab
Dissolved Oxygen	Min. 6.0 mg/l April - October		Min. 4.0 mg/l November - March		2/wk	Grab
pH	Min. 6.0 mg/l		Max. 9.0 mg/l		1/wk	Grab

CHIEF OPERATOR Noe Martinez
Noe Martinez Jr.

GEN. MANAGER
Trey Cantu

#

MEMORIAL VILLAGES WATER AUTHORITY
FUND BALANCES - INVESTMENT AND BANK ACCOUNTS

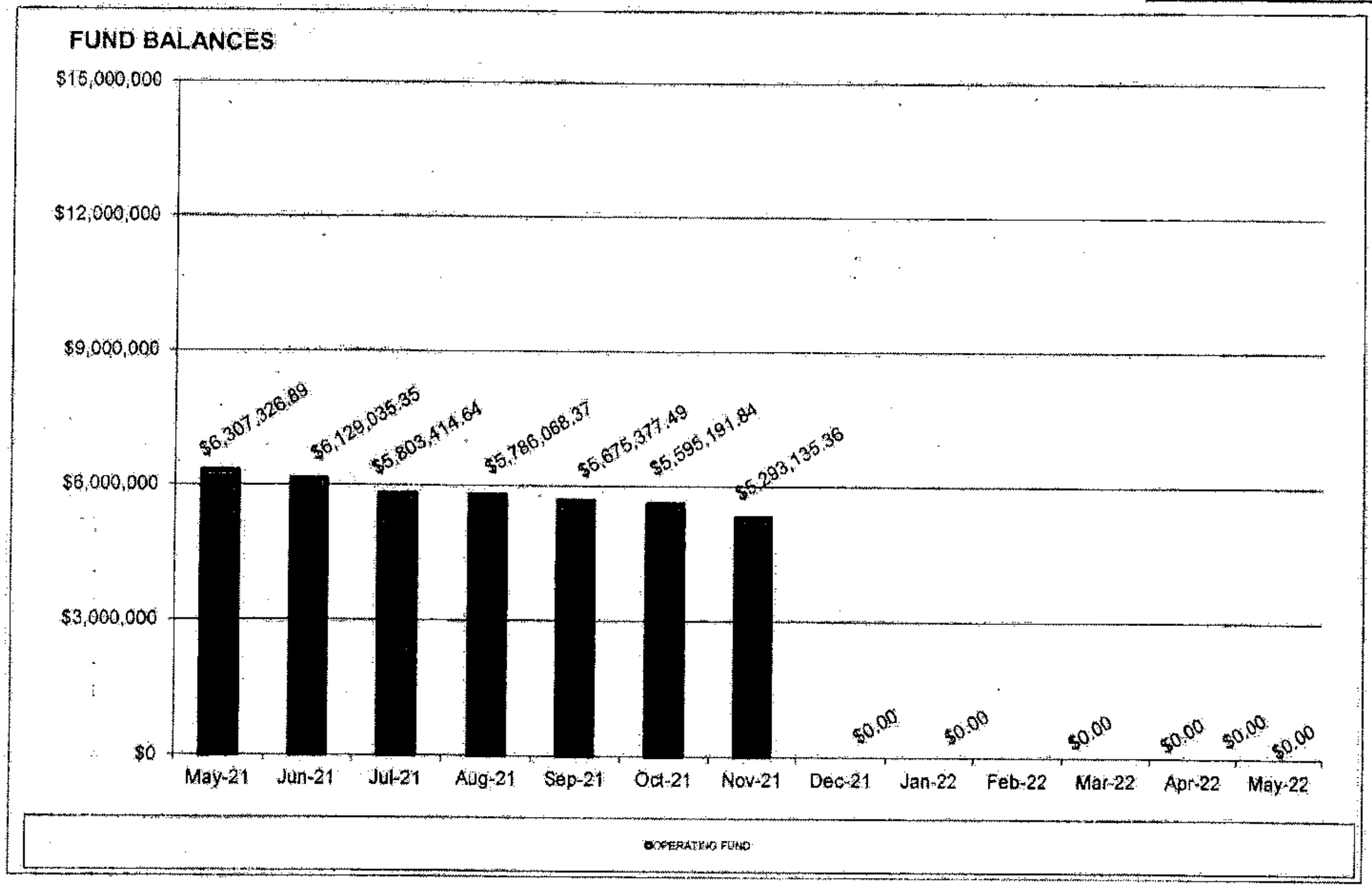
11/2/2021

BANK ACCOUNTS

ACCT. NO.	MVWA FUND NAME	DEPOSITORY	TYPE OF FUND	ACCOUNT VALUE
3542466374	CHECKING - PF	WELLS FARGO	CHECKING	$57,064.19
3542466382	CHECKING - PF PLUS	WELLS FARGO	INT. CHECKING	$5,236,071.17
			TOTAL VALUE	**$5,293,135.36**

PLEDGED SECURITIES, PAR VALUE, ABOVE FDIC COVERAGE **$5,856,476.76**

MVWA FUND NAME		TOTAL FUND VALUE
OPERATING FUND	TOTAL VALUE	**$5,293,135.36**



I, Trey Cantu, investment officer of Memorial Villages Water Authority (the "Authority"), confirm: I prepared the foregoing investment report. The investment portfolio of the Authority complies with the investment strategy of the Authority as stated in its Investment Policy and the Public Funds Investment Act.

Trey Cantu, General Manager

I

Memorial Villages Water Authority
Check Register
For the Period From Oct 25, 2021 to Oct 25, 2021

Filter Criteria includes: 1) Check Numbers from 5686 to 5696. Report order is by Date.

Check #	Payee	Amount
5686	AVR INC	395.00
5687	C & C WATER SERVICES, LLC	12,800.00
5688	CAVALLO ENERGY TEXAS LLC	9,560.56
5689	CENTERPOINT ENERGY	186.29
5690	CITY OF HOUSTON	247,485.60
5691	COMCAST	1,005.49
5692	DXI INDUSTRIES, INC.	300.00
5693	IMAGE COMMUNICATION	53.12
5694	KATHLEEN PARSONS, CUSTODIAN	241.51
5695	TX CHILD SUPPORT SDU	252.00
5696	WM CORPORATE SERVICES, INC	4,617.84
Total		276,897.41

J

OTHER METHODS OF PAYMENTS

EFT PAYMENTS

10/5/2021	COMCAST EQUIP., WELLS, W.W.T.F. & LIFT STA.	$1,452.82
10/16/2021	COMCAST BUSINESS CABLE, VOICE, 7 INTERENT-GAYLORD	$488.10
10/18/2021	COMCAST - 435 PINEY PT.	$ 229.91
10/20/2021	COMCAST - W.W.T.F.	$ 42.41
	TOTAL	$ 2,213.24

Memorial Villages Water Authority
Payroll Check Register
For the Period From Oct 25, 2021 to Oct 25, 2021

Filter Criteria includes: 1) Check Numbers from 103537 to 103557. Report order is by Check Date. Report is printed in Detail Format.

Reference	Date	Employee	Amount
103537	10/25/21	Miguel A. Beltran	1,512.70
103538	10/25/21	Richard M. Culver	2,219.40
103540	10/25/21	Timothy D. Criss	1,274.59
103541	10/25/21	Robert S. Galbraith	1,622.02
103542	10/25/21	Leon W. Levandowski Jr.	3,635.81
103544	10/25/21	Noe Martinez Jr.	2,783.99
103545	10/25/21	Kathleen M. Parsons	1,995.96
103546	10/25/21	Nelson B. Morgan	1,542.67
103548	10/25/21	Bobby Salazar	2,467.71
103549	10/25/21	DANIEL M. MURPHREE	1,148.67
103550	10/25/21	Pete Torres	2,805.44
103551	10/25/21	Christopher M. Simien	1,972.05
103552	10/25/21	Brenda J. Sierra	1,654.35
103553	10/25/21	Cecilio Hernandez	1,471.26
103554	10/25/21	Trey Cantu	4,594.95
103555	10/25/21	Cori D. Scott	1,562.19
103556	10/25/21	Adan A. Maravilla	1,487.64
103557	10/25/21	Cesar A. Martinez	1,576.64
		10/25/21 thru 10/25/21	37,328.04
		10/25/21 thru 10/25/21	37,328.04

Memorial Villages Water Authority
Check Register
For the Period From Oct 25, 2021 to Oct 25, 2021

Filter Criteria includes: 1) Check Numbers from 1196 to 1196. Report order is by Date.

Check #	Date	Payee	Amount
1196	10/25/21	MVWA-BUSINESS CHECKING PF	315,000.00
Total			315,000.00

10-26-21

Randolph Ewing 10/27/2021

10-27-2021

Memorial Villages Water Authority
Check Register
For the Period From Oct 12, 2021 to Oct 12, 2021

Filter Criteria includes: 1) Check Numbers from 5668 to 5685. Report order is by Date.

Check #	Payee	Amount
5668	BLUE IRON TECHNOLOGIES	337.50
5669	CAVALLO ENERGY TEXAS LLC	15,663.54
5670	CITY OF HOUSTON HEALTH DEPT.	264.00
5671	EASTEX ENVIRONMENTAL LABORATORY	2,292.00
5672	WEX BANK	1,090.93
5673	HACH COMPANY	175.12
5674	HEALTHINVEST HRA	72.51
5675	NOE MARTINEZ, JR.	76.38
5676	MURRAY RESOURCES, LTD	897.60
5677	PURIFY	2,470.50
5678	QUILL CORPORATION	147.44
5679	SPEEDY PRINTING, KTF INC.	154.54
5680	MY FLEET CENTER	45.90
5681	TEXAS EXCAVATION	253.65
5682	TREY CANTU	240.03
5683	TX CHILD SUPPORT SDU	252.00
5684	WM CORPORATE SERVICES, INC	4,307.67
5685	WORLDWIDE POWER PRODUCTS	555.00
Total		29,296.31

Memorial Villages Water Authority
Payroll Check Register
For the Period From Oct 12, 2021 to Oct 12, 2021

Filter Criteria includes: 1) Check Numbers from 103508 to 103536. Report order is by Check Date. Report is printed in Detail Format.

Reference	Date	Employee	Amount
103508	10/12/21	Miguel A. Beltran	1,512.70
103509	10/12/21	Richard M. Culver	3,531.77
103511	10/12/21	Timothy D. Criss	1,274.59
103512	10/12/21	Robert S. Galbraith	1,622.02
103513	10/12/21	Nora J. Ivey	138.52
103514	10/12/21	Leon W. Levandowski Jr.	3,635.81
103516	10/12/21	Noe Martinez Jr.	2,818.51
103517	10/12/21	Kathleen M. Parsons	1,995.96
103518	10/12/21	Nelson B. Morgan	1,542.67
103520	10/12/21	Bobby Salazar	2,655.97
103521	10/12/21	DANIEL M. MURPHREE	699.85
103522	10/12/21	Pete Torres	2,150.03
103523	10/12/21	Christopher M. Simien	1,972.05
103524	10/12/21	Brenda J. Sierra	1,642.90
103525	10/12/21	Cecilio Hernandez	1,471.26
103526	10/12/21	Trey Cantu	4,594.95
103527	10/12/21	Cori D. Scott	1,581.87
103528	10/12/21	Adan A. Maravilla	1,579.98
103529	10/12/21	Cesar A. Martinez	1,576.64
103530	10/12/21	Gary Schenk	554.10
103531	10/12/21	William H. Wilson	415.57
103532	10/12/21	Randolph Ewing	138.52
103533	10/12/21	Veronica H. Roa	138.52
103534	10/12/21	Catherine L. Stubbs	415.57
103535	10/12/21	Al Unal Baysal	277.05
103536	10/12/21	Locke A. Braly	277.05
		10/12/21 thru 10/12/21	40,214.43
		10/12/21 thru 10/12/21	40,214.43

Memorial Villages Water Authority
Check Register
For the Period From Oct 12, 2021 to Oct 12, 2021

Filter Criteria includes: 1) Check Numbers from 1195 to 1195. Report order is by Date.

Check #	Payee	Amount
1195	MVWA-BUSINESS CHECKING PF	70,000.00
Total		70,000.00

10-13-21

10-13-2021

10-13-21

Memorial Villages Water Authority
Check Register
For the Period From Nov 2, 2021 to Nov 2, 2021

Filter Criteria includes: 1) Check Numbers from 5697 to 5732. Report order is by Date.

Check #	Date	Payee	Amount
5697	11/2/21	AL'S ENGINE & EQUIPMENT	48.61
5698	11/2/21	ANN HARRIS BENNETT	24.00
5699	11/2/21	ARCH CON CORPORATION	22.10
5700	11/2/21	AVR INC	4,221.11
5701	11/2/21	BLUE IRON TECHNOLOGIES	1,434.93
5702	11/2/21	BRANDI LISENBE	38.55
5703	11/2/21	CAVALLO ENERGY TEXAS LLC	2,667.45
5704	11/2/21	CHLORINATOR MAINT. CO., INC.	600.00
5705	11/2/21	THE REINALT-THOMAS CORP	373.50
5706	11/2/21	DXI INDUSTRIES, INC.	1,039.04
5707	11/2/21	FRANKEL BLDG. GROUP	67.94
5708	11/2/21	GORMAN UNIFORM	800.36
5709	11/2/21	HACH COMPANY	2,008.45
5710	11/2/21	H.G.S.D.	48,070.00
5711	11/2/21	JIM MC CAULEY	115.00
5712	11/2/21	JOHNSON CONTROLS SECURITY SYST	1,505.95
5713	11/2/21	KIM DAO	4,281.25
5714	11/2/21	KING SAFE & LOCK, INC	42.11
5715	11/2/21	LEON W. LEVANDOWSKI, JR.	565.00
5716	11/2/21	NOE MARTINEZ, JR.	50.00
5717	11/2/21	Norton Rose Fulbright LLP	5,018.23
5718	11/2/21	O'REILLY AUTOMOTIVE, INC.	489.98
5719	11/2/21	OFFICE DEPOT	1,304.90
5720	11/2/21	PM UTILITY SERVICES	957.50
5721	11/2/21	PURIFY	2,964.60
5722	11/2/21	QUILL CORPORATION	362.46
5723	11/2/21	RED BUD SUPPLY, INC.	1,479.26
5724	11/2/21	TCEQ	19,821.06
5725	11/2/21	TELEDYNE INSTRUMENTS, INC.	616.00
5726	11/2/21	TX INDUSTRIAL CONTROL MFG.	1,384.00
5727	11/2/21	TEXAS PRIDE DISPOSAL	78.22
5728	11/2/21	TREY CANTU	575.00

Memorial Villages Water Authority
Check Register
For the Period From Nov 2, 2021 to Nov 2, 2021

Filter Criteria includes: 1) Check Numbers from 5697 to 5732. Report order is by Date.

Check #	Date	Payee	Amount
5729	11/2/21	USA BLUE BOOK	3,082.50
5730	11/2/21	VILLAGES MUTUAL INS. COOPERATI	32,948.83
5731	11/2/21	WHARTON-SMITH, INC.	385,792.20
5732	11/2/21	WORLDWIDE POWER PRODUCTS	744.60
Total			**525,594.69**

Memorial Villages Water Authority
Check Register
For the Period From Nov 2, 2021 to Nov 2, 2021

Filter Criteria includes: 1) Check Numbers from 1197 to 1197. Report order is by Date.

Check #	Date	Payee	Amount
1197	11/2/21	MVWA-BUSINESS CHECKING PF	526,000.00
Total			526,000.00

11-2-2021

11-2-21

11-2-21

current coverage

"D+O" insurance

TML
INTERGOVERNMENTAL RISK POOL

Errors & Omissions Liability Limit & Deductible Options

Member Name: Memorial Villages Water Authority
Member ID: 6798
Contract Type: Liability
Coverage Type: Liability Package
Coverage Period: 10/01/2021 to 10/01/2022

Limit Each Occurrence	Deductible per Occurrence						
	1,000	2,500	5,000	10,000	25,000	50,000	100,000
300,000	1,417	1,337	1,244	1,118	900	705	496
500,000	1,567	1,487	1,394	1,268	1,050	855	646
1,000,000	1,717	1,637	1,544	1,418	1,200	1,005	796
2,000,000	1,867	1,787	1,694	1,568	1,350	1,155	946
3,000,000	2,017	1,937	1,844	1,718	1,500	1,305	1,096
5,000,000	2,317	2,237	2,144	2,018	1,800	1,605	1,396
10,000,000	3,067	2,987	2,894	2,768	2,550	2,355	2,146

Limit shown is each wrongful act. Unless otherwise noted, annual aggregate limit is twice the each wrongful act limit except limits over 5 million. 10 million aggregate limit applies to all wrongful act limits over 5 million. Contributions represented on the grid are annual contributions. Estimates based on simple proration for other than an annual term may vary from actual calculated contributions due to rounding.

Texas Municipal League Intergovernmental Risk Pool
1821 Rutherford Lane, First Floor, Austin, Texas 78754
(512) 491-2300 | (800) 537-6655

PART VII
ERRORS AND OMISSIONS LIABILITY COVERAGE

I. INSURING AGREEMENT

LIABILITY OF **MEMBER** OR **COVERED PARTY**

The **Fund** will pay on behalf of the **Member** or **Covered Party** all monetary **damages** which the **Member** or **Covered Party** shall be legally obligated to pay for any civil **claim** or **claims** because of a **wrongful act** which occurs during the **Fund Year** and within the **Agreement Territory**.

II. COVERED PARTIES

Each of the following is a **Covered Party** under this Part of the Liability Coverage Document to the extent set forth below:

A. The **Member**;

B. Any officer, director, elected or appointed official, any member of a board or commission of the **Member**, and any employee of the **Member** when such **Covered Parties** are acting within the scope of their duties or employment as such; or

C. Any volunteer while acting within the scope of duties assigned by the **Member** and while under the general supervision of an officer, director, elected or appointed official, member of a board or commission of the **Member** or an employee of the **Member**.

III. LIMITS OF LIABILITY

Regardless of the number of (1) **Members** or other **Covered Parties** under this **Agreement**, (2) persons or organizations who sustain **damages** payable under this **Agreement**, or (3) **claims** made or **suits** brought during the applicable **Fund Year** within the Errors and Omissions Coverage afforded by this **Agreement**, the **Fund's** liability is limited as follows:

A. The total liability for the **Fund** for all **damages** arising out of a **wrongful act** shall not exceed the limit of liability stated in the **Declarations** for Errors and Omissions Liability Coverage for the applicable **Fund Year**;

B. For the purpose of determining the **Fund's** limit of liability, all **claims** and **damages** arising out of a single **wrongful act**, interrelated **wrongful acts**, or a series of related **wrongful acts** by one or more **Covered Party(ies)** shall be considered a single **wrongful act**. If such **wrongful act** takes place over more than one **Fund Year** in which coverage is provided to the **Member** by this **Agreement**, the **wrongful act** shall be deemed to have taken place during the first **Fund Year** during which any of the related **wrongful acts** occurred and coverage was provided under this **Agreement** and only the limit of liability during said first **Fund Year** shall apply;

C. With respect to the **Member's** liability arising out of any **joint venture** to which this coverage applies, the **Fund** shall not be liable for an amount greater than the pro rata share of any **damages** based on the number of participants in the **joint venture**, unless otherwise expressed contractually in the **joint venture** agreement; and

D. Subject to the above provisions, the **Fund's** total limit of liability for all **damages** arising out of **claims** made for **wrongful acts**, regardless of the number of **claims**, **Members** or other **Covered Parties** involved, shall not exceed the amount stated in the **Declarations** for the applicable **Fund Year** as "aggregate."

IV. EFFECTIVE DATES

For those **Members** participating in the **Fund** for Errors and Omissions Coverage prior to June 1, 1985, this coverage shall extend to include **wrongful acts** occurring prior to the date that the **Member** first joined the **Fund** for Errors and Omissions Coverage if the **Member** did not give notice of such **wrongful act** to any prior insurers or the **Member** had no knowledge of such **wrongful act** likely to give rise to a **claim**. For those **Members** joining after June 1, 1985, this coverage begins on the actual date they entered the **Fund** for Errors and Omissions Coverage and will not provide coverage for any **claim** or **claims** arising from **wrongful acts** which took place prior to the **Prior Acts Period**.

V. RETROACTIVE DATE

Except as provided otherwise under Section IV, Effective Dates above, this coverage does not apply to a **wrongful act** which occurred before the Retroactive Date, if any, shown in the **Declarations**.

VI. ADDITIONAL COVERAGE FOR REIMBURSEMENT OF CRIMINAL DEFENSE EXPENSES

A. Notwithstanding any Exclusions in this **Agreement**, the **Fund** shall reimburse any **Covered Party**, where allowed by law, for: reasonable attorneys' fees; and reasonable and necessary costs, excluding loss of income, when incurred in defense of any **criminal proceeding** arising out of what otherwise would be within the course and scope of the **Covered Party's** duties or employment by the **Member**.

B. Reimbursement shall be made only if the **Covered Party** is exonerated by a court of law from all charges or all charges are subsequently withdrawn or dismissed without any admission of guilt.

C. When a **Covered Party** is one of two or more defendants represented by the same attorney or law firm, payment shall be limited to the **Covered Party's** proportionate share of the total of the reasonable attorneys' fees and the reasonable and necessary costs paid.

D. The term "**Covered Party**" shall be as defined in Section II of this Errors and Omissions Liability Coverage.

E. The term "**criminal proceeding**" means the criminal prosecution of a **Covered Party** commenced by the filing with the court of an information or an indictment, alleging that the **Covered Party** had, during the **Fund Year**, and within the **Agreement Territory**, committed one or more crimes. Any such prosecution shall be considered a single "**criminal proceeding**," notwithstanding the fact that the prosecution may involve multiple incidents, multiple counts or charges, and/or multiple trials and/or multiple appellate proceedings.

F. LIMITS OF LIABILITY

1. The limit of liability of the **Fund** for each **criminal proceeding** shall not exceed $10,000, regardless of the number of **Covered Parties** that may be defendants in the criminal proceeding.

2. In the event there are multiple **Covered Parties** as defendants in the same criminal proceeding, payment or reimbursement shall be limited or divided between the **Covered Parties** according to each **Covered Party's** proportionate share of the total of all reasonable attorneys' fees and reasonable and necessary costs paid.

G. DEDUCTIBLE

Any deductible under this **Agreement** shall not apply to this additional coverage for reimbursement for criminal defense expenses.

VII. EXCLUSIONS

A. For the purpose of this coverage only, Exclusion B. in the "Exclusions Applicable to All Coverages" Part, shall not apply with respect to any airport board or commission of the **Member**.

B. In addition to those matters excluded from coverage in the "Exclusions Applicable to All Coverages" Part of this **Agreement**, the **Fund** shall not be obligated to make any payment, nor to defend any lawsuits in connection with any **claim** made against any **Member** or **Covered Party**:

1. Based on or attributable to the **Member** or **Covered Party** gaining any personal profit or advantages to which the **Member** or **Covered Party** was not legally entitled;

2. For the return by the **Member** or **Covered Party** of any remuneration paid to the **Member** or **Covered Party** in violation of law;

3. Brought about or contributed to by the dishonesty or fraudulent acts of the **Covered Party**; however, notwithstanding the foregoing, the **Member** or **Covered Party** shall be protected under the terms of this **Agreement** as to any **claims** upon which **suit** is brought against them by reason of any alleged dishonesty or fraudulent acts on the part of them, unless a judgment or other final adjudication thereof adverse to them shall establish that acts of active and deliberate dishonesty or fraud committed by them with actual dishonest or fraudulent purpose and intent were material to the cause of action so adjudicated;

4. For the loss of, criminal abstraction of, **damage** to, or destruction of any tangible property or the loss of use of such property by reason of the foregoing;

5. For any **damages** or **claim expense** arising out of the **law enforcement activities** of the **Member**;

6. For any **damages** which result from a **wrongful act** committed intentionally with knowledge of wrongdoing; however, the

Fund will provide a defense to the **Member** or **Covered Party** for **suits** containing those allegations;

7. Arising from a **Member's** or **Covered Party's** activities in a fiduciary capacity with respect to public property and funds, bond obligations, and employee benefit and retirement funds and obligations;

8. Arising from activities of any attorney-at-law, medical personnel, architect, engineer, or accountant in the scope of their professional duties; however, notwithstanding the foregoing, the **Member** or **Covered Party** shall be protected under the terms of this **Agreement** as to any **claims** made against them solely as public officials or as employees of the **Member**;

9. Arising from a **Member's** or any **Covered Party's** failure to purchase insurance coverage; or

10. For any **damages**, whether direct, indirect, or consequential, arising from or caused by **bodily injury**, **property damage**, **advertising injury**, **personal injury**, mental anguish, or mental injury, except that **damages** for mental anguish or mental injury shall not be excluded from coverage when those **damages** are sought in connection with the alleged violation of a civil right guaranteed by the U.S. Constitution, the Constitution of the State of Texas, or any state or federal statute. This Exclusion does not apply to the publication or utterance of a libel, slander, or other defamatory or disparaging material, or publication or utterance in violation of the individual's right of privacy which arises out of the employment matters of the **Member**.

C. This coverage does not apply to any **occurrence**, **claim**, or **damages** for which coverage is otherwise afforded, or would have been afforded if the **Member** had elected the coverages, under the General Liability and Automobile Liability or the Law Enforcement Liability Coverages, it being intended by the parties that this coverage not overlap nor apply in addition to any of the other coverages to the same **occurrence**, **claim**, or **damages**.

2. Loss of use of tangible property which has not been physically injured or destroyed, provided such loss of use is caused by an **occurrence** during the **Agreement Period**.

Property damage shall include **damage** arising out of the handling of or performing post-mortem examinations on human bodies.

JJ. **SUIT** means a proceeding before a judicial court of law and does not include a proceeding before an administrative agency. However, **suit** shall include responding to claims filed with the Equal Employment Opportunity Commission, the Texas Work Force Commission Civil Rights Division, or any state or local commission created to enforce anti-discrimination in employment laws.

KK. **WRONGFUL ACT** means any actual or alleged error, misstatement, misleading statement, act or omission, neglect or breach of duty including misfeasance, malfeasance, or nonfeasance, including **wrongful acts** relating to the **administration** of **Employee Benefits Program** by the **Member** and employment practices including but not limited to hiring or failure to hire, improper dismissal or discipline, improper promotion or failure to promote, discrimination in employment practices, or allegations related to such employment practices of the **Member** by a **Member** or **Covered Party** which occurs during the **Fund Year** or **prior acts period.**

With respect to the definition of **Wrongful Act**:

1. **EMPLOYEE BENEFITS PROGRAM** means the **administration** of group life insurance, group accident or health insurance, profit sharing plans, pension plans and stock subscription plans, unemployment insurance, social security benefits, workers' compensation and disability benefits, or any other similar plan; and

2. **ADMINISTRATION** means the counseling of employees, including their dependents and beneficiaries, with respect to the **Employee Benefits Program**, the handling of records in connection with the **Employee Benefits Program** or effecting or terminating any employee's participation in a plan included in the **Employee Benefits Program**.