

Justine Cherne

To: Justine Cherne; 'Ann Werlein'; 'Bronsell Mandi (E-mail)'; 'D'Neal Brown'; 'Evans-Smith Felicia (E-mail)'; 'Hegemier Jesse (E-mail)'; 'Johnson Laura (E-mail)'; 'Judge Hebert'; 'McCarver Jean (E-mail)'; 'Meyers Andy (E-mail)'; 'Ospina Donna (E-mail)'; 'Patterson James (E-mail)'; 'Prestage Grady (E-mail)'; 'Robin Vrana'; 'richard.morrison@co.fort-bend.tx.us'; 'Sue Brock'; 'gubbepam@co.fort-bend.tx.us'; 'rodgeher@co.fort-bend.tx.us'; 'Cordes Jr., Roy L. (corderoy@co.fort-bend.tx.us)'; 'harrisli@co.fort-bend.tx.us'; 'gutierrez@co.fort-bend.tx.us'; 'chingjen@co.fort-bend.tx.us'; 'Reveles, Mary (revelmar@co.fort-bend.tx.us)'

Cc: 'Mike Stone (mikestone@cpmguru.com)'; 'Jim Condrey (E-mail)'; 'Sturdivant K (E-mail)'; 'Logsdon, Pamela (pmlogsdon@sbcglobal.net)'; 'jimenmel@co.fort-bend.tx.us'; 'vaughjas@co.fort-bend.tx.us'; Colbert, A. J. (mister_ajc@yahoo.com); Vogler P.E., Mark (voglemar@co.fort-bend.tx.us); Janeczek, Jeffrey (janecjek@co.fort-bend.tx.us); Griggs, Robin (RGriggs.ANCOM01@insuremail.net); Greer Pagan; Council, Jeff (councjek@co.fort-bend.tx.us)

Subject: FB Flood Control Water Supply Corporation Agenda Item Request

February 1, 2010

Dear Judge and Commissioners:

The Board of Directors of the Fort Bend Flood Control Water Supply Corporation reviewed the following item at their regular meeting held on January 27, 2010, and makes the following recommendation to Commissioners Court:

1. Approval of proposal for renewal of the Fort Bend Flood Control Water Supply Corporation's insurance policies with Anco-McDonald Waterworks Insurance Services LLC.

A copy of the proposal is attached for your review. Please place this item for consideration by Commissioners Court on the agenda for the meeting scheduled on February 9, 2010.

As always, if you should have any questions regarding this matter, please don't hesitate to contact any member of the Board of Directors or the Corporation's consultants.

Very truly yours,

Greer Pagan

Allen Boone Humphries Robinson LLP
713-860-6417

Insurance Proposal
Prepared for

Fort Bend Flood Control WSC





Welcome!

We are excited that you have considered us for your insurance needs. Finding the right people for the right job can be difficult, especially when dealing with insurance.

The following material is designed to give you some "Peace of Mind" about this insurance program designed specifically for you.

Please contact us at 281-342-6837 with any questions, comments or concerns:

Anco Team:

Dan McDonald, President
Direct # 281-633-3208
Email: dmcdonald.ancom01@insuremail.net

Bonnie Schmidt, Account Executive
Accounts A-F
Direct # 281-633-3210
Email: bschmidt.ancom01@insuremail.net

Julio Falcon, Account Executive
Accounts: K-Z
Direct # 281-633-3207
Email: jfalcon.ancom01@insuremail.net

Robin Griggs, Special Projects
Direct # 281-633-3206
Email: rgriggs.ancom01@insuremail.net

Frank Johnson, Controller
Direct # 281-633-3205
Email: fjohnson.ancom01@insuremail.net

Gina Pietsch, Supervisor
Accounts: G-J
Direct # 281-633-3200
Email: gpietsch.ancom01@insuremail.net

Nancy Johnson, Administrative Assistant
Direct # 281-633-3201
Email: njohnson.ancom01@insuremail.net

Jana Curlee, Claims
Direct # 281-633-3204
Email: jcurlee.ancom01@insuremail.net

Anco-McDonald Waterworks Insurance Services • 511 B Morton • Richmond, Texas 77469
PH (281) 342-6837 (MUDS) • Fax: (281) 341-6837 (MUDS)

Plan Coverages

Property

- Coverage based on replacement cost evaluation
- Coverage written on "blanket" rather than "specific" basis

Boiler & Machinery

- Coverage based on repair or replacement valuation

Comprehensive General Liability

- Duty to defend
- Defense is in addition to the policy limit
- Sewer Back-Up coverage provided by specific endorsement

Umbrella

- Increased limits are available as an alternative to the District which desires higher limits for General Liability and Business Auto Liability

Pollution Liability

- Legal liability protection for environmental damage and bodily injury
- Clean-Up costs for third party owned premises
- Both gradual and sudden occurrences are covered
- Occurrence coverage form
- Defense is in addition to the policy limit
- No exclusion for punitive damages

Directors & Officers Liability

- Duty to defend
- Pay on behalf in lieu of reimbursement coverage form
- Defense is in addition to the policy limit (Includes Breach of Contract)
- No Aggregate limit
- No deductible or retention
- Full prior acts coverage back to the creation of the District
- Definition of claim includes coverage for declaratory and injunctive relief suits
- No failure to supply exclusion
- Employment Related Practices included
- Coverage included for libel, slander, defamation of character

About Anco Insurance

Three years before the founding of Texas A&M University in nearby College Station, Colonel John G. Anderson arrived in Bryan, Texas with the intention of opening an insurance agency to serve the area's farmers and ranchers. Over 130 years later, Anco Insurance is still providing Peace of Mind to more than 40,000 customers across Texas.

Anco has remained true to its founder's philosophy by providing outstanding service along with innovative insurance products and ideas.

Anco Insurance is one of the largest privately owned insurance agencies in Texas, and serves commercial clients in such diverse fields as education, medicine, oil and gas, food industry, manufacturing, retail/wholesale, and agribusiness.

Anco Insurance employs over 125 associates in 10 locations across the state, and regularly ranks among leading insurance industry publications as one of the Top 100 Independent Insurance Agencies in the United States.



Anco-McDonald Waterworks Insurance Services • 611 B Morton • Richmond, Texas 77469
PH (281) 342-MUDS (6837) • Fax: (281) 341-MUDS (6837)

Fort Bend Flood Control WSC

TYPE OF POLICY: **COMMERCIAL GENERAL LIABILITY AND
HIRED CAR & NON OWNERSHIP
AUTOMOBILE LIABILITY**

PROPOSED EFFECTIVE DATE: **February 12, 2010**

COVERAGE:

- Bodily Injury and Property Damage
- Full Sewer Backup Coverage
- Punitive Damages Not Excluded
- Host Liquor Liability
- Terrorism Not Excluded
- No Mold Exclusion
- No Assault & Battery Exclusion
- Duty to Defend
- Defense Cost Outside the Limit
- Coverage in US Only

LIMITS OF LIABILITY:

- \$1,000,000 Each Occurrence
- \$3,000,000 General Aggregate
- \$1,000,000 Personal/Advertising Injury
- \$3,000,000 Product Liability
- \$ 100,000 Fire Legal Liability
- \$1,000,000 Hired Car and Non Ownership Auto Liability

POLICY TERM: **One Year**

PREMIUM: **\$1,185**

COMPANY: **Mid-Continent Casualty Company**
Best Rating: A VIII

DOES THE DISTRICT HAVE AN INTERLOCAL AGREEMENT FOR LAW ENFORCEMENT?

YES/NO N

IF YES, PLEASE SEND A COPY.

NUMBER OF PEACE OFFICERS N

**THE DISTRICT WILL NEED LAW ENFORCEMENT LIABILITY & PEACE OFFICERS BOND
SEE SUMMARY PAGE FOR ADDITIONAL PREMIUM.**

DOES THE DISTRICT OWN ANY ROADS Y/N _____

ACCEPTED BY: [Signature]

DATE: 1/27/10

REJECTED BY: _____

DATE: _____

SUBJECT TO POLICY TERMS, CONDITIONS, LIMITATIONS AND EXCLUSIONS

COMMERCIAL GENERAL LIABILITY

This policy is an agreement to pay damages for which the insured is legally obligated because of bodily injury or property damage and to defend any suit brought against the insured on account of bodily injury or property damage.

The policy will insure the District, any executive officers or directors thereof, and employees while acting within the scope of their duties as it applies to the following coverages.

COVERAGES

PREMISES-OPERATIONS: District's liability exposure is primarily from the existence of its' facilities or any other District property.

PRODUCTS: Products and/or completed operations coverage for waterworks and sewage disposal plant operations are included in the premises-operations coverage.

CONTRACTORS LIABILITY: Protects the District against claims arising out of operations performed on behalf of the District by independent contractors. Every independent contractor employed by the District should furnish a certificate of their liability insurance to the District.

BLANKET CONTRACTUAL: Protects against claims arising out of the named insured assuming liability of others under a written contract.

PERSONAL INJURY: Protects against claims arising out of one or more of the following offenses committed in the conduct of the named insured's business: False arrest, libel and slander, wrongful entry or eviction and other similar offenses including invasion of the right of private occupancy and defamation or violation of right of privacy.

HIRED AND NON-OWNED AUTOMOBILES: Covers liability for claims arising out of non-owned automobiles and hired automobiles being used on behalf of the District.

Fort Bend Flood Control WSC

| | |
|---------------------------------|--|
| TYPE OF POLICY: | POLLUTION LIABILITY |
| PROPOSED EFFECTIVE DATE: | February 12, 2010 |
| COVERAGE: | <ul style="list-style-type: none">•Occurrence Form•Legal Liability to Others-Bodily Injury and Property Damage and Clean Up Costs•Compensatory Damages•Defense Cost Outside the Limit•Punitive/Exemplary Damages Not Excluded•Terrorism Not Excluded•Mold Not Excluded |
| EXCLUSIONS: | <ul style="list-style-type: none">•Statutory Fines or Penalties Unless Direct Result of Pollution Incident as Defined by the Policy•Disposal of Sludge at Landfill Site |
| LIMIT OF LIABILITY: | <p>\$1,000,000 each occurrence \$3,000,000 aggregate</p> |
| DEDUCTIBLE: | <p>\$5,000 Per Claim for Clean Up Costs</p> |
| POLICY TERM: | <p>One Year</p> |
| PREMIUM: | <p>\$750</p> |
| COMPANY: | <p>Mid-Continent Casualty Company Best Rating: A VIII</p> |

ACCEPTED BY: 

DATE: 1/27/10

REJECTED BY: _____

DATE: _____

SUBJECT TO POLICY TERMS, CONDITIONS, LIMITATIONS AND EXCLUSIONS

Fort Bend Flood Control WSC

TYPE OF POLICY: DIRECTORS AND OFFICERS LIABILITY

PROPOSED EFFECTIVE DATE: February 12, 2010

COVERAGE:

- Claims-Made Coverage Form
- Duty to Defend
- Pay on Behalf in lieu of Reimbursement Coverage Form
- Full Prior Acts
- Defense Cost Outside the Limit
- Defense for Alleged Breach of Contract
- Claim includes any Judicial or Administrative Proceedings
- Employment Related Practices coverage for the District Included
- Coverage extended to include Director's Spouse
- Terrorism Not Excluded
- Punitive Damages Not Excluded

LIMIT OF LIABILITY: \$2,000,000 Per Claim
No Aggregate Limit

DEDUCTIBLE: None

POLICY TERM: One Year

PREMIUM: \$2,500

COMPANY: Mid-Continent Casualty Company
Best Rating: A VIII

OPTIONAL LIMITS

| | Limit | Premium |
|--------------|-------------|---------|
| _____ | \$1,000,000 | \$1,500 |
| <u> x </u> | \$2,000,000 | \$2,500 |
| _____ | \$3,000,000 | \$3,500 |
| _____ | \$4,000,000 | \$4,500 |
| _____ | \$5,000,000 | \$5,500 |

ACCEPTED BY:  **DATE:** 1/27/10

REJECTED BY: _____ **DATE:** _____

SUBJECT TO POLICY TERMS, CONDITIONS, LIMITATIONS AND EXCLUSIONS

Anco-McDonald Waterworks Insurance Services, - 611 B Morton- Richmond, TX 77469
Ph (281) 342-6837 (MUDS) Fax (281) 341-6837 (MUDS)

Fort Bend Flood Control WSC

TYPE OF POLICY: UMBRELLA

PROPOSED EFFECTIVE DATE: February 12, 2010

COVERAGE: Limit of Coverage over General Liability, Automobile Liability, Pollution and Employers Liability (If Applicable)
•Terrorism Not Excluded
•Punitive Damages Not Excluded
•Defense Cost Outside the Limit

UNDERLYING REQUIREMENTS: \$1,000,000 General Liability
\$1,000,000 Pollution Liability
\$1,000,000 Automobile Liability
\$1,000,000 Employers Liability

EXCLUSIONS: •Employee Benefits Liability
•Directors and Officers Liability

LIMIT OF LIABILITY: \$1,000,000

RETENTION: \$10,000

POLICY TERM: One Year

PREMIUM: \$900

COMPANY: Mid-Continent Casualty Company
Best Rating: A VIII

OPTIONAL LIMITS

| | Limit | Premium |
|-------------------------------------|--------------|---------|
| <input checked="" type="checkbox"/> | \$ 1,000,000 | \$ 900 |
| <input type="checkbox"/> | \$ 2,000,000 | \$1,800 |
| <input type="checkbox"/> | \$ 3,000,000 | \$2,700 |
| <input type="checkbox"/> | \$ 4,000,000 | \$3,600 |
| <input type="checkbox"/> | \$ 5,000,000 | \$4,500 |

ACCEPTED BY:  DATE: 1/22/10

REJECTED BY: _____ DATE: _____

SUBJECT TO POLICY TERMS, CONDITIONS, LIMITATIONS AND EXCLUSIONS

Anco-McDonald Waterworks Insurance Services, - 611 B Morton- Richmond, TX 77469
Ph (281) 342-6837 (MUDS) Fax (281) 341-6837 (MUDS)

Fort Bend Flood Control WSC

TYPE OF POLICY:

PUBLIC EMPLOYEE BLANKET CRIME
(Includes Attorney, Operator, Bookkeeper, Engineer
and Delinquent Tax Attorney)

ANNIVERSARY OF CURRENT POLICY:

February 12, 2010

COVERAGE:

Loss caused to the District through failure of any employee/consultant to perform faithfully their duties or to account properly for all monies and property received by virtue of their position or employment. Limit applies per employee/consultant up to \$100,000. If the bond amount is over \$100,000, each employee/consultant is covered up to \$100,000 and the excess amount is provided on a per loss basis rather than each basis.

•Terrorism Not Excluded

LIMIT:

\$25,000

DEDUCTIBLE:

0

TERM:

One Year

PREMIUM:

\$176

COMPANY:

Hartford Casualty Insurance Company
Best Rating: A+XV

OPTIONAL LIMITS

| | Limit | Premium |
|---------------|-------------|----------------------------------|
| <u> </u> | \$ 10,000 | \$120 |
| <u> x </u> | \$ 25,000 | \$176 |
| <u> </u> | \$ 50,000 | \$221 |
| <u> </u> | \$ 100,000 | \$342 |
| <u> </u> | \$ 250,000 | \$472 |
| <u> </u> | \$ 500,000 | \$565 |
| <u> </u> | \$1,000,000 | Quote available with application |

ACCEPTED BY: *Lu Russel*

DATE: 1/27/10

REJECTED BY: _____

DATE: _____

SUBJECT TO POLICY TERMS, CONDITIONS, LIMITATIONS AND EXCLUSIONS

Fort Bend Flood Control WSC

TYPE OF BOND: **DIRECTORS POSITION SCHEDULE BOND**

ANNIVERSARY OF CURRENT BOND: **February 12, 2010**

COVERAGE: Provides coverage for loss caused to the District through the failure of Directors to perform faithfully their duties or to account properly for all monies and property received by virtue of their position as Director.


•Terrorism Not Excluded

BOND TERM: One Year

BOND LIMIT: \$10,000 Per Director (5)
\$50,000 Aggregate

PREMIUM: \$174

COMPANY: Hartford Casualty Insurance Company
Best Rating: A+XV

ACCEPTED BY:  **DATE:** 1/27/10

REJECTED BY: _____ **DATE:** _____

SUBJECT TO POLICY TERMS, CONDITIONS, LIMITATIONS AND EXCLUSIONS

Fort Bend Flood Control WSC

TYPE OF POLICY: WORKERS COMPENSATION

PROPOSED EFFECTIVE DATE: February 12, 2010

COVERAGES:

- Coverage A in the policy provides statutory coverage in which the insurance company agrees to assume the liability imposed upon an insured by the applicable Workers Compensation law or laws.
- Coverage B for Employers Liability in this policy protects an insured against liability imposed by law for injury to employees in the course of employment.
- Terrorism Not Excluded
- Subject to policy terms, conditions and exclusions.

LIMIT OF LIABILITY:

Employers Liability

\$1,000,000 Each Accident
Bodily Injury by Accident

\$1,000,000 Each Employee
Bodily Injury by Disease

\$1,000,000 Policy Limit
Bodily Injury by Disease

POLICY TERM: One Year

PREMIUM: \$511 (5 Directors) Estimated Annual Premium
Not Subject to Audit

COMPANY: Service Lloyds Insurance Company
Best Rating: A-VII

ACCEPTED BY:  **DATE:** 1/27/10

REJECTED BY: _____ **DATE:** _____

SUBJECT TO POLICY TERMS, CONDITIONS, LIMITATIONS AND EXCLUSIONS

Anco-McDonald Waterworks Insurance Services, - 611 B Morton- Richmond, TX 77469
Ph (281) 342-6837 (MUDS) Fax (281) 341-6837 (MUDS)

Fort Bend Flood Control WSC

****OPTIONAL COVERAGE****

TYPE OF POLICY: **BUSINESS TRAVEL COVERAGE**

PROPOSED EFFECTIVE DATE: **February 12, 2010**

COVERAGE: 24 Hour Coverage while traveling on district business
Accidental Death & Dismemberment
Paralysis Benefits
Coma Benefits
Bereavement and Trauma Counseling Benefit
Emergency Evacuation/Family Travel Benefits
Rehabilitation Benefit
Repatriation Benefit
Seat Belt and Air Bag Benefit
Age reduction for over 80

LIMITS: \$ 250,000 Each Director
\$ 50,000 Each Spouse
\$ 25,000 Each Child
\$35,000,000 Aggregate Limit

PREMIUM: **\$350**

COMPANY: **AIG Life Insurance Company**
Best Rating: A+XV

****OPTIONAL COVERAGE****

Date 1/27/10

Accepted By _____
(Signature of District's Authorized Representative) (Title)

Rejected By [Signature]
(Signature of District's Authorized Representative) (Title)

SUBJECT TO POLICY TERMS, CONDITIONS, LIMITATIONS AND EXCLUSIONS

FORT BEND FLOOD CONTROL WSC

PROPOSED EFFECTIVE DATE: February 12, 2010

PREMIUM SUMMARY

| COVERAGE | RENEWAL PREMIUM | LAST YEARS PREMIUM |
|--|--------------------|-----------------------|
| GENERAL LIABILITY/HIRED & NON-OWNED AUTO | 1,185.00 | 1,185.00 |
| POLLUTION LIABILITY | 750.00 | 750.00 |
| DIRECTORS AND OFFICERS | 2,500.00 | 2,500.00 |
| UMBRELLA LIABILITY | 900.00 | 900.00 |
| PUBLIC EMPLOYEE BLANKET CRIME | 176.00 | 176.00 |
| DIRECTOR'S BOND | 174.00 | 174.00 |
| WORKERS COMPENSATION & EMPLOYERS LIABILITY | 511.00 | 511.00 |
| TOTAL PREMIUM | \$6,196.00 | \$6,196.00 |

Anco McDonald has been your insurance consultant since 2001. We thank you for your business. The Engineers Report is attached. The proposal does not include any premiums for property and boiler & machinery as the district does not own any facilities to insure at this time per the attached Engineers report.

PLEASE REPORT ALL NEW FACILITIES OR PROPERTIES IMMEDIATELY TO ANCO MCDONALD.

ACCEPTED BY: *Don L Russell*

PRINTED NAME & TITLE: Don L Russell, President, Board of Directors

DATE: 1/27/10

FEDERAL TAX ID #:

WEB ADDRESS IF ANY:

Premiums quoted are valid for 30 days from proposed effective date

*** OPTIONAL NEW COVERAGE(S) ***

| OPTIONAL NEW COVERAGE | PREMIUM | ACCEPTED YES/NO |
|---|-----------|-----------------|
| BUSINESS TRAVEL ACCIDENT | 350.00 | <i>NO</i> |
| LAW ENFORCEMENT LIABILITY - \$1,000,000 LIMIT | 1,000.00 | <i>NO</i> |
| PEACE OFFICERS BOND #OF PEACE OFFICERS | 50.00Each | <i>NONE</i> |
| TOTAL PREMIUM FOR ACCEPTED OPTIONAL COVERAGE | | <i>0</i> |

All descriptions of proposed coverages provided herein are intended as an outline of coverage and are necessarily brief. For specific wording concerning insuring agreements, definitions, conditions, terms and exclusions not listed, please read each policy carefully. Please contact our office if there are any questions.

Anco-McDonald Waterworks Insurance Services, - 611 B Morton- Richmond, TX 77469

Ph (281) 342-6837 (MUDS) Fax (281) 341-6837 (MUDS)

(1/8/2010) Mark Vogler - 100107-1.W

Page 1

Anco-McDonald Waterworks Insurance Services

6116 Martin Street Suite 201-202-2019
Memphis, TN 37409 Fax: 201-201-2027
Email: info@anco-mcdonald.com

DATE: 1-7-2010

ENGINEER:

ATTN:

Mark Vogler

FAX:

voglerm@anco-mcdonald.com

"PLEASE COMPLETE ALL SECTIONS"

File: FL Flood Flood Control DIST: Engineer Report of Values (REV)

The Attorney has requested that our firm submit an insurance proposal for the above referenced District.
Please review the questions below and indicate the type and quantity of any facilities pertinent to The District.

Does district have underground/submersible pumping units? (Not including lift stations)
Yes ___ No ☒ Quantity ___

Does district have live shaft wells? Yes ___ No ☒ Quantity ___

Comments: _____

- ☐ Water Plants ___ number of water plants ___ number of water wells at each plant
- ☐ Pump Stations ___ number of pump stations ___ number of pumps at each pump station
- ☐ Water Wells (other than at the water plant) ___ number of water wells not located at water plant
- Indicate if district owns any of the following:
- ☐ Swimming Pools # of pools ___
 - ☐ Detention Pond # number of ponds ___
 - ☐ Ponds # number of ponds ___
 - ☐ Lakes # number of lakes ___
 - ☐ Levees Risk (Please give square footage) ___
 - ☐ Rural Property # number of lots ___

Please complete the following information for all insured facilities.

"PLEASE NOTE: INSURANCE POLICY IS BASED ON REPLACEMENT COST VALUATION"

Property Type/Full Address
Include City and Zip CodeReplacement
ValueMonth/Year
BuiltFlood Zone
(A, X, A1)

| | | | |
|------|----|--|--|
| NONE | \$ | | |
| | \$ | | |
| | \$ | | |
| | \$ | | |

TOTAL REPLACEMENT COST: \$

Thank you for providing this information to our office. Please call if you should have any questions, or contact concerning this document. Please refer to this document for the to the district only.

Signed:

x Mark Vogler

Authorized By: (signature)

Print Name

Date

In the event of a loss, if the values are not updated, the District could suffer a financial loss. Please note the Engineer or General Manager's signature approving these values.

MARK VOLLER 1/8/10