

INTERLOCAL AGREEMENT BETWEEN GALVESTON COUNTY, TEXAS AND THE CITY OF BRYAN, TEXAS FOR RETIREMENT BENEFIT COODINATION

This Interlocal Agreement (“**Agreement**”) is between Galveston County, Texas, (“**County**”), acting by and through its Commissioners Court, The City of Bryan, Texas, (the “**City**” and a “**Participant**”), and any other Local Governments, as defined in Tex. Gov’t Code 791.003(4), who become signatories at a later date (each also a “**Participant**”) (collectively, hereinafter sometimes referred to as the “**Parties**”). All parties are local governments and political subdivisions of the State of Texas. This Agreement is made pursuant to Chapter 791 of the Texas Government Code.

1. PURPOSE

The Texas Legislature recently enacted H.B. No. 4144, enacting Tex. Gov’t Code § 607.153, requiring political subdivisions to provide a critical-illness supplemental income benefit for firefighters or peace officers diagnosed with certain diseases within three years of retirement.

The County has procured, through Alliant Insurance Services, Inc., (the County’s “**Administrator**”) a benefit in compliance with H.B. No. 4144 and Tex. Gov’t Code § 607.153. The County wishes to allow Participants to utilize in the County’s HB 4144 retirement benefit to achieve compliance without duplicated administrative burdens.

The City wishes to utilize the County’s benefit plan as a Participant to come into compliance with the new law and offer benefits to its own retirees.

2. AGREEMENT

The Parties therefore agree as follows:

- a) The County agrees to allow each Participant to utilize the County’s benefits program to obtain compliance with HB 4144 and as may otherwise be expedient to the Participant, such as life, accidental death and dismemberment, disability, health, accident, critical illness, and other personal lines of coverage. Benefits are intended for the employees and retirees of Participants, including their dependents. Administrative services related to such benefits, such as Section 125 cafeteria plan administration, also may be offered.
- b) County benefits available for Participants to utilize include only those products and programs and products procured and available through the County’s Administrator. This Agreement is not intended to allow Participants to participate in any of the County’s self-funded employment

benefits, including the County's health plans and the County's Social Security alternate plan.

- c) The County shall bear no direct responsibility or role in payment of premiums or costs of any programs the Participant chooses to utilize. Each Participant shall be responsible to make payment arrangements directly with the County's Administrator or the vendor of the benefits program in question, as directed by the Administrator. Each Participant is not responsible for any payment of any money solely because of the execution of this Agreement. Any payment obligation for each Participant will only arise under the terms of an order or separate agreement to purchase a benefit from a vendor of the County.
- d) Each Participant's contractual relationships with the vendors of each benefit program shall be governed by the policy or benefit agreement document between the vendor and the Participant or the Participant's employees, retirees, and dependents and not this Agreement.
- e) Each Participant is responsible for enforcing its own rights and the rights of its employees, retirees, and their dependents under any specific benefit plan directly with the vendor providing the benefit in question. The County is not responsible to initiate or fund any litigation or claims on behalf of a Participant, though the County may vote to authorize litigation in the County's name if the County's participation is legally required for the Participant to enforce its rights.
- f) Each Participant is also responsible to ensure that its participation in the County's benefits is compliant with applicable state and federal law. Participants also agree to arrange and fund legal defense, if any, arising from Participant's use of benefits programs under this Agreement.
- g) Each Participant agrees and authorizes Administrator to remit to the County an administrative fee of 3% of Participant's total payments for benefits subject to this Agreement.
- h) Any Participant eligible to join his Agreement under Chapter 791 of the Texas Government Code may do so by executing a signature page and returning an executed copy to the County at the address indicated below as well as a copy to the County's Administrator.

3. GENERAL PROVISIONS

- a) Each Party appoints its chief executive officer (e.g., County Judge, city manager, etc.) or whoever such person designates in writing, to receive

notices under this Agreement and administer the agreement on that Party's behalf, including exercising any discretion allowed under this Agreement. Addresses for notice shall be indicated on each Party's signature page.

- b) Each Party agrees to reasonably cooperate with requests for information made by the other, and to execute such other documents as may be required for the implementation of the purposes of this Agreement.
- c) Any amounts owed by Participants will be payable from current revenues and will be paid in accordance with Chapter 2251 of the Government Code.
- d) County does not warrant and is not responsible to the Participants or their employees, retirees, and dependents for the quality of any services rendered by any County vendor to either the Participants or their employees, retirees, and dependents.
- e) Parties shall keep and maintain all records associated with this Agreement for a minimum of five (5) years or as required by Federal or State law or regulation, whichever period is longer. Parties shall allow the each other reasonable access to the records in each Party's possession, custody, or control that may be necessary to assist in the auditing services, costs, and payments provided hereunder.
- f) The relationship between Parties is expressly acknowledged as that of independent contractors. Nothing in this Agreement is intended nor shall be construed to create an agency relationship, an employer/employee relationship, a joint venture relationship, or any other relationship allowing Participants to exercise control or direction over the manner or method by which County, Administrator, or County's contractors perform in providing the services described.
- g) This Agreement may only be amended in writing signed by the Parties.
- h) This Agreement is effective on the last date of execution by either County or the City and shall remain in effect until cancelled. Either Party may terminate this agreement for cause or convenience with thirty (30) days advanced written notice to the other Party. The County may terminate this Agreement as to all Parties or any specific Participant. If any Participant terminates this Agreement, the Agreement remains in effect as to all other Participants, and shall not impair any existing contractual obligation under a collateral benefits agreement. Paragraphs 2(c) through 2(g) and 3 survive termination and continue govern all benefits utilized by the terminating Participant under this Agreement until such time as Participant completely ceases to utilize any benefits procured under this Agreement.

- i) Parties each reserve any claim they may have to sovereign, qualified, or official immunity as a defense to any action arising in conjunction with this Agreement.
- j) In regard to any lawsuit or formal adjudication arising out of or relating to this Agreement, no Party shall be liable to the other under any circumstance for special, incidental, consequential, or exemplary damages.
- k) In the event of a lawsuit or formal adjudication the prevailing party will be entitled to recover reasonable and necessary attorney's fees.
- l) Whenever possible, each provision of this Agreement shall be interpreted in such a manner as to be effective and valid under applicable law, but if any section, subsection, paragraph, sentence, clause, phrase, word, or portion of this Agreement is, for any reason, held invalid, unconstitutional, or otherwise unenforceable, by any court of competent jurisdiction, such portion shall be deemed a separate, distinct, and independent provision and such holding shall not affect the validity of the remaining portions thereof.
- m) Each Party has the full power and authority to enter into and perform this Agreement, and the person signing this Agreement on behalf of each Party has been properly authorized and empowered to enter into this Agreement. The persons executing this Agreement hereby represent that they have the authorization to sign on behalf of their respective organizations.
- n) The waiver or failure to enforce any breach or provision of this agreement in any specific instance shall not constitute waiver of any other provision or instance.
- o) Participants shall execute any other supplemental documents reasonably required by Galveston County, including the Galveston County Auditor, Purchasing Department, or Director of Human Resources, or which may otherwise be required by law or applicable rules or regulations in order to effectuate the intent of this agreement.
- p) This Agreement contains the entire agreement between the parties relating to the subject matter of this Agreement. The Parties hereby disclaim any reliance on any representations that are not expressly stated in this Agreement.
- q) The parties agree to comply with all applicable state and federal laws in the performance of this agreement, including the Health Insurance Portability and Accountability Act of 1996 (HIPAA) as amended by the Health

Information Technology for Economic and Clinical Health Act of 2009 (HITECH Act), including all pertinent regulations promulgated thereunder and any pertinent amendments to the law. Further, the parties agree to maintain confidentiality regarding any personal identifying information of Parties' employees, retirees, and dependents.

- r) This agreement and any disputes arising out of this agreement or related hereto shall be governed and construed pursuant to the laws of Texas, regardless of its conflicts of laws principles, and venue for any such lawsuit shall lie exclusively in state courts located in Galveston County, Texas.
- s) This agreement may be executed in multiple counterparts, each of which are effective as an original.

4. EXECUTION

This Agreement is hereby executed by the Parties, to be effective as of the date of the latest signature below.

GALVESTON COUNTY, TEXAS

By: _____

Title: _____

Date: _____

Attest: _____

Title: _____

Address for Notice:

County Judge's Office
722 Moody Ave., 2nd Floor
Galveston, Texas 77550

CITY OF BRYAN, TEXAS

By: _____

Title: _____

Date: _____

Attest: _____

Title: _____

Address for Notice:

City Manager's Office
300 South Texas Ave.
Bryam, Texas 77803

PARTICIPANT: _____

By: _____

Title: _____

Date: _____

Attest: _____

Title: _____

Address for Notice:

Administrator for this Agreement (if different from above):
