

2019 - 2020
INSURANCE PROPOSAL

PREPARED FOR:

**FORT BEND GRAND PARKWAY
TOLL ROAD AUTHORITY
TERM: 10/01/2019 to 10/01/2020**

EXECUTION COPY

PRESENTED BY:



First Class Service is the Only Kind We Provide!

**HARCO Insurance Services
10777 Northwest Freeway, Suite 700
Houston, TX 77092
Tel: (713) 681-2500 Fax: (713) 684-1600**

HARCO Insurance Services is proud to be your insurance representative since 2010.
"Thank you" very much for your continued confidence and trusted relationship!

EXECUTION COPY

DISCLAIMER: The abbreviated outlines of coverage shown throughout this proposal are to be used only as an overview of each proposed or written policy and should not be used, nor is it intended to be used, as a substitute for the actual original policy terms, conditions and limitations. This overview has been prepared as a guide for quick reference only and not intended to express any legal opinion as to nature of coverage.

Prepared By: Corrie Aday (caday@harco-ins.com)
Date: September 13, 2019



HARCO INSURANCE SERVICES

HARCO Insurance Services was established July 1969 and currently serves the insurance needs for over 25,000 individuals and businesses throughout Houston and surrounding communities. In addition, our Public Entity Consulting Program offers transparent risk management and consulting services for public entities, governmental entities, nonprofit organizations, and their Board of Directors and Legal Representatives.

HARCO is committed to providing excellence in all that we do in order to establish a firm relationship of mutual trust and service with each of our clients.

YOUR HARCO SERVICE TEAM

Josh Hargrave, CIC – HARCO President

Josh Hargrave has over 40 years' experience in the insurance and risk management area. He is a Past-Director for the Independent Insurance Agents of Houston, served on the Legislative Committee for the Independent Insurance Agents of Texas as well as serving on various insurance company advisory committees. Josh attained the Certified Insurance Counselor designation in 1985.

Corrie Aday – HARCO Sr. Account Manager

Corrie Aday graduated in 2003 with an Associate degree in Applied Science from Odessa College where she was a "Who's Who Honoree and was recognized as being one of Odessa College's Outstanding Students. Independently obtaining her Insurance License in 2010 she has worked in both personal lines and commercial insurance. For 3 years she managed the small business department at Mims and Smith in Midland, TX where she gained extensive knowledge in the Oil/Gas and Trucking industry. Corrie helped launch Cain Insurance Solutions, a division of Insurance One, where she worked in depth with non-profit and public entities until she relocated to Houston in late 2016. Corrie joined the HARCO team in 2017 and is now managing their MUD Districts.

Gerri Rougeau, CIC – HARCO Vice President

Gerri Rougeau has over 50 years' experience in the insurance and risk management area. She is Past President of the Independent Insurance Agents of Houston and currently serves on various insurance company advisory committees. Gerri attained the Certified Insurance Counselor designation in 1974.

Darlene Bugaj, CIC – HARCO Commercial Lines Manager

Darlene has over 34 years in the insurance industry with experience both in the insurance company and independent agency areas. As Account Manager, she has been responsible for servicing the needs of agency's largest accounts including MUD Districts, Educational Institutions, Contractors, Manufacturers, and many other special programs. Designations include the Accredited Customer Service Representative (ACSR) and Certified Insurance Counselor (CIC) designation. Darlene's tenure with Harco is 19.

HARCO has a team concept with over 50 professionals on staff providing the highest standards of service to the clients we serve

ANNUAL COST SUMMARY & COMPARISON

<u>COVERAGE</u>	<u>2019 – 2020 RENEWING</u>		<u>2018 – 2019 EXPIRING</u>
		Accept Reject	
Property: Property:	\$ 24,515		\$ 105,187
Flood:	\$ 5,760	_____	\$ 77,904
Wind/Hai Deductible BuyBack:	\$ 6,129*	_____	Included in above
Extension Covs:	\$ 12,623 *See page 7	_____	Included in above
Total:	\$ 49,027		\$ 183,091 Adjusted to \$178,780
Limits:	\$ 8,092,280		\$ 183,929,917 Adjusted to \$8,092,280
Deductible:	\$100,000		\$25,000 for Values Less than \$250,000 \$100,000 for Values Greater than \$250,000
Equipment Breakdown:	Included – No Additional Premium		Included – No Additional Premium
Limits:	\$ 8,092,280 / \$100,000 Deductible		\$ 10,000,000 / \$1,000 Deductible
General Liability:	\$ 950		\$ 1,063
Limits:	\$ 10,000,000 / No Deductible		\$ 10,000,000 / No Deductible
Pollution Liability:	Included – No Additional Premium		Included – No Additional Premium
Limits:	\$ 2,000,000 / No Deductible		\$ 2,000,000 / No Deductible
Cyber Liability/Data Breach:	Included – No Additional Premium		Included – No Additional Premium
Limits:	See Coverage Form-Limits		See Coverage Form-Limits
Law Enforcement Liab:	\$ 1,010		\$ 1,025
Limits:	\$ 10,000,000 / \$1000 Deductible		\$ 10,000,000 / \$1000 Deductible
Auto Liability:	\$ 67		\$ 67
Hired/Non-Owned Limits:	\$ 2,000,000 Liability / No Deductible		\$ 2,000,000 Liability / No Deductible
Workers Compensation:	\$ 196		\$ 196
Limits:	Statutory		Statutory
Consulting & Servicing:	\$ 5,000		\$ 18,000
ANNUAL COST:	\$ 56,250		\$ 203,442 Adjusted to \$160,131

***Wind/Hail Deductible**

TML Policy Wind/Hail Deductible for each occurrence, is the lesser of 1% of the individual Scheduled Item ; or 0.1% of the Total Scheduled Value for all items with a minimum of \$100,000 For Wind/Hail UNLESS

The Wind/Hail Deductible Buy Back is Purchased that changes the Wind/Hail deductible to the \$100,000 Per Occurrence (NO Percent Deductible will apply) this Buy back is the cost shown above.

REVIEWED & ACCEPTED:


SIGNATURE

DATE:

9/18/2019

HARCO Insurance Services

10777 Northwest Freeway, Suite #700

Houston, TX 77092-7339

Tel: (713) 681-2500 Fax: (713) 684-1600

Consulting Fee Agreement

The purpose of this Disclosure Statement Agreement is to acknowledge that we may perform the following services in your behalf and you agree to pay the amount indicated as compensation for the additional services provided.

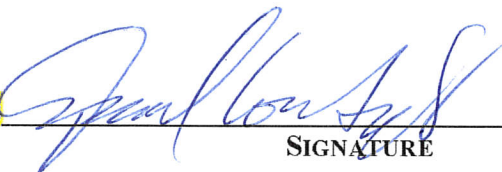
Description of Services:

- Consultants do not act as an appointed agency on behalf of TML IRP
- Consultants do not receive commissions from TML IRP.
- Consultants operate independently of TML.
- Consulting / Review - advice regarding placement of insurance program with TML IRP
- Communicate with TML IRP to obtain insurance proposal or renewal declarations.
- Consultants attend board meetings as requested by the District.
- Communicate with other District consultants as it may pertain to insurance matters
- Delivery fees
- Consultant granted authority to commit the member and approve the limits, deductibles, and indicated changes as reported by the District's consultants/representatives to reflect the updated exposures. The District understands they may not have coverage for unreported operations or exposures.
- Claims, potential claims or lawsuits may be submitted directly to our office. We will initiate the claims process with TML IRP and/or other carriers. Upon request, we will assist the District with claim(s).
- Consultant may be granted authority to sign claim proof of loss form on behalf of the District.
- Consultant may recommend specific loss prevention risk management options.

Consulting Fee: \$ 5,000

District: Fort Bend Grand Parkway Toll Road Authority agrees to pay the fee specified above to HARCO Insurance Services.

REVIEWED & ACCEPTED:



SIGNATURE

DATE: 9/18/2019

DISTRICT: Fort Bend Grand Parkway Toll Road Authority

REGARDING NEWLY ACQUIRED FACILITIES OR PROPERTIES

In addition to the limit of liability, this coverage covers up to an additional \$1,000,000 or the LIMIT of coverage set forth in the policy declarations, whichever is less, for newly acquired or constructed property and property in the course of construction, alteration or repair, provided, however, that the member reports the value of such property to TML IRP when the property values accumulated during the policy term equal or exceed this additional limit. This coverage does not cover property in the course of construction, alteration, or repair, unless the Member reports such property to TML IRP prior to a loss and pays an appropriate contribution. Mobile equipment that is acquired during the policy term shall only be covered up to its Actual Cash value if it is not reported to TML IRP within 30 days of acquisition. Nothing in this newly acquired property provision shall create coverage for property which is excluded from coverage under the policy terms.

TO PROTECT THE DISTRICT'S INTERESTS

PLEASE IMMEDIATELY REPORT ALL NEW FACILITIES OR PROPERTIES

Please note: There is no Property damage or Equipment breakdown coverage provided by TML IRP for the items listed below unless they are specifically reported & listed on the District's schedule. Please thoroughly review your property schedule for accuracy before signing this acknowledgement page. If the District has any exposures that need to be discussed and/or added to the policy schedule, please contact HARCO immediately.

Swimming Pools	Underground Sprinklers	Outdoor Scoreboards	Dams & Bridges
Tennis Courts	Roadways & Overpasses	Sidewalks	Fire Hydrants
Tunnels	Traffic Lights & Signs	Freestanding Signs	Mobile Equipment
Fine Arts	Detention Ponds	<u>WATER WELLS</u>	Playground/ Recreational Equip.
Antennas	Building or Office Contents	Elec. Or Mech. In Ponds/Lakes	Freestanding Fences**

****Fences that surround locations scheduled on the real & personal property schedule are not considered "freestanding fences" and coverage is provided by the policy.**

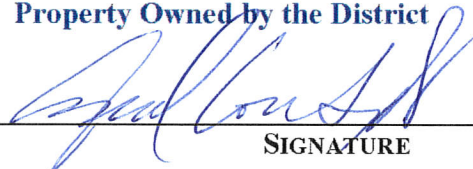
If the District owns these types of properties at locations not listed on the property schedule within this proposal, please report them to HARCO immediately so they can be added to the policy.

The following water or wastewater *items* are insured by endorsement if *items* are located within perimeter fencing at each such scheduled premises and they mainly serve the scheduled premises, provided the scheduled value includes the value of such *items*:

(Applicable only to Scheduled Water and/or Wastewater treatment plants)

- **Perimeter Fencing**
- **Water Tanks & Towers**
- **Underground Mains/Piping/Wiring**
- **Sanitary Sewers**
- **Personal Property Owned by the District**

REVIEWED & ACCEPTED:


SIGNATURE

DATE:

9/18/2019

**DIRECTORS & OFFICERS LIABILITY
DIRECTORS BOND
CONSULTANTS FIDELITY**

HARCO INSURANCE SERVICES DOES NOT PROVIDE THE ABOVE COVERAGES.

TO OUR KNOWLEDGE THESE COVERAGES ARE PROVIDED BY ANOTHER CONSULTANT

REAL & PERSONAL PROPERTY

- INSURER:** TML IRP - "A" rated by Standard & Poors
- PROPERTY COVERED:** Per Property Schedule as reported by District's Engineer and/or other District Consultants
- COVERAGE:** Special Coverage Form Designed for Public Entities – Includes but is not limited to:
- \$ 8,092,280 Real & Personal; Windstorm; Hail; Theft; Vandalism; Malicious Mischief; Terrorism
 - \$ 1,500,000 Standard Flood & Earthquake
 - \$ 1,000,000 Newly Acquired Property
 - \$ 20,000 Pollutant Cleanup each Scheduled Premises
 - \$ 10,000 Outdoor Trees & Shrubs (\$250 Max per item)
 - \$ 10,000 Valuable Papers & Records, EDP Media
 - \$ 10,000 EDP Equipment
 - \$ 10,000 Accounts Receivables
 - \$ 5,000 Directors/Employees Personal Property
 - \$ 5,000 Leasehold Interest
 - Included Fire Legal Liability
 - Included Sewer Backup each Scheduled Premises
 - Included Demolition / Rebuild / Increased cost of construction due to Law or Ordinance
 - Included Communications Equipment
 - Included Computer Equipment
 - Included Architectural / Engineering Fees Incurred Due to a Covered Loss
 - \$4,000,000 Loss of Revenue, Extra Expense & Rental Value
- * (Lower limits are available that will decrease the Extension Coverage Cost)

Please read your coverage documents for property coverage features, additional coverages, amendments, sub-limits, Policy terms and conditions.

- COINSURANCE:** NONE
- DEDUCTIBLES:** \$ 100,000- Per Occurrence For Covered Perils Including Wind / Hail
 Flood & Earthquake - 1% or 0.1% minimum of \$ 25,000
 (Please see attached Flood & Earthquake Deductible Amendment)
- ANNUAL COST:**
- | | |
|------------------|------------------------------------------------------|
| \$ 24,515 | Real & Personal Property, EXCLUDING Flood/Earthquake |
| \$ 5,760 | Flood & Earthquake |
| \$ 6,129 | Wind/Hail Deductible BuyBack |
| <u>\$ 12,623</u> | <u>Extension Coverages</u> * |
| \$ 49,027 | Total |

IMPORTANT NOTE: Excess Flood Coverage may be available through carriers other than TML - If the flood limit provided through TML is not adequate, Please Contact HARCO Insurance Services to discuss Excess Flood Quote Options**

PROPERTY SCHEDULE

PLEASE NOTE: TMLIRP implemented the following property coverage change that impacts the values placed on the District's property schedule for buildings and/or other facilities:

✚ Beginning October 1, 2017, for Real & Personal Property the maximum amount payable at any one scheduled location **will be 150%** of the scheduled value. It is therefore **crucial to review** the attached schedule of buildings/facilities and associated values to ensure the values are adequate.

ID	Address or Site Secondary ID	Year Built	Occupancy Department	Bldg Value Valuation Basis	Contents Value Valuation Basis
71	Toll Gantry, Elec Cabinet, Equip, Antennas, Cameras (6: 44 - West Belfort)	2013	Ticket or Toll Booth	\$1,156,040	\$0
			Unknown	Replacement Cost	Replacement Cost
45	Toll Gantry, Elec Cabinet, Equip, Antennas, Cameras (3: 31 - New Territory)	2013	Ticket or Toll Booth	\$1,156,040	\$0
			Unknown	Replacement Cost	Replacement Cost
87	Toll Gantry, Elec Cabinet, Equip, Antennas, Cameras (8: Westpark/FM 1093	2013	Ticket or Toll Booth	\$1,156,040	\$0
			Unknown	Replacement Cost	Replacement Cost
53	Toll Gantry, Elec Cabinet, Equip, Antennas, Cameras (4: Sandhill/90A/FM1464	2013	Ticket or Toll Booth	\$1,156,040	\$0
			Unknown	Replacement Cost	Replacement Cost
79	Toll Gantry, Elec Cabinet, Equip, Antennas, Cameras (7: 49 - Bellaire)	2013	Ticket or Toll Booth	\$1,156,040	\$0
			Unknown	Replacement Cost	Replacement Cost
62	Toll Gantry, Elec Cabinet, Equip, Antennas, Cameras (5: 41 - Harlem)	2013	Ticket or Toll Booth	\$1,156,040	\$0
			Unknown	Replacement Cost	Replacement Cost
33	Toll Gantry, Elec Cabinet, Equip, Antennas, Cameras (2: River Park	2013	Ticket or Toll Booth	\$1,156,040	\$0
			Unknown	Replacement Cost	Replacement Cost
Coverage: Real & Personal Property		Total Items:	7	\$8,092,280	\$0

Schedule & Values were Reviewed & Approved by Phillip Smith

ALL OWNED PROPERTY LOCATIONS MUST BE REPORTED IN ORDER FOR COVERAGE TO APPLY. IT IS ASSUMED THAT UNREPORTED PROPERTY IS NOT INTENDED TO BE COVERED.

PLEASE REVIEW CAREFULLY & CONTACT HARCO INSURANCE SERVICES IF ANY AMENDMENTS ARE NEEDED.

REVIEWED & APPROVED:


SIGNATURE

DATE: 9/18/2019

IMPORTANT NOTE: Excess Flood Coverage may be available through carriers other than TML - If the flood limit provided through TML is not adequate, Please Contact HARCO Insurance Services to discuss Excess Flood Quote Options**

FLOOD & EARTHQUAKE AMENDMENT

This endorsement forms a part of the **Declarations** to which attached, effective on the inception date of the coverage unless otherwise stated herein, and modifies such coverage as is afforded by the provisions of the coverage shown below:

REAL AND PERSONAL PROPERTY COVERAGE FLOOD COVERAGE OPTION

GENERAL CONDITIONS

Section II. **Deductible** is amended to include the following:

With respect to loss caused by flood or **earthquake**, the deductible for each occurrence shall be the lesser of the following:

1. 1% of the individual scheduled Building Value for each damaged structure at the time of the loss; or
2. 0.1% of the Total Building Value for all buildings scheduled at the time of the loss.

In no event shall the percent deductible be less than the flood and **earthquake** occurrence deductible shown on the **declarations**.

Section III. C of the **FLOOD COVERAGE OPTION** is replaced by the following:

- B. With respect to property located on a barrier island in the Gulf of Mexico, regardless of applicable flood plain zones or within the boundaries of counties directly adjacent to the Gulf of Mexico and within the 100-year flood plain "A" zone at the time of loss, the following additional conditions and sublimits apply.
- C. All conditions and sub-limits under B. above apply to property located within the boundaries of Harris, Orange and Jackson counties.

EP377
03/29/18

EARTHQUAKE COVERAGE

EARTHQUAKE COVERAGE

This endorsement forms a part of the **Declarations** to which attached, effective on the inception date of the coverage unless otherwise stated herein, and modifies such coverage as is afforded by the provisions of the coverage shown below:

REAL AND PERSONAL PROPERTY COVERAGE

PERILS COVERED:

Coverage is provided for loss caused by **Earthquake** and **Volcanic Action** as follows:

Earthquake, including any earth sinking, rising or shifting related to such event including damage resulting from fire or explosion;

Volcanic eruption, explosion, or effusion. Volcanic action means direct loss or damage resulting from the eruption of a volcano when the loss or damage is caused by:

- a. airborne volcanic blasts or airborne shock waves;
- b. ash, dust, or particle matter; or
- c. lava flow.

All volcanic eruptions that occur within any 168 hour period will constitute a single occurrence.

Volcanic action does not include the cost to remove ash, dust or particle matter that does not cause direct physical loss or damage to the described property.

LIMIT OF LIABILITY:

For loss other than fire or glass breakage, the Fund shall not be liable for more than \$10,000,000 or the Real & Personal Property Limit, whichever is less, inclusive of Coverage Extensions and Additional Coverages provided under Section III.C. and Section V. of the Special Form Property Coverage, for loss or damage in a single occurrence and in the aggregate for the applicable Fund Year.

For loss arising from fire or glass breakage, the Fund shall not be liable for more than the Real & Personal Property Limit shown on the **Declarations**.

TEXAS MUNICIPAL LEAGUE INTERGOVERNMENTAL RISK POOL

EP376
05/01/18

FLOOD EXCLUSION

FLOOD EXCLUSION

This endorsement forms a part of the **Declarations** to which attached, effective on the inception date of the coverage unless otherwise stated herein, and modifies such coverage as is afforded by the provisions of the coverage shown below:

SPECIAL FORM PROPERTY COVERAGE OPTION FLOOD COVERAGE OPTION

Entity Name : Fort Bend Grand Parkway Toll Road Auth.
Entity ID : 6768
Effective Date : 10/1/19

Section III. **LIMITATIONS, EXCLUSIONS, AND RELATED PROVISIONS** paragraph **B.** of the **Flood Coverage Option** of the **Property Coverage Document** is modified as follows:

B. Coverage under this option does not apply to flooding for the following property:

1. Bulkheads, pilings, piers, wharves, docks;
2. Retaining walls that are not part of a building;
3. Structures located on or over a body of water, and any property in or on such structures; or
4. Any property that is determined to be in Flood Zone "V" at the time of loss.

MECHANICAL BREAKDOWN (BOILER & MACHINERY)

<u>INSURER:</u>	TML IRP - "A" rated by Standard & Poors
<u>PROPERTY COVERED:</u>	As reported by District's Engineer And/or other District Consultants
<u>COVERAGE:</u>	Special Coverage Form Designed for Public Entities - Includes but is not limited to: <ul style="list-style-type: none">• Boiler;• Fired and Unfired Vessels;• Refrigeration & Air Conditioning systems;• Piping & its Accessory Equipment;• Any Mechanical or Electrical Machine or Apparatus Used for the Generation, Transmission or Utilization of Mechanical or Electrical Power.• Sudden and Accidental Breakdown of Objects including Pumps;• Underground Pumps, Motors and Electrical Equipment;• Mechanical Failure;• Electrical Surges, Injuries or Disturbances;• Production Equipment;• Subject to Coverage Terms, Conditions and Exclusions <p>\$ 4,000,000 - Loss of Revenue, Extra Expense & Rental Value</p>
<u>LIMIT:</u>	\$ 8,092,280 Per Accident
<u>VALUATION:</u>	Replacement or Repair
<u>COINSURANCE:</u>	NONE
<u>DEDUCTIBLE:</u>	\$ 100,000 Including Underground units & their associated mechanical and/or electrical Components, As Long As The Value For These Items Are Included in The Total Insurable Value Reported To TML by District's Engineer or Other Consultants
<u>PREMIUM:</u>	<u>INCLUDED</u> - NO ADDITIONAL PREMIUM

INDEMNIFICATION UNDER CONTRACT

INDEMNIFICATION UNDER CONTRACT

This endorsement forms a part of the **Declarations** to which attached, effective on the inception date of the coverage unless otherwise stated herein, and clarifies such coverage as is afforded by the provisions of the coverage shown below:

- GENERAL LIABILITY
- AUTOMOBILE LIABILITY
- LAW ENFORCEMENT LIABILITY
- AIRPORT (GENERAL LIABILITY HAZARDS) PREMISES LIABILITY

Entity Name : Fort Bend Grand Parkway Toll Road Authority
Entity ID : 6768
Effective Date : 10/1/19

It is agreed that coverage is provided for the liability assumed by the **Fund Member** to indemnify the person or organization named below under a contract between such person or organization and the **Fund Member**, but such coverage shall not exceed the limits of coverage set forth in the **Declarations**.

Person or Organization : Michael E. Stone
dba Professional Project Management Services
Address : 1950 Lockwood BYP
City, State & Zip Code : Richmond, Texas 77449-1104

Description

Contract between Fort Bend Grand Parkway Toll Road Authority and Michael E. Stone dba Professional Project Management Services.

GENERAL LIABILITY

INSURER: TML IRP - "A" rated by Standard & Poors

COVERAGE: TML IRP's Liability coverages are, in many respects, **BROADER** than coverage available from Standard Insurers, AND is Designed Specifically to protect against the Risks that Local Governments face; **including but not limited to:**

- **Occurrence Form** – Coverage Applies to Events that Occur During the Coverage Period, Regardless of **WHEN** the Claim Is Reported
- **Defense Costs Outside** - Policy Limit–Defense will not erode Policy limit
- **Gradual or Sudden** - Release of Chlorine or Chloramine used for water or sewage treatment plants, and/or products contained in products sold or distributed by the Authority
- **Cyber Liability** – See Attached
- **Personal Injury; Bodily Injury; Property Damage**
- **Failure to Supply not excluded**
- **Any Wrongful Act** - Actual or alleged error, misstatement, misleading statement, act or omission, neglect or breach of duty including misfeasance, malfeasance, or nonfeasance
- **Contractual, Operations, Premises, Products**
- See Liability Coverage Documents for Additional Coverages & Sublimits
- All Coverages Per Policy Terms and Conditions

DEDUCTIBLE: NONE

LIMITS & PREMIUM: **PLEASE INITIAL NEXT TO SELECTED LIMIT:**

\$ 726 \$ 1,000,000 Limits / \$ 2,000,000 Aggregate _____

\$ 754 \$ 2,000,000 Limits / \$ 4,000,000 Aggregate _____

\$ 778 \$ 3,000,000 Limits / \$ 6,000,000 Aggregate _____

\$ 827 \$ 5,000,000 Limits / \$10,000,000 Aggregate _____

CURRENT: \$ 950 \$10,000,000 Limits / \$10,000,000 Aggregate



CYBER LIABILITY – DATA BREACH

Cyber Liability and Data Breach Response Declarations of Coverage



Retroactive Date: 10/1/2016

Information Security and Privacy Liability
Website Media Content Liability

Aggregate Limit of Liability: \$1,000,000
Retention: \$0 Each claim

Privacy Breach Response Services

Limits of Coverage:

Notification, Call Center and Breach Resolution and Mitigation Services:

Notified individuals: 5,000 Notified Individuals in the Aggregate

Retention: 0 Notified Individuals Each Incident

A sublimit of 10% of Notified Individuals residing outside the United States, which is part of and not in addition to the Notified Individuals Aggregate Limit of Coverage.

Legal Services/Computer Expert Services/Public Relations and Crisis Management Expenses

Per Incident and in the Aggregate: \$25,000

Retention: \$0 Each Incident

Regulatory Defense and Penalties
Payment Card Industry Fines, Expenses and Costs
Cyber Extortion
First Party Data Protection
First Party Network Business Interruption

Aggregate Limit: \$50,000 All Damages, Expenses and Costs
Retention: \$0 Each Claim
Loss of Income Retention: \$5,000 Each Claim or 12 Hour Waiting Period, Whichever is Greater

Specific Sublimits:

Regulatory Defense and Penalties Aggregate Sublimit: \$15,000
Payment Card Industry Fines, Expenses and Costs Aggregate Sublimit: \$5,000
Cyber Extortion Aggregate Sublimit: \$10,000
First Party Data Protection Sublimit: \$10,000
First Party Network Business Interruption Aggregate Sublimit: \$10,000

Total Annual Contribution: Included
Total Contribution Due: Included

C100
10/01/16

CYBER LIABILITY – EXCLUSIONS

This endorsement forms a part of the **Declarations** to which attached, effective on the inception date of the coverage unless otherwise stated herein, and modifies such coverage as is afforded by the provisions of the coverage shown below:

**GENERAL LIABILITY
ERRORS & OMISSIONS LIABILITY
LAW ENFORCEMENT LIABILITY
AUTOMOBILE LIABILITY**

The Exclusions Applicable to All Coverages set forth in the Liability Coverage Document is amended to include the following exclusion:

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 non-public information; or
2. The loss of, loss of use of, damage to, corruption of, inability to access, or 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.

EL292
10/01/16

POLLUTION LIABILITY

INSURER:

TML IRP - "A" rated by Standard & Poors

COVERAGE:

- Occurrence Form
- Sudden and Accidental
- Blanket Contractual Liability
- Legal Liability to Others
- Pollutants and Results in Environmental Damage
- Punitive/Exemplary Damages Not Excluded
- Subject to COVERAGE Terms, Conditions and Exclusions

EXCLUSIONS:

- Statutory Fines or Penalties Unless Direct Result of Pollution Incident as Defined by the policy

LIMITS OF LIABILITY:

\$2,000,000 for:

"Sudden Event" - 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.

"Accident" – Means abrupt discharge, dispersal, release, or escape of pollutants neither expected nor intended from the standpoint of the District.

Definition of Pollutants – Means any solid, liquid, gaseous, or thermal irritant or contaminant, including chemicals, and waste, but does not include chlorine or chloramine used for the treatment at water at sewage treatment plants, water treatment plants, or swimming pools. TML IRP does not consider Chlorine or Chloramine to be a pollutant, therefore those items would be considered under the District's General Liability section.

Note: **General Liability provides up to Policy Limit with NO Deductible for accidental release of:**

1. Chlorine or Chloramine in treatment of water at sewage treatment plants, water treatment plants, swimming pools, etc.; And/or;
2. Pollutants contained in products (i.e. waste) sold or distributed

DEDUCTIBLE:

NONE

COVERAGE TERM:

One Year

PREMIUM:

INCLUDED - NO ADDITIONAL PREMIUM

LAW ENFORCEMENT LIABILITY

Important!! If the District contracts for security patrol within District boundaries, however chooses to not carry Law Enforcement Liability, there will be no coverage for a defense in the event of a lawsuit involving law enforcement. Law enforcement activities are specifically excluded in the General Liability form.

INSURER: TML Intergovernmental Risk Pool

COVERAGE:

Includes but is not limited to:

- **Occurrence Coverage Form**
- **Bodily Injury** arising from District's law enforcement activities
- **Property Damage** arising from District's law enforcement activities
- **Advertising Injury** arising from District's law enforcement activities
- **Personal Injury** arising from District's law enforcement activities
- **Defense Costs Outside** the policy limits – Defense will not erode Policy Limit
- **Bodily Injury from Rendering or Failure to Render** incidental medical services or First Aid at the Scene of an Accident (Including Transportation)
- **Alleged Use of Excessive Force**
- **High Speed Pursuit**
- **Coverage for Intentional Acts**
- **Damage to Seized or Impounded Property**
- **Jails**
- **Coverage Actual or Alleged Violations of Civil Rights**
- **Mutual Aid Agreements** included
- Per terms and conditions in coverage document

DEDUCTIBLE: \$1,000

LIMITS & PREMIUM: **PLEASE INITIAL NEXT TO SELECTED LIMIT:**

\$ 569 \$ 1,000,000 Limits / \$ 2,000,000 Aggregate _____

\$ 618 \$ 2,000,000 Limits / \$ 4,000,000 Aggregate _____

\$ 667 \$ 3,000,000 Limits / \$ 6,000,000 Aggregate _____

\$ 765 \$ 5,000,000 Limits / \$10,000,000 Aggregate _____

CURRENT: \$ 1,010 \$10,000,000 Limits / \$10,000,000 Aggregate



AUTOMOBILE LIABILITY HIRED & NON-OWNED

INSURER: TML IRP - "A" rated by Standard & Poors

COVERAGE: Bodily Injury and Property Damage;
Hired / Non Owned
Secondary coverage

Non Owned - An automobile which is neither a District owned automobile nor a hired automobile of the District.

Hired - An automobile not owned by the District which is used by contract by or on behalf of, or lent to, the District. But does not include automobiles owned by/registered in the name of an Officer, Director, Elected or Appointed Official, or any member of a board or commission of the District; Or An Employee or Agent of the District who is granted an operating allowance of any sort for the use of such automobile

Hired Automobiles – Auto Physical Damage

An endorsement forms a part of the Declarations to which attached, effective on the inception date of the coverage unless otherwise stated herein, and clarifies such coverage as is afforded by the provisions of the coverage shown below:

Hired Automobiles that are included in the Automobile Liability coverage shall also be covered under the Automobile Physical Damage coverage, subject to a deductible of \$500 per occurrence.

LIMIT: **Liability:**
\$ 2,000,000 Combined Single Limit Bodily Injury / Property Damage
Medical Payments:
\$ 25,000 per person – Included with no additional premium

DEDUCTIBLE: NONE

ANNUAL COST: \$ 67

WORKERS' COMPENSATION

The Texas Municipal League Intergovernmental Risk Pool (the Pool) offers the option to extend workers' compensation coverage to individuals who serve the entity but who are not on a payroll and so do not meet the legal definition of "employee". **Included in this category are Elected and Appointed Officials.**

Your District may choose to extend Workers' Comp coverage to their volunteers in order to avoid a potentially significant liability exposure. If an individual volunteering for the District is injured and unable to work for some time and is not covered by Workers' Comp, he may sue the District in an attempt to recover the financial costs associated with his injury and loss of income.

EXAMPLES

Workers' Comp provides coverage for the District's Board of Directors when they are doing business, at any time, on behalf of the District...for example:

- To/From/At meetings
- To/From/During facilities inspections
- To/From/At the water board conferences like AWBD, etc.

Worker's Compensation has advantages that personal healthcare may not provide, such as:

- Full medical coverage with no out-of-pocket co-payment
- No Coinsurance provisions
- No imposed limits of liability

INSURER: TML IRP - "A" rated by Standard & Poors

COVERAGE: **Coverage For Elected / Appointed Officials / Volunteers**
Statutory limit for Employees / Elected or Appointed Officials /
Volunteers as authorized by the Texas Workers Compensation Act

Coverage For District
Employers' Liability / \$1,000,000 to protect the District against
liability imposed by law for injury to Elected and/or Appointed Officials
and/or Volunteers while working on behalf of the District.

RATING BASIS: Estimated Annual Directors' Per Diems - \$ 3,000

ANNUAL COST: \$ 196 (Minimum Premium for Directors)

PEACE OFFICER BOND

Note: Authority Does Not Currently Purchase This Coverage through HARCO/TML

If the Authority has this exposure that needs to be discussed and/or added to the policy please contact HARCO immediately

Public Officials Bond

Recommended, Optional
Coverage for Review

INSURER: Liberty Mutual Surety
(A+ IX)

PERSONS COVERED: Peace Officers:

COVERAGE: Loss caused to the District through failure of the Peace Office to perform faithfully her/his duties as required by law. Subject to bond terms, conditions and exclusions.

COVERAGE TERM: Continuous - Until Requested Cancelled

PREMIUM & TERM: PLEASE INITIAL NEXT TO SELECTED # OF OFFICERS & TERM:

<u># of Officers</u>	<u>Limit Per Officer</u>	<u>1 Year Premium</u>	<u>3 Year Premium</u>	With Premium Discount (HARCO Recommends)
1	\$10,000	\$ 100 _____	\$ 250 _____	
2	\$10,000	\$ 100 _____	\$ 250 _____	
3	\$10,000	\$ 150 _____	\$ 376 _____	
4	\$ 10,000	\$ 200 _____	\$ 500 _____	
5	\$ 10,000	\$ 250 _____	\$ 626 _____	
6	\$ 10,000	\$ 300 _____	\$ 750 _____	
7	\$10,000	\$ 350 _____	\$ 876 _____	

**INITIAL SELECTION ABOVE &
SIGN TO ACCEPT & ADD COVERAGE:**

(X) _____ **DATE:** _____

ONLY SIGN / INITIAL TO ACCEPT & ADD COVERAGE

PROGRAM FEATURES

HARCO is recommending to your District a program that combines *broad coverage, competitive pricing, and additional services*.

These TML IRP coverages and services may include any of the following:

- Property, Equipment Breakdown, Mobile or Handheld Equipment, Flood, Windstorm, Earthquake, Hail. Terrorism coverage automatically provided for property damage exposure. Most insurance programs do not automatically provide this coverage.
- Up to \$10,000,000 General Liability limits – Occurrence basis
- Up to \$10,000,000 Public Officials' Liability – Occurrence basis
- Up to \$10,000,000 Law Enforcement Liability – Occurrence basis
- Up to \$2,000,000 Auto Hired/Non Owned Liability – Occurrence basis
- Auto Physical Damage for reported and scheduled District owned vehicles
- Up to \$2,000,000 Pollution Liability coverage – Occurrence basis
- Workers' Compensation coverage available for Elected/Appointed Officials, Employees, Volunteers
- Loss Control Inspections done by TML IRP

We believe you should thoroughly understand the most important differences between coverages with TML IRP and insurance policies offered by other companies. We offer additional information to show how these services can improve the coverages for your District and for yourselves as Public Officials.

Please review the next few pages of this summary that will better explain the significant and important coverage and service benefits of the program we recommend.

PROPERTY COVERAGE FEATURES

The Texas Municipal League Intergovernmental Risk Pool's property coverage includes the following features (but is not limited to) at no additional cost:

1. Coinsurance Provision	None
2. Pollution Damage to Scheduled Prop Caused by Covered Peril	Included in the Blanket Limit
3. Pollution Clean-up at Scheduled Premises	\$20,000 each Premises
4. Accounts Receivable	\$10,000 *
5. Valuable Papers/EDP Media	\$10,000 *
6. Loss Of Revenue/Extra Expense/Rental Income	\$25,000 *
7. Personal Effects of Employees/Volunteers	\$5,000 *
8. Debris Removal	Included in the Blanket Limit
9. Demolition of undamaged portions of covered structures	Included in the Blanket Limit
10. Boiler & Machinery	Included
11. Increased cost of construction due to Building Ordinances	Included in the Blanket Limit
12. Loss to undamaged portion of a covered structure	Included in the Blanket Limit
13. Newly acquired or constructed structures	Automatic \$1,000,000 or the Blanket Limit, whichever is less – No Time Limitation
14. Property in Transit	\$1,000,000
15. Property Off Premises	Included in the Blanket Limit
16. Sewer Backup at Scheduled Premises	Included in the Blanket Limit
17. Communications Equipment	Included in the Blanket Limit
18. Computer Equipment	Included in the Blanket Limit
19. Electrical Damage - EDP equipment	Included in the Blanket Limit
20. Glass Breakage	Included in the Blanket Limit
21. Glass Display or Trophy Cases	Included in the Blanket Limit
22. Ground Maintenance Equipment	Included in the Blanket Limit
23. Fine Arts	Included in the Blanket Limit / <u>Must Be Reported</u>
24. Fire Brigade Charges	Included
25. Fire Department Service Charge	Included
26. Fire Equipment Recharge	Included
27. Commandeered boats	Included in Mobile Equipment
28. Outdoor Property - Trees, Plants, Shrubs	\$250 each / \$10,000 per occurrence *
29. Outdoor Property - Detached Signs, Fences, Antennas	Included in the Blanket Limit / <u>Must Be Reported</u>
30. Temporary repairs after a loss to prevent further damage	Included in the Blanket Limit
31. Inventory costs related to a loss	Included
32. Portable equipment	Included in the Blanket Limit
33. Property of Others	Included in the Blanket Limit
34. Premises Boundary	None
35. Spoilage	Included in the Blanket Limit
36. Off Premises Utility Failure	Included in the Blanket Limit
37. Lock replacement after a loss	Included in the Blanket Limit
38. Changes in temperature/humidity	Included in the Blanket Limit
39. Architectural/Engineering fees incurred as a result of a loss	Included
40. Underground Sprinkler Systems	Included in the Blanket Limit / <u>Must Be Reported</u>

*** These are the basic limits provided at no cost to the Member. Additional limits are available and if District requests such additional limits, they will be included in summary.**

LIABILITY COVERAGE FEATURES

The Texas Municipal League Intergovernmental Risk Pool's liability coverage includes, but is not limited to, the following features:

All Liability Coverages

- | | |
|-------------------------------------------|-------------------------------------------------------------------------------------------------------------------------|
| 1. "Occurrence" rather than "Claims-Made" | All liability coverages including Public Officials' and Law Enforcement Liability |
| 2. Punitive and Exemplary Damages | Not Excluded (unless assumed by contract) |
| 3. Year 2000 Claims | A loss that is otherwise covered will not be excluded because it is related to a Y2K computer or Embedded chip failure. |
| 4. Defense Costs | Included in addition to COVERAGE Terms |
| 5. Pay On Behalf Of | Included |

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General Liability (includes but not limited to)

- | | |
|-----------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1. Pollution Coverage | Broad coverage for damages or injuries that occur within 45 days of a sudden and accidental pollution incident. No time limitation for damage or injury resulting from the Member's products (such as water) or chlorine usage and coverage extends to gradual & sudden events |
| 2. Failure to Supply | Included |
| 3. Fireworks Displays | Included |
| 4. Watercraft Liability | Included |
| 5. Fire Legal Liability | Included up to full Limits of Liability |
| 6. Incidental Medical Malpractice | Included |
| 7. Emergency Medical Services (EMTs and Paramedics) | Included |
| 8. Special Events | Included |

Public Officials Liability (includes but not limited to)

Note: Authority Does Not Currently Purchase This Coverage through HARCO/TML

- | | |
|-----------------------------------------------------------------|---------------------------------------------------------------------------|
| 1. Coverage for Employment-Related Matters including | Included |
| 2. Discrimination, Wrongful Termination, Failure to Hire or | |
| 3. Promote and Sexual Harassment or Misconduct | |
| 4. Criminal Defense Reimbursement | \$10,000 |
| 5. Back Wages | 50% up to \$25,000 |
| 6. Claims filed with EEOC and Texas Commission | Included in the definition of "Suit" |
| 7. Prior Acts – Extended Coverage to Creation of District | Included |
| 8. Coverage for Members of Boards or Commissions | Included while acting as public officials or |
| 9. Including Airport and Utility Boards Coverage for Attorneys, | employees of the Member |
| 10. Architects, Engineers, and Accountants | |
| 11. Land Use/Zoning | Included when damages are sought |
| 12. Mental Anguish | Included when sought in connection with an alleged civil rights violation |
| 13. Coverage for Actual or Alleged Civil Rights Violations | Included when damages sought |
| 14. Whistleblower's and Workers' Compensation Retaliation | Included |

LIABILITY COVERAGE FEATURES

Automobile Liability (includes but not limited to)

- | | |
|--------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1. Medical Payments | \$25,000 for vehicles with design capacity of 8 passengers or less. |
| 2. Vehicles Added During the Year | Automatic coverage at no additional charge |
| 3. Deductible Reimbursement for Volunteers | Up to \$500 for damage to vehicles owned by volunteer firefighters or emergency medical personnel when damage occurs during emergency response on behalf of the Member. |
| 4. High Speed Pursuit | Included if there is physical contact between the Member's vehicle and the claimant's vehicle. |

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Law Enforcement Liability - OPTIONAL COVERAGE AVAILABLE UPON REQUEST

- | | |
|-------------------------------------------------|-------------------------------------------------------------------------------------------|
| 1. Coverage for Alleged Use of Excessive Force | Included |
| 2. Moonlighting | Included for the Member and Officers acting in their capacity as Law Enforcement Officers |
| 3. High Speed Pursuit | Included if there is no contact between the Member's vehicle and the Claimant's vehicle |
| 4. Coverage of Intentional Acts | Included |
| 5. Damage to Seized or Impounded Property | Included |
| 6. Jails | Included |
| 7. Actual or Alleged Violations of Civil Rights | Included |
| 8. Mutual Aid Agreements | Included |

DEFINITIONS OF TERMS

ADVERTISING INJURY

Injury arising out of an offense occurring in the course of the District'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.

AGGREGATE

This is the maximum amount that could be paid for all damages arising out of one or more accidents or occurrences that occurred during the policy period.

BODILY INJURY

Bodily injury, sickness or disease sustained by any person, including death at any time resulting there-from.

HIRED / NON OWNED AUTOMOBILE

Hired - An automobile not owned by the Member but is used on behalf of, or lent to the District.

Non Owned - An automobile which is neither owned nor a hired automobile of the District.

LAW ENFORCEMENT ACTIVITIES

The actions and functions that required or within the defined scope of duties for a District's Law Enforcement Agency which include, but are not limited to, actions towards the prevention and control of crime.

OCCURRENCE

Means each accident or event, including continuous or repeated exposure to conditions, which results in bodily injury, advertising injury, personal injury, or property damage neither expected nor intended from the Standpoint of the insured.

OCCURRENCE FORM

This form pays for the legal liability incurred by the insured for damages that occur during the policy period, no matter when the accident or occurrence becomes evident to the insurer as a "claim" against the insured. This may result in the insurer being responsible for providing coverage for occurrences reported long after the policy period expires.

PERSONAL INJURY

Injury arising out of one or more of the following offenses: False arrest, detention or imprisonment, malicious prosecution, wrongful entry, eviction or other invasion of the right of private occupancy, 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, false, erroneous or improper service of civil papers or assault and battery.

PROPERTY DAMAGE

Physical injury to or destruction of tangible property which occurs during the policy period, including the loss of use thereof at any time resulting there from; or Loss of use of tangible property which has not been physically injured or destroyed, provided such loss of use is caused by an occurrence.

TERRORISM

The use of violence and threats to intimidate or coerce for political ends and/or purposes. Includes any use of violence or threats for the purpose of putting the public or any section of the public in fear.

VERIFICATION OF COMPLIANCE WITH GOVERNMENT CODE CHAPTERS 2252 AND 2270

As required by Chapter 2270, Government Code, HARCO Insurance Services hereby verifies that it does not boycott Israel and will not boycott Israel through the term of the policies included in this proposal. For purposes of this verification, "boycott Israel" means refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations specifically with Israel, or with a person or entity doing business in Israel or in an Israeli-controlled territory, but does not include an action made for ordinary business purposes.

Foreign Terrorists Organizations. Pursuant to Chapter 2252, Texas Government Code, HARCO Insurance Services represents and certifies that, at the time of execution of this proposal neither HARCO Insurance Services, nor any wholly owned subsidiary, majority-owned subsidiary, parent company or affiliate of the same (i) engages in business with Iran, Sudan, or any foreign terrorist organization as described in Chapters 806 or 807 of the Texas Government Code, or Subchapter F of Chapter 2252 of the Texas Government Code, or (ii) is a company listed by the Texas Comptroller of Public Accounts under Sections 806.051, 807.051, or 2252.153 of the Texas Government Code. The term "foreign terrorist organization" in this paragraph has the meaning assigned to such term in Section 2252.151 of the Texas Government Code.

CERTIFICATE OF INTERESTED PARTIES

FORM 1295

1 of 1

Complete Nos. 1 - 4 and 6 if there are interested parties.
 Complete Nos. 1, 2, 3, 5, and 6 if there are no interested parties.

OFFICE USE ONLY CERTIFICATION OF FILING

Certificate Number:
 2019-541045

Date Filed:
 09/17/2019

Date Acknowledged:
 9/17/2019

1 Name of business entity filing form, and the city, state and country of the business entity's place of business.

Harco Insurance Services
 Houston, TX United States

2 Name of governmental entity or state agency that is a party to the contract for which the form is being filed.

Fort Bend County Toll Road Authority

3 Provide the identification number used by the governmental entity or state agency to track or identify the contract, and provide a description of the services, goods, or other property to be provided under the contract.

FBCTRA 10/01/19 INS
 Insurance – Proposal

4	Name of Interested Party	City, State, Country (place of business)	Nature of interest (check applicable)	
			Controlling	Intermediary

5 Check only if there is NO Interested Party.

6 UNSWORN DECLARATION

My name is _____, and my date of birth is _____.

My address is _____
(street) (city) (state) (zip code) (country)

I declare under penalty of perjury that the foregoing is true and correct.

Executed in _____
(month) (year)

 Signature of authorized agent of contracting business entity
(Declarant)