

**AGREEMENT FOR PROVIDING
EMERGENCY SERVICES**

STATE OF TEXAS §

COUNTY OF LEON §

This **AGREEMENT FOR PROVIDING EMERGENCY SERVICES** ("Agreement"), effective as of October 1, 2014 ("Effective Date"), by and between **SOUTHWEST LEON COUNTY EMERGENCY SERVICES DISTRICT NO. 2** ("District"), a political subdivision of the State of Texas organized and operating pursuant to the provisions of Section 48-e, Article III of the Texas Constitution and Chapter 775 of the Health and Safety Code, as amended ("H&S Code"), and **HILLTOP LAKES VOLUNTEER FIRE DEPARTMENT** ("Department"), a Texas non-profit corporation duly organized and operating under the laws of the State of Texas.

RECITALS

WHEREAS, the District is a duly organized emergency services district, and a political subdivision of the State of Texas, created to protect life and health, and for such other purposes as determined by the District under Chapter 775 of the H&S Code, with full authority to carry out the objects of its creation; and

WHEREAS, pursuant to Section 775.031 of the H&S Code, the District has the authority to enter into contracts with others, including volunteer fire organizations, for fire protection and other services within the District; and

WHEREAS, the District desires to secure fire protection and emergency medical response services ("Emergency Services," hereinafter defined) for the geographic area of the District to be served by the Department ("Service Area," hereinafter defined); and

WHEREAS, the District currently does not have any personnel to provide such services directly; and

WHEREAS, the District has determined that it is in the best interests of the residents and the property owners of the District to enter into a contract for Emergency Services with an independent agency capable of providing Emergency Services at levels acceptable to the District and to acquire and assume responsibility for any and all assets necessary to provide such services; and

WHEREAS, the Department currently owns or has been provided the real and personal property and equipment (together, "Equipment", hereinafter defined) and has the requisite personnel (paid and/or volunteer) to provide the Emergency Services and is willing and able to provide to the District such Emergency Services to the Service Area for the consideration hereinafter provided; and

WHEREAS, the Department is the current provider of Emergency Services to the Service Area pursuant to prior agreements with the District; and

WHEREAS, the District has determined that the Department is an Emergency Services provider entity located within the Service Area that has the ability to provide the requisite personnel to provide the Emergency Services;

NOW, THEREFORE, for and in consideration of the premises and mutual covenants hereinafter contained, the parties hereto agree each with the others as follows:

ARTICLE I. **DEFINITIONS**

Section 1.01 Definitions

In addition to other terms defined herein, the following terms have the meanings assigned to them whenever they are used in this Agreement.

- A. **Act**. Chapter 775 of the Health and Safety Code, as amended, and also referred to herein as the "H&S Code".
- B. **Agreement**. This Agreement and any and all amendments or supplements hereto.
- C. **Board**. The Board of Commissioners for the District.
- D. **Chain of Command**. The rank and file of the District and the Department that establishes the roles and responsibilities within the District and the Department.
- E. **Department**. Hilltop Lakes Volunteer Fire Department, a non-profit corporation duly organized and existing under the laws of the State of Texas.
- F. **District**. Southwest Leon County Emergency Services District No. 2, a political subdivision of the State of Texas created and operating pursuant to the H&S Code.
- G. **Emergency Services**. All fire protection and suppression services, rescue, emergency medical and other services to be made available to the District pursuant to this Agreement. Emergency Services include:
 1. firefighting practices to protect people and property;
 2. fire prevention education;
 3. identification of hazardous materials;
 4. emergency medical first responder service, including, but not limited to, providing basic life support and emergency medical treatment on scene, including the use of certain approved advanced techniques such as automatic external defibrillators;
 5. 24-hour, seven-day-a-week, Basic Life Support (BLS), with MICU capability, ground-based emergency medical pre-hospital transport services; and

6. Other services, as may be mutually agreed upon in writing by the District and Department.

H. Equipment. The real and personal property either provided to or owned by the Department, and operated and utilized by the Department in providing Emergency Services.

I. Operating Budget. The portion of the Department's final budget approved by the District in accordance with Section 5.01.B., below, related solely to operating and payroll expenses and approved for funding by the District.

J. Service Area. The geographic area of the District to be served by the Department, as more particularly described in Exhibit "A", attached hereto and incorporated herein for all purposes, which the Department will serve as the primary responder for Emergency Services.

Section 1.02 Construction of Terms

If appropriate, in this Agreement words of the singular number shall be considered to include the plural, words of the plural shall be considered to include the singular, and words of the masculine, feminine, and neuter genders shall be considered to include the other genders.

ARTICLE II. REPRESENTATIONS AND WARRANTIES

Section 2.01 District's Representations, Warranties, and Findings. The District represents, warrants, and finds that:

A. The District is a duly-constituted political subdivision of the State of Texas created and operating pursuant to the H & S Code, and has the authority to enter into this Agreement and the transactions contemplated hereby, and to carry out its obligations.

B. The services to be provided by the Department under this Agreement include providing Emergency Services to the Service Area. This Agreement also recognizes the ability to provide and receive mutual aid and automatic aid from other emergency service organizations as deemed necessary by the Department.

Section 2.02 Department's Representations and Warranties

A. The Department is a non-profit corporation duly incorporated and validly existing and in a good standing under the laws of the State of Texas and is not in violation of any of the provisions of its Articles of Incorporation, its By-laws, or any laws of the State of Texas relevant to the transactions contemplated hereby.

B. The Department has full corporate power and authority to execute and deliver this Agreement, and has, by proper corporate action, duly authorized the execution and delivery of this Agreement.

C. Neither the execution or delivery of this Agreement, the consummation of the transactions contemplated hereby, nor the fulfillment of or compliance with the terms or

conditions of this Agreement conflicts with or results in a breach of the terms, conditions, or provisions of any corporate restriction or any agreement or instrument to which the Department is now a party or by which it is bound, or constitutes a default under any of the foregoing, or results in the creation or imposition of any prohibited lien, charge or encumbrance whatsoever on any property or assets of the Department.

D. The Department is knowledgeable of the boundaries of the Service Area and agrees to provide Emergency Services to all the residents, commercial interests, and others found within the Service Area.

E. The quality of the Emergency Services to be provided to the residents, commercial interests, and others found within the Service Area will be equal to or better than the quality of the Emergency Services received in the Service Area before the Effective Date of this Agreement.

F. The training of the Department's personnel shall be equal to or exceed that of the prior year's level. The District understands that the Department's personnel numbers are small, and that it requires time to train an inexperienced new member of the Department. The District will take those factors into consideration when reviewing the training of Department personnel.

ARTICLE III. **SERVICES TO BE PROVIDED**

Section 3.01 General

A. During the term of this Agreement, the Department shall provide Emergency Services to the Service Area on a 24-hour per day basis, seven days a week.

B. The Department shall respond to each toned out incident call for Emergency Services within the following response times:

1) First primary apparatus enroute to incident scene within 15 minutes of tone out. Assuming normal circumstances, arrival at incident scene within an additional two minutes per mile from the station.

2) Additional apparatus, as required, enroute to incident scene within 18 minutes of tone out. Assuming normal circumstances, arrival at incident scene within an additional two minutes per mile from the station.

3) Abnormal circumstances include, but are not limited to:

- a) Acts of nature;
- b) Unusual road or other conditions; or
- c) Calls where incident location is not clearly identifiable.

C. Notwithstanding the above, the Department shall respond on scene to each emergency medical assistance call within the following response times:

- 1) Within one mile of station in not more than 15 minutes.
- 2) For distances greater than one mile from station not more than two additional minutes for each one mile.
- 3) Abnormal circumstances include, but are not limited to:
 - a) Acts of nature;
 - b) Unusual road or other conditions; or
 - c) Calls where incident location is not clearly identifiable.

Section 3.02 Duties and Responsibilities of Department.

A. The Department shall ensure that the Department's Chief and/or the Department's President (or their designated representatives) attend each and every District Board meeting and that those individuals attending the meeting are prepared, able and authorized to answer questions from the District's Board regarding the Department's monthly reports to the District.

B. The Department shall immediately respond to all 9-1-1 calls/tone-outs unless and until determined otherwise using appropriate Fire/Incident Command and EMS protocols.

C. The Department's Chief, or the Chief's designated representatives, shall notify the Board's designated representative when the Department responds to mutual or automatic aid outside of the District. This notification shall occur monthly, at or before the next regularly-scheduled meeting of the District's Board and may be made as part of the monthly reports to the District.

D. The Department shall utilize appropriate background checks and engage only responsible, competent and well-trained personnel (volunteer or paid) and conduct regularly-scheduled training sessions to ensure a high level of competency among its personnel. The Department shall notify the District in writing in the next monthly report of any increases or reductions in personnel from the number of personnel in the Department as of the Effective Date of this Agreement.

E. The Department shall, at all times, conduct its activities in accordance with all current statutes, rules and regulations of any and all governmental bodies, and shall further obtain and maintain all permits, consents and certificates that are required by any governmental body for the provision of the Emergency Services by the Department. If the Department becomes non-compliant with any such statutes, rules and regulations, the Department shall notify the Board within ten days of the date the Department receives official notice of such non-compliance. Any non-compliance issues, as outlined in this subsection, will be listed on the District's agenda for discussion and possible action at the Board's next meeting, and the

Department shall present a plan for correction of non-compliance issues at the next District Board meeting.

F. The Department shall maintain any and all Equipment in a state of good repair at all times and shall comply, so far as practicable, with applicable sections of the National Fire Protection Association ("NFPA") codes and standards. In order to assure readiness of Equipment, the Department's Chief, or the Chief's designated representative, shall notify the Board of any significant Equipment that is out-of-service as soon as practicable depending on the nature of the problem and need for the Equipment, and to the greatest extent and as soon as practicable, the Department will repair any out-of-service Equipment.

G. Department shall make recommendations to the Board for future acquisition of Equipment during the District's annual budget process, which begins in July, and as part of the 5-Year Plan defined below.

H. Department shall implement and maintain a staff and Emergency Services personnel evaluation and review policy toward the goal of satisfying the requirements under Paragraphs 2.02.E. and 2.02.F. The personnel evaluation and review policy shall include policies addressing discrimination, sexual harassment, and chain of command. The policy shall be delivered to the District upon execution of the Agreement if the policy is then in place; otherwise, it shall be delivered not later than 90 days following the date the Department signs this Agreement.

I. The Department shall develop, maintain and administer policy, procedures, controls, and disclosure/abstention processes to avoid "Conflict of Interest" and "Nepotism" influences on board or management actions, including, but not limited to, board membership, vendor selection, purchases, service contracts, hiring and general employment practices. The Department shall comply with any local, state or federal regulation for non-profit organizations regarding these issues.

J. To the extent allowed by applicable law, the Department shall prepare and maintain pre-plans of, and conduct training related to responses to, all commercial and buildings used as public gathering places within the District that are greater than 2,000 square feet in floor space.

Section 3.03 Non-Exclusive Agreement

The Department hereby acknowledges and agrees that its primary responsibilities are to the Service Area. However, in order to ensure that there will be available at all times Equipment and personnel, the parties acknowledge that the Department will, in its sole and reasonable discretion, summon mutual and automatic aid from others, including incorporated cities or towns or other governmental entities and volunteer fire and first responder organizations, that are able to provide and/or assist in providing the Emergency Services in the Service Area. Except if otherwise prohibited by Chapter 791, Texas Government Code (Interlocal Cooperation Act); Chapter 418, Texas Government Code (Texas Disaster Act of 1975); Chapter 421, Texas Government Code (Homeland Security); and Chapter 362, Local Government Code, the

Department shall obtain prior written approval from the Board for all such aid agreements, approval of which shall not be unreasonably withheld.

Section 3.04 Independent Contractor

A. Notwithstanding anything in this Agreement that may be construed to the contrary, the Department shall at all times be an independent contractor with regard to the services rendered or not rendered to the District and the residents of the District by the Department and all of its personnel (paid and volunteers) or agents. The Department and its personnel shall at all times have the right to supervise, manage, control, and direct the details and performance of the work in providing Emergency Services under this Agreement.

B. Nothing in this Agreement may be construed to make or makes either party the partner or joint venturer of or with the other party.

Section 3.05 Emergency Services Billing

A. Under Chapter 775 of the H&S Code, the District has the statutory authority to bill for and enforce collections from individuals or entities, including private insurance carriers, in payment for Emergency Services, collectively referred to as “Emergency Services billing revenue.” The District hereby delegates its billing and collection authority related to Emergency Services billing revenue to the Department. The Department is also authorized to contract with a third party for the billing of Emergency Services and collection of Emergency Services billing revenue. However, the Department shall establish and maintain billing policy to be used by any third party contractor.

B. Emergency Services billing revenue from any source that is received by the Department for Emergency Services performed in the Service Area during the term of this Agreement shall be reported by the Department to the District **in the next monthly report**. Department shall separately account for Emergency Services billing services revenue for any services performed outside the Service Area.

Section 3.06 Planning

The Department shall develop a five-year plan for improvement of Emergency Services and anticipated future Equipment needs within the Department (“5-Year Plan”). The Department must update the 5-Year Plan annually and present the updated 5-Year Plan to the Board for review no later than July of each Fiscal Year. The Department must include the District’s designated representatives in all meetings related to preparation, review and revision of the 5-Year Plan.

ARTICLE IV.
INSURANCE, INDEMNIFICATION AND INSURANCE PROCEEDS RECEIVED

Section 4.01 Insurance

A. The Department shall insure or cause to be insured all of the Equipment and Facilities that are reasonably required to provide the Emergency Services under this Agreement against loss or damage of such kind usually insured against by similarly situated entities.

B. At all times during the term of this Agreement and following the expiration of any policy currently held by the Department, The Department shall maintain the following policies of insurance in the following respective limits:

- 1) Workers Compensation for all paid employees and volunteer members;
- 2) Commercial General Liability Insurance providing limit of not less than \$1,000,000 per occurrence and \$3,000,000 annual aggregate;
- 3) Commercial Auto Liability Insurance providing limit of not less than \$1,000,000 per occurrence; and
- 4) Management Liability (Errors and Omissions) providing not less than \$1,000,000 per occurrence and \$3,000,000 annual aggregate.

C. The Department shall ensure that the District is provided with an accurate and updated certificate of insurance **within 30 days of the effective date of this Agreement, and within 30 days of any renewal, cancellation, revision or replacement of an insurance policy.**

Section 4.02 Indemnification

The Department shall indemnify and hold harmless the District and its officers, members, employees, attorneys and agents against any and all losses, costs, damages, expenses, and liabilities of whatever nature (including, but not limited to, reasonable attorney fees, litigation and court costs, amounts paid in settlement and amounts paid in discharge of judgments) directly or indirectly resulting from or arising out of the provision of the Emergency Services hereunder by the Department.

ARTICLE V.
BUDGET; PAYMENTS BY DISTRICT; FUNDRAISING; COMPETITIVE BIDDING
AND TITLE TO ASSETS

Section 5.01 Preparation of Budget

A. The Department shall submit a preliminary annual budget, including the operation portions proposed for funding by the District, to the Board for consideration **no later than the Board's August meeting** each year in a form acceptable to the District. The Board may approve or reject, in whole or in part, the Department's preliminary budget. Any portion of the

Department's preliminary budget that is rejected by the District shall be modified and re-submitted by the Department for consideration by the District before being approved.

B. The Department shall submit a final annual budget, including the operation portions proposed for funding by the District, to the Board for consideration and **no later than the Board's December meeting** each year in a form acceptable to the District. The Board may approve or reject, in whole or in part, the Department's final budget. Any portion of the Department's final budget that is rejected by the District shall be modified and re-submitted by the Department for consideration by the District before being finally approved.

Section 5.02 Payments to Department

A. Subject to the provisions of this Section and Department's compliance with this Agreement, the District shall make quarterly payments to the Department from available district funds on hand in accordance with the Operating Budget for the current District fiscal year based upon reports submitted to the District by the Department during each quarter.

B. Upon receipt of all required reports by the end of the current quarter, the Operating Budget will be paid to the Department in four equal installments on or prior to **the later to occur of the date all reports for the quarter are received by the District or the end of the quarter** (December 31, March 31, June 30 and September 30).

C. For Fiscal Year 2014-2015 (October 1, 2014-September 30, 2015), the District will pay the Department the total amount of Two Hundred Thirty-Five Thousand Dollars and No Cents (\$235,000.00), as budgeted and approved by the District and subject to the provisions of this Section. The payments for subsequent fiscal years will be determined in accordance with the procedure set forth in Section 5.01.

D. As unexpected or emergency expenditures arise, Department may submit proposals itemizing those additional expenses to the Board for the District's consideration and approval. All requests by the Department for additional funds shall be in writing, stating the unexpected or emergency event. The District may, but is not obligated to, approve or fund unexpected or emergency expenditures.

E. Notwithstanding any other provisions in this Agreement, the District is not obligated to make any payments to Department, except in accordance with the Department's Operating Budget.

F. The Department's Operating Budget shall be automatically modified and amended if the funds actually received by the District are less than expected or budgeted by the District, or if the District is unable to provide all the funds in accordance with this Agreement. Any adjustment of Department's Operating Budget and related adjustment of services provided made pursuant to this paragraph shall not in and of itself be the basis for Breach of Agreement claim against the District or the Department.

Section 5.03 Department Fundraising

A. If allowed by law, the Department shall plan and conduct at least three major fundraisers each Department fiscal year. At least one of the Department's major fundraisers during each Department fiscal year shall be for unrestricted funds.

B. The Department shall report its fundraising efforts to the District as required in Section 6.02(B), below.

Section 5.04 Competitive Bidding

A. For any expenditure exceeding \$50,000.00 (any portion of which involves funds appropriated by the District) for any one item or service, or for more than one of the same or a similar type of items or services in a calendar year, upon request by the District, Department shall request competitive bids on behalf of the District on such items to be purchased or leased or services to be performed. Department shall comply with all State laws applicable to competitive bidding by an emergency services district, particularly Section 775.084 of the H&S Code.

B. Department may not prepare restrictive bid specifications.

Section 5.05 Acquisition, Title to and Ownership of Assets

A. As of the Effective Date of this Agreement, title to and ownership of any assets purchased solely by funds raised by the Department (i.e. the District did not contribute to the purchase in any way) shall remain the sole property of the Department.

B. As of the signing date of this Agreement, title to and ownership of any assets belonging to the Department shall remain sole property of the Department.

C. As of the signing date of this Agreement, title to and ownership of any assets purchased in whole with District funds shall be property of the District.

D. As of the signing date of this Agreement, if the District provides less than 100% of the funds required to purchase or lease an asset, the District's ownership in that asset shall be equal to the proportionate share of the funds provided.

E. The Department may not acquire any asset using District tax revenues without the prior approval of the Board.

ARTICLE VI. REPORTS

Section 6.01 Annual Report

A. The Department shall provide to the Board **annually, in the month of January**, a written report setting forth the following:

- 1) the year-to-date totals of the number and nature of Emergency Services calls originating from all stations within the Service Area;
- 2) the current roster of personnel, including certifications held and position within the Department; and
- 3) the number and status of pre-plans prepared for commercial buildings within the District and records of training conducted for the pre-plans.

B. The report shall cover the period from January 1 through December 31 of the prior year.

C. The Department's failure to provide the annual report as outlined in this Agreement is a material breach of this Agreement.

Section 6.02 Monthly Reporting

A. The Department shall deliver a monthly written report to the Board **by the 15th day of each month**, in a form reasonably acceptable to and approved by the Board, setting forth the following:

- 1) the number and nature of Emergency Services calls for the prior month (i.e. a run report), including information regarding all automatic and mutual aid responses received from and provided to third parties;
- 2) the number and types of calls to which the Department did not respond and for which third-party automatic or mutual aid was requested;
- 3) the current status of all engines, ambulances and other significant Equipment, and a list of all out-of-service Equipment;
- 4) a monthly report of all Department financial activity, including an up-to-date balance sheet, profit and loss statement, and detailed report of all Emergency Services billing revenue, billings and receivables for the prior month;
- 5) a list of, and signed certification of timely submission for, all required regulatory/agency reports filed in the prior month;
- 6) a roster of all of the Department's personnel (whether paid or volunteer), additionally noting whether each individual on the roster is active or inactive, the respective state certifications held by the personnel, and the percentage or number of call types that each member responded to in that month; and
- 7) a monthly report detailing the information required in Sections 2.03 (E) and 2.03 (F) above, including a description of all personnel training by course subject or title.

B. The Department shall provide a report to the District regarding the Department's fundraising. The report shall include all fundraising efforts, the times and dates of such efforts, and the amount of money collected as a result of each individual fundraising effort.

C. The Department's failure to provide the monthly reports as outlined in this Agreement shall constitute a material breach of this Agreement.

Section 6.03 Other Information

The Department shall furnish or cause to be furnished to the District and to any agent of the District such reports or information concerning the Department as the District may reasonably request. Such reports may include, at the District's discretion, response times for the various calls made by the Department, calls and response times broken down by zone or neighborhood, and types of calls, financial records and any other information reasonably requested by the District, subject to applicable law, including but not limited to, the Texas Public Information Act, Chapter 552, Texas Government Code, the Texas Emergency Health Care Act, Chapter 773, Texas Health & Safety Code, and the Health Insurance Procurement and Portability Act. It is understood by the District and Department that the Department may not be able to provide certain information that is otherwise confidential or privileged by applicable law. However, the Department shall enter into any other agreements that may be required in order to share confidential information with the District.

Section 6.04 Regulatory Reports.

The Department shall comply with the reporting requirements of all local, state, and Federal regulatory entities on a timely basis.

Section 6.05 Obligation to County Fire Marshal or Emergency Management Coordinator

The Department shall promptly furnish reports or information concerning the Department that the County Fire Marshal or Emergency Management Coordinator, if any, may reasonably request, subject to applicable law.

ARTICLE VII. YEAR-END FINANCIAL STATEMENTS AND AUDITS

Section 7.01 Year End Financial Statement

The Department shall provide year-end financial statements approved by the Department's board to the District **no later than March 31 after the end of the Department's fiscal year.**

Section 7.02 Department Audit

The Department shall bi-annually provide a full and complete cash audit, including an audit opinion and audited financial statements related to the Department's records, **no later than**

June 1 for the Department's prior fiscal year ending December 31. The audit shall be conducted by an independent certified public accountant or firm of certified public accountants licensed in Texas and approved in advance by the District. If the Department receives an opinion other than "unmodified" in any given year, the District may require the Department to provide annual audits until the Department receives an "unmodified" opinion. The first audit opinion and audited financial statement prepared under this Section shall be filed with the District **no later than June 1, 2016.**

Section 7.03 Department Financial Documents

The Department shall make all monthly financial statements/financial review documents available to the District.

Section 7.04 Department to Correct Deficiencies

Any deficiencies, exceptions or concerns noted by the District or an independent certified public accountant or firm of certified public accountants licensed in Texas retained by the District shall be described in writing and provided to the Department. The Department shall immediately take action to correct any issues related to financial deficiencies, exceptions or auditor's notes, and provide documentation of this effort to the District. Department's failure to take action to correct issues related to financial deficiencies, exceptions or auditor's notes shall be a breach of this Agreement.

ARTICLE VIII. ASSIGNMENT AND MODIFICATION

This Agreement may not be assigned by the Department, in whole or in part, without the prior written consent of the District. This Agreement may be amended and modified only with the prior written consent of all parties.

ARTICLE IX. MISCELLANEOUS

Section 9.01 Term of Agreement

This Agreement shall be for the initial period of October 1, 2014 through September 30, 2015. Thereafter, this Agreement shall automatically renew for successive one-year terms unless terminated as provided below. The parties may review and amend the contract prior to renewal.

Section 9.02 Termination of Agreement

This Agreement may be terminated by either party hereto upon providing at least 90 days' prior written notice.

Section 9.03 Treatment of Assets Upon Dissolution of Entity or Termination of Agreement

A. Upon termination of Agreement, title to all property and assets owned by Department prior to the signing of this Agreement shall remain with the Department. All equipment or assets purchased in whole with District funds shall be automatically conveyed and transferred to the District. All equipment or assets purchased in part with District funds will be liquidated and percentage that was used for purchase will be conveyed to the District.

B. Upon dissolution of the Department, all assets purchased in whole with District funds after the signing of this Agreement, will automatically and immediately be conveyed to the District. All assets purchased in part with District funds after the signing of this Agreement, shall be liquidated at fair market value, then proceeds will be distributed according to percentage of contribution. All assets and property owned by Department prior to the signing of this Agreement shall be liquidated at Department discretion with the District having first right of refusal to purchase any and all assets at a price equal to the lesser of:

- 1) The assets fair market value as determined by an appraiser mutually agreed upon by the parties; or
- 2) Any bona-fide third party offer.

C. The Department will amend its by-laws to ensure compliance with this section **by the Department's annual meeting in January.**

Section 9.04 Notices

All notices, certificates or other communications hereunder shall be sufficiently given or shall be deemed given when delivered by regular mail or hand delivery, addressed as follows:

If to District, at: President
Southwest Leon County Emergency Services District No. 2
P.O. Box 1623
Hilltop Lakes, Texas 77871

If to Department, at: President
Hilltop Lakes Volunteer Fire Department
P.O. Box 1474
Hilltop Lakes, Texas 77871

The District or Department may, by written notice, designate any further or different address to which subsequent notices, certificates or other communications shall be sent.

Section 9.05 Binding Effect

This Agreement shall inure to the benefit of and shall be binding upon the District and Department.

Section 9.06 Severability

In the event any provision of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

Section 9.07 Execution and Counterparts

This Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 9.08 Captions

The captions or headings in this Agreement are for convenience only and in no way define, limit, or otherwise describe the scope or intent of any provision or section of this Agreement.

Section 9.09 Attorney's Fees

In an action to enforce any provision of this Agreement, the prevailing party may recover its attorney's fees, costs and expenses from the non-prevailing party. This section shall survive the termination of this Agreement.

Section 9.10 Legal Representation

The District's legal representation is by and through The Carlton Law Firm, P.L.L.C. The Carlton Law Firm does not represent the Department, and the Department hereby acknowledges this fact. The District recommends that the Department have an attorney review this Agreement prior to signing.

Section 9.11 Governing Law

The validity, interpretation, and performance of this Agreement shall be governed by the laws of the State of Texas.

Section 9.12 Venue

This Agreement is fully performable and enforceable in Leon County, Texas, wherein venue hereunder shall lie.

(remainder of this page intentionally left blank)

IN WITNESS WHEREOF the District and Department have caused this Agreement to be executed in their respective names and their respective seals to be hereunto affixed and attested by the duly authorized officers.

Signed this _____ day of _____, 2014.

ATTEST:

By: _____
Printed Name: David Hodges
Title: Board Secretary

**SOUTHWEST LEON COUNTY
EMERGENCY SERVICES
DISTRICT NO. 2**

By: _____
Printed Name: Scott L. Christensen
Title: Board President

By: _____
Printed Name: Eric Lundquist
Title: Board Vice-President

ATTEST:

By: _____
Printed Name: _____
Title: Board Secretary

**HILLTOP LAKES VOLUNTEER
FIRE DEPARTMENT**

By: _____
Printed Name: _____
Title: Board President

EXHIBIT A

DISTRICT AND DEPARTMENT SERVICE AREA MAP

(attached)

EXHIBIT B

DEPARTMENT CHAIN OF COMMAND

Department Operating Officers:

Fire Chief	
Assistant Fire Chief	EMS Director
Captain	

Department Board of Directors:

President	
Vice President	
Secretary	
Treasurer	

All Department Board officer positions must be separate and distinct (no person may hold more than one title simultaneously) to ensure appropriate controls.

*= While personnel may change, the structure of the positions in the Department and its Board are as named above.