

**AMENDED AND RESTATED
INTERLOCAL LEASE AGREEMENT**

THIS AMENDED AND RESTATED INTERLOCAL LEASE AGREEMENT (“Lease Agreement”) is made and entered into effective as of the date of the last party’s execution herein below (the “Lease Agreement Date”), by and between WILLIAMSON COUNTY, a Texas political entity (“**Williamson County**”, “**Owner**” or “**Landlord**”) and CITY OF GEORGETOWN, a Texas home-rule municipal corporation (“**Georgetown**”, “**City**” or “**Tenant**”), related to the lease by Georgetown of certain real property owned by Williamson County, for the purposes of the development and use of such property as a public parking area. Williamson County and Georgetown are referred to collectively herein as the “**Parties**,” or individually as a “**Party**.”

WITNESSETH:

WHEREAS, V.T.C.A., Government Code, Chapter 791, the Texas Interlocal Cooperation Act, provides that any one or more local governments may contract with each other for governmental functions and services in areas such as streets, roads, and drainage, public health and welfare; and relating to other governmental functions in which the contracting parties are mutually interested in order to provide a governmental function or service that each party to the contract is authorized to perform individually; and

WHEREAS, Section 791.001 of the Government Code further provides that the Parties are authorized to contract or agree to perform governmental functions and services to increase the efficiency and effectiveness of their respective local governments; and

WHEREAS, Section 272.005 of the Local Government Code provides that a political subdivision, such as Williamson County, may lease property to any other local government, such as Georgetown, without any competitive procedures or any published notice; and

WHEREAS, on August 12, 2014, Georgetown leased certain property owned by Williamson County for use as a parking lot (“Original Lease”); and

WHEREAS, Parties wish to extend the Original Lease and expand the area leased in the Original Lease, to that certain real property owned by Williamson County located at Martin Luther King and 8th Streets in Georgetown, Texas, being more particularly described on **Exhibit A** attached hereto and made a part hereof for all purposes (the “Premises”) which identifies the area leased in the Original Lease as “ILA – August 12, 2014” and shows the additional area in cross hatch, which lease shall be on the terms and conditions herein set forth and for the public purposes herein specified.

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained, the undersigned Parties hereby agree as follows:

AGREEMENT:

Section 1 LEASE GRANT.

Landlord hereby leases, demises and lets unto Tenant, and Tenant hereby leases from Landlord, the Premises for the Term of the Lease Agreement, beginning on the Commencement Date (defined below) and ending on the Expiration Date (defined below), unless sooner terminated or as further renewed and extended, as herein provided.

Section 2 LEASE TERM AND TERMINATION.

a. Initial Term. The Initial Term of this Lease Agreement (the "Initial Term") shall be the period commencing on September 1, 2014 (the "Commencement Date") and ending on September 30, 2038 (the "Expiration Date").

b. Renewals. After the Initial Term and provided this Lease Agreement has not been terminated prior to the Expiration Date as herein provided, this Lease Agreement will renew on the same terms on an annual basis until either the Landlord or the Tenant gives at least one hundred twenty (120) days written notice to the other, prior to the end of the then current renewal year, of its desire to amend or terminate the Lease Agreement.

c. Early Termination During Initial Term. Upon one (1) year's written notice prior to each anniversary date during the initial term, Landlord may terminate this Lease Agreement provided the Landlord reimburses Tenant for the costs of the improvements placed on the Premises by Tenant pursuant to the following reimbursement schedule:

<u>Effective Date of Termination</u>	<u>Percentage of Reimbursement of Tenant's Improvement Costs</u>
September 30, 2019	90%
September 30, 2020	80%
September 30, 2021	70%
September 30, 2022	60%
September 30, 2023	50%
September 30, 2024	40%
September 30, 2025	30%
September 30, 2026	20%
September 30, 2027	10%

Following completion of any improvements made by Lessee, Tenant must provide, upon request by the Landlord, within sixty (60) days of that request, and to Landlord's satisfaction, documentation setting forth the actual costs of Tenant's improvements and Landlord shall either request additional documentation from Lessee or approve Lessee's documentation within sixty (60) days of Landlord's receipt of the documentation. In the event additional documentation is requested, Landlord shall have sixty (60) days from the date of Landlord's receipt of the additional documentation to approve same. The parties agree that improvement costs shall not include recurring or periodic operating and maintenance costs incurred in relation to the improvements.

Prior to the Landlord being obligated to pay any amount of reimbursement for Landlord's termination of this Lease Agreement during the Initial Term, Lessee must have provided the above described documentation, to Landlord's satisfaction, within the time period provided above.

Any termination of this Lease Agreement by Landlord during the Initial Term will not be effective until Lessee receives payment of the above described reimbursement from Landlord, which in no event shall be paid by Landlord later than the effective date of any such termination.

Section 3 RENT, OTHER CONSIDERATION FOR LEASE.

a. Tenant agrees to pay to Landlord: in annual installments, Base Rent in the amount of Ten and No/100 Dollars per annum (the "Base Rent"), without deduction or setoff, for each twelve (12) month period of the Initial Term or any renewal term. Tenant shall pay the first installment of Base Rent to Landlord contemporaneously with the execution of this Lease Agreement. Each subsequent installment of Base Rent shall be due and payable, without demand, beginning on each subsequent October 1, during the Initial Term or any renewal term. Provided, however, Tenant may, at its election, prepay all or a portion of the Base Rent.

b. In addition to the Base Rent, Tenant agrees to reimburse the County for disputed building fees in the total amount of \$231,542.00 previously paid to the City of Georgetown and further identified on **Exhibit B** attached hereto (the "Disputed Fees") and to be paid in annual installments as follows:

October 1, 2018	\$50,000
October 1, 2019	\$50,000
October 1, 2020	\$50,000
October 1, 2021	\$50,000
October 1, 2022	\$31,542

c. Furthermore, subject to the terms and conditions of this Agreement, Tenant agrees to credit up to \$1,700,000 in fees for future county facilities construction on county owned property, as well as the Lott Building that is leased by County and being located on City's property. The credited fees shall include building permit fees, planning, and planning review fees, building technology fees, utility connection fees, fire review and inspection fees, and utility planning and inspection fees that are charged to other individuals and entities on construction projects subject to City's regulations and ordinances. No fees that represent any direct cost to the City or any utility impact fees shall be waived under this agreement; nor shall any utility rates and charges assessed by the City under Chapter 13.04 of the Georgetown Code of Ordinances be waived or credited and the County understands and agrees to pay utility rates, monthly drainage fees and charges associated with county buildings in the City's service areas.

d. As further consideration for the lease, Georgetown agrees that any regional storm water detention improvements made by the City of Georgetown following the effective date of this Amended and Restated Interlocal Lease Agreement, and during the period in which the lease is in effect, will be designed to address storm water requirements of the County attributable to future

county projects built in the area bounded by West 8th Street, Martin Luther King Street, West 3rd Street and South Rock Street.

Section 4 LEASEHOLD IMPROVEMENTS AND USE OF PREMISES.

Tenant shall, at its own expense, remove the existing structures on the Premises, which are addressed as 321 West 8th Street, 323 West 8th Street, 306 West 7th Street, 308 West 7th Street and 310 West 7th Street, and any associated appurtenances, as well as install asphalt, concrete, other paving materials, irrigation, landscaping, signage and lighting on the Premises. These structures are in addition to those previously removed by Tenant at 401 and 402 West 8th Street. The Landlord will cause all tenants and/or occupants in the structures on the Premises to vacate no later than November 30, 2018.

Except as otherwise set out herein, Tenant improvements and use of the Premises shall be for sole purpose of a free public parking facility so the public at large may utilize the Premises for parking on a first come, first serve basis.

Landlord and Tenant acknowledge and agree that upon expiration of the Initial Term or any renewal term, or upon earlier termination of this Lease Agreement, all improvements made to the Premises by or on behalf of Tenant shall remain a part of the Premises, and shall become the property of Landlord, without the payment of compensation to Tenant.

Tenant hereby acknowledges the Landlord has future plans to construct Landlord owned facilities and improvements on the Premises. Tenant acknowledges that it should plan for alternative solutions relating to future parking needs at other locations at the end of the Initial Term or any renewal term since Landlord intends to use the Premises for other purposes in the future.

Tenant shall improve and maintain the Premises in compliance with all applicable laws, ordinances, orders, rules and regulations (state, federal, municipal and other agencies or bodies having any jurisdiction thereof) with reference to the use, condition or occupancy of the Premises (collectively, the "Laws"), including but not limited to the Code of Ordinances of the City of Georgetown and the Unified Development Code of the City of Georgetown.

Tenant hereby further agrees and acknowledges that any landscaping and/or any constructed improvements placed on the Premises by Tenant during the Initial Term or any renewal term of this Lease Agreement may be removed, without fee, following the expiration or termination of the Lease Agreement as long as removal is in compliance with all laws, ordinances, orders, rules and regulations (state, federal, municipal and other agencies or bodies having any jurisdiction thereof) applicable to the Premises (collectively, the "Laws"), including but not limited to the Code of Ordinances of the City of Georgetown and the Unified Development Code of the City of Georgetown. Tenant agrees and acknowledges that it may only place landscaping and constructed improvements on the Premises that may be removed, without fee to the Landlord, following the expiration or termination of the Lease Agreement.

Landlord shall not be obligated to pay any drainage utility fees or other City of Georgetown fees in relation to the Premises during the Initial Term or any renewal term.

Section 5 MAINTENANCE AND UTILITIES.

Tenant, at its sole cost and expense, shall throughout the Initial Term and any renewal term, keep and maintain the Premises and all improvements thereon in a good, clean condition of repair and maintenance and in compliance with all applicable Laws, including but not limited to landscape maintenance. Tenant shall be responsible for payment of all utility costs associated with lighting, landscaping and Tenant's use of the Premises.

Section 6 INSURANCE.

Tenant, at Tenant's sole expense, shall maintain during the Initial Term and any renewal term the same insurance coverage on the Premises as other similar parking lots owned by Georgetown. In the event Tenant's coverage on the Premises is cancelled or terminated, Tenant must immediately obtain new coverage so that coverage is in place at all times during the Initial Term and any renewal term. Landlord, at Landlord's sole expense, may self insure or maintain during the Initial Term and any renewal term the same insurance coverage on the Premises as other similar Williamson County parking lots located in the City of Georgetown. Tenant shall not commence any field work under this Lease Agreement or occupy the Premises until it has obtained all required insurance and such insurance has been approved by Landlord.

Tenant shall not allow any of its contractors or subcontractor(s) to commence work to be performed on the Premises until such contractors and subcontractors have obtained the insurance as required by **Exhibit C** attached hereto.

Williamson County shall be named as an additional insured on contractor and subcontractor insurance, and Tenant shall furnish Landlord with a certification of coverage issued by the insurer(s).

Section 7 PROPERTY TAXES AND CITY FEES.

Tenant is a public entity exempt from the payment of real or personal property taxes. Should Tenant's tax exempt status change during the Initial Term or any renewal term, Tenant shall be responsible for the payment prior to delinquency and to the extent applicable of the following (collectively, Taxes"):

- a. All taxes, if any, levied or assessed against all personal property, furniture, fixtures or equipment placed by Tenant upon the Premises; and
- b. All real property taxes, general and special assessments, license fees and other charges of every description, if any, which during the Initial Term or any renewal term may be levied upon or assessed against the Premises and all interests therein and all improvements and other property thereon, whether belonging to Landlord or Tenant, or to which either of them may become liable.

Section 8 DEFAULT AND REMEDIES.

It shall be an event of default by Tenant under the Lease Agreement if: (i) Tenant shall fail to pay when due any sums payable by Tenant hereunder and such failure shall continue for thirty (30)

days after written notice by Landlord to Tenant; or (ii) Tenant shall fail to comply with or observe any other provision of this Lease Agreement within thirty (30) days after written notice by Landlord to Tenant specifying wherein Tenant has failed to comply with or observe such provision; provided, however, that if the nature of Tenant's obligation is such that more than thirty (30) days are required for its performance, then Tenant shall not be deemed to be in default if Tenant shall commence such performance within such thirty-day period and thereafter diligently prosecute same to completion. Upon the occurrence of any event of default by Tenant, Landlord shall have the option to pursue any and all remedies which Landlord then may have hereunder or at law or in equity.

Section 9 BROKERS.

Landlord and Tenant each warrant to the other that they have had no dealings with any broker or agent in connection with the negotiations or execution of this Lease Agreement.

Section 10 RIGHT OF FIRST OFFER TO PURCHASE.

a. As additional consideration for Tenant's improvement of the Premises, in the event Landlord shall elect to sell the Premises after the expiration or termination of this Lease Agreement, and for ten (10) years thereafter, Landlord shall first give written notice (the "Landlord Sale Notice") to Tenant. Tenant shall have a period of thirty (30) days (the "Acceptance Period") to elect, by written notice to Landlord (the "Tenant Purchase Notice"), that Tenant shall purchase the Premises for the Premises' then current market value as determined by an independent state licensed appraiser that is mutually agreed upon by both Landlord and Tenant less the amount of Tenant's cost and expense for improvement of the Premises during the Initial Term or any renewal term (the "Purchase Price"). Within five (5) days after delivery of the Tenant Purchase Notice, Tenant shall deposit into escrow with GEORGETOWN TITLE COMPANY, Georgetown, Williamson County, Texas ("Georgetown Title Company") an earnest money deposit (the "Earnest Money"), in the amount of Five Thousand Dollars (\$5,000). Landlord shall make available to Tenant a complete package of due diligence materials for the Premises, to the extent in Landlord's possession or control, and relating to the ownership, use, condition or operation of the Premises. Tenant shall have thirty (30) days after delivery of the Tenant Purchase Notice (the "Inspection Period") to inspect the Premises to Tenant's satisfaction. If Tenant is not satisfied with the Premises for any reason (or for no reason), Tenant may by written notice to Landlord prior to expiration of the Inspection Period, revoke Tenant's Purchase Notice in which event the Earnest Money shall be promptly reimbursed to Tenant, less \$10.00 which shall be remitted to Landlord as consideration for Tenant's right to revoke the Tenant Purchase Notice within the Inspection Period. If Tenant fails to provide to Landlord written notice of revocation of the Tenant Purchase Notice within the Inspection Period, then Tenant shall be deemed to be satisfied with the Premises, the Earnest Money shall be considered to be non-refundable in all instances other than a Landlord default, and the parties agree to close the sale of the Premises no later than thirty (30) days after expiration of the Inspection Period. At the closing, Tenant shall purchase the Premises by paying to Landlord in cash the entire Purchase Price. The Earnest Money shall be credited to the Purchase Price at the closing and consummation of Tenant's purchase of the Premises. Simultaneously with Tenant's payment to Landlord of the entire Purchase Price in immediately available funds, Landlord shall sell, transfer, assign and convey the Premises to Tenant pursuant to a special

warranty deed, subject to the Lease Agreement and those permitted exceptions approved by Tenant during the Inspection Period.

b. If Tenant does not, prior to the expiration of the Acceptance Period, give Landlord the Tenant Purchase Notice, then Landlord may freely sell the Premises to any third party, subject however to the Lease Agreement.

c. The provisions of this Section 10 shall survive the expiration or termination of the Lease Agreement. Tenant may record a Memorandum of this Right of First Offer in the Official Public Records of Williamson County, Texas.

Section 11 ENTIRE AGREEMENT.

This Lease Agreement contains all of the agreements of the parties with respect to any matter covered or mentioned in this Lease Agreement and no prior or contemporaneous agreements or understandings pertaining to any such matters shall be effective for any purpose.

Section 12 SEVERABILITY.

If any section, subsection, sentence, clause, phrase, or portion of this Lease Agreement is for any reason held invalid or unconstitutional by any court or administrative agency 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.

Section 13 NOTICE.

All notices and demands shall be in writing, and are effective when mailed, hand-delivered, or transmitted by facsimile as follows:

To Williamson County:

Williamson County
Attn: County Judge
710 Main Street, Suite 101
Georgetown, TX 78626
Fax: (512) 943-1550

To Georgetown:

City of Georgetown
Attn: City Manager
113 E. 8th Street
Georgetown, Texas 78627
Fax: (512)930-3622

Section 14 NO WAIVER OF IMMUNITIES.

Nothing in this Lease Agreement shall be deemed to waive, modify or amend any legal defense available at law or in equity to the Parties or their past or present officers, employees, or agents, or to create any legal rights or claims on behalf of any third party. Neither Party waives, modifies,

or alters to any extent whatsoever the availability of the defense of governmental immunity under the laws of the State of Texas and of the United States.

Section 15 COURT OPERATIONS, OFFICIAL DUTIES OF OFFICE, HEALTH AND SAFETY POWERS.

Tenant agrees that Landlord and its elected officials retain control and supervision of their respective elected offices, and Tenant understands and agrees that this Lease Agreement is not intended, nor shall it be construed, to interfere with the operations of the Williamson County Commissioners Court, official duties of office, and/or the health and safety powers of county government. Any rights granted to Tenant are subject to the lawful exercise of elected officials' duties of office and the Landlord's health and safety powers in order for this Lease Agreement to comply with the Texas Constitution.

Section 16 APPROVAL BY GOVERNING BODIES.

This Lease Agreement has been approved by the Governing Body of Williamson County and by the Governing Body of the City of Georgetown at meetings held in compliance with the Texas Open Meetings Act.

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SIGNATURE PAGES TO FOLLOW]

ACCEPTED AND AGREED TO:

Williamson County

By: _____

Printed Name: _____

Dan A. Gattis

Representative Capacity: As Presiding Officer of
the Williamson County
Commissioners Court

Date: 11-13-18

ACCEPTED AND AGREED TO:

City of Georgetown

By: _____

Printed Name: _____

DALE ROSS

Title: Mayor

Date: _____

11/13/18

ATTEST:

Shelley Nowling
City Secretary

APPROVED AS TO FORM:

Charlie McNabb
City Attorney

STATE OF TEXAS

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ACKNOWLEDGMENT

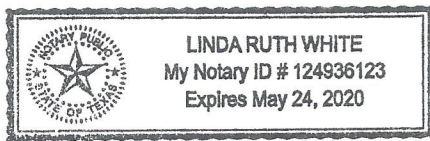
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COUNTY OF WILLIAMSON

§

This instrument was acknowledged before me on this the 13th day of November, 2018 by Dale Ross, a person known to me, in his/her capacity as Mayor of the City of Georgetown, a Texas Home Rule Municipal Corporation, on behalf of the City of Georgetown.

Linda Ruth White
Notary Public in and for the State of Texas



STATE OF TEXAS

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ACKNOWLEDGMENT

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COUNTY OF WILLIAMSON

§

This instrument was acknowledged before me on this the 6th day of November, 2018, by DANA GATTIS, a person known to me, in his capacity as County Judge of Williamson County, on behalf of the County.

Wendy E. Coco
Notary Public in and for the State of Texas

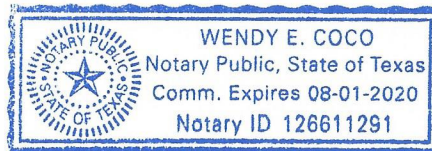


Exhibit A

Description of Premises



Exhibit B

Disputed Fees

County Fees Paid to Date

Project	Permit	Fee
Georgetown Annex	Building	\$57,820
	GUS Electrical	\$30,000
	Planning	\$1,150
Animal Shelter (50% cost)	Building	\$15,510
	GUS Electric	\$15,000
	Planning	\$575
Justice Center Remodel	Building	\$600
North Campus	Building	\$40,000
	GUS Electrical	\$70,000
Jail Remodel	Building	\$887

Total \$231,542

Exhibit C

Contractor and Subcontractor Insurance Requirements

A. General Requirements

1. *CONTRACTOR shall purchase and maintain insurance in the types and amounts indicated below for the duration of the Contract (unless a longer duration is specified), which shall include items owned by OWNER in the care, custody and control of CONTRACTOR prior to and during the term of the Contract and all warranty periods. Failure to purchase and maintain the required insurance shall be grounds for Termination of the Contract or Suspension of the Work by OWNER. Except for the Worker's Compensation policy, the other insurance policies required by the Contract to be obtained by CONTRACTOR must state that OWNER, its officials, directors, employees, representatives, and volunteers are added as additional insureds with regard to operations and activities by or on behalf of the named insureds performed under contract with OWNER. The additional insured status must cover completed operations as well, and the policy covering completed work must remain in effect until the expiration of the statute of repose.*
2. *CONTRACTOR must complete and forward the required Certificates of Insurance to OWNER before the Contract is executed as verification of coverage required below. CONTRACTOR shall not commence Work until the required insurance is obtained and until such insurance has been reviewed by OWNER. Approval of insurance by OWNER shall not relieve or decrease the liability of CONTRACTOR hereunder and shall not be construed to be a limitation of liability on the part of CONTRACTOR. CONTRACTOR must also complete and forward the required Certificates of Insurance to OWNER whenever a previously identified policy period has expired as verification of continuing coverage.*
3. *Contractor's insurance coverage is to be written by companies licensed to do business in the State of Texas at the time the policies are issued and shall be written by companies with A.M. Best ratings of B+VII or better, except for hazardous material insurance which shall be written by companies with A.M. Best ratings of A- or better.*
4. *All endorsements naming the OWNER as additional insured, waivers, and notices of cancellation endorsements as well as the Certificate of Insurance shall indicate: City of Georgetown, 113 E. 8th Street, Georgetown, Texas 78626, ATTN: Contract Manager.*
5. *The "other" insurance clause shall not apply to the OWNER where the OWNER is an additional insured shown on any policy. It is agreed that the CONTRACTOR's insurance shall be considered primary with respect to any insurance or self insurance carried by OWNER. The CONTRACTOR'S insurance shall apply separately to each insured against whom a claim is made and/or lawsuits brought, except with respect to the limits of insurer's liability.*
6. *If insurance policies are not written for amounts specified below, CONTRACTOR shall carry Umbrella or Excess Liability Insurance for any differences in amounts specified. If Excess Liability Insurance is provided, it shall follow the form of the primary coverage.*
7. *OWNER shall be entitled, upon request and without expense, to receive certified copies of policies and endorsements thereto and may make any reasonable requests for deletion or revision or modification of particular policy terms, conditions, limitations, or exclusions except where*

policy provisions are established by law or regulations binding upon either of the parties hereto or the underwriter on any such policies.

8. *OWNER reserves the right to review the insurance requirements set forth during the effective period of this Contract and to make reasonable adjustments to insurance coverage, limits, and exclusions when deemed necessary and prudent by OWNER based upon changes in statutory law, court decisions, the claims history of the industry or financial condition of the insurance company as well as CONTRACTOR.*
 9. *CONTRACTOR shall not cause any insurance to be canceled nor permit any insurance to lapse during the term of the Contract or as required in the Contract.*
 10. *CONTRACTOR shall be responsible for premiums, deductibles and self-insured retentions, if any, stated in policies. All deductibles or self-insured retentions shall be disclosed on the Certificate of Insurance.*
 11. *The policies must contain the following language: "This policy shall not be cancelled, materially changed, or not renewed until after thirty (30) days prior written notice has been given to OWNER." In addition, CONTRACTOR shall provide OWNER thirty (30) days written notice of erosion of the aggregate limits below occurrence limits for all applicable coverages indicted within the Contract.*
 12. *If OWNER-owned property is being transported or stored off-Site by CONTRACTOR, then the appropriate property policy will be endorsed for transit and storage in an amount sufficient to protect OWNER's property.*
 13. *The insurance coverages required under this contract are required minimums and are not intended to limit the responsibility or liability of CONTRACTOR.*
 14. *Without limiting any of the other obligations or liabilities of the CONTRACTOR, the CONTRACTOR shall require each Subcontractor performing work under the Contract, at the Subcontractor's own expense, to maintain during the term of the Contract, the same stipulated minimum insurance including the required provisions and additional policy conditions as shown above. As an alternative, the CONTRACTOR may include its Subcontractors as additional insureds on its own coverage as prescribed under these requirements. The CONTRACTOR's certificate of insurance shall note in such event that the Subcontractors are included as additional insureds and that CONTRACTOR agrees to provide Workers' Compensation for the Subcontractors and their employees. The CONTRACTOR shall obtain and monitor the certificates of insurance from each Subcontractor in order to assure compliance with the insurance requirements. The CONTRACTOR must retain the certificates of insurance for the duration of the Contract plus 5 years and shall have the responsibility of enforcing these insurance requirements among its subcontractors. The OWNER shall be entitled, upon request and without expense, to receive copies of these certificates.*
- B. Business Automobile Liability Insurance. Provide coverage for all owned, non-owned and hired vehicles in an amount not less than \$1,000,000 combined single limit per accident for bodily injury and property damage. The policy shall contain the following endorsements in favor of OWNER:

Waiver of Subrogation endorsement TE 2046A;

30 day Notice of Cancellation endorsement TE 0202A; and

Additional Insured endorsement TE 9901 B.

Provide coverage in the following types and amounts:

A minimum combined bodily injury and property damage limit of \$1,000,000 per occurrence. No aggregate shall be permitted for this type of coverage.

Such insurance shall include coverage for loading and unloading hazards.

- C. Workers' Compensation and Employers' Liability Insurance. Coverage shall be consistent with statutory benefits outlined in the Texas Workers' Compensation Act (Section 401). CONTRACTOR shall assure compliance with this Statute by submitting two (2) copies of a standard certificate of coverage (e.g. ACCORD form) to Owner's Representative for every person providing services on the Project as acceptable proof of coverage. The required Certificate of Insurance must be presented as evidence of coverage for CONTRACTOR. Workers' Compensation Insurance coverage written by the Texas Workers Compensation Fund is acceptable to OWNER. CONTRACTOR's policy shall apply to the State of Texas and include these endorsements in favor of OWNER:

Waiver of Subrogation, form WC 420304; and

30 day Notice of Cancellation, form WC 420601.

The minimum policy limits for Employers' Liability Insurance coverage shall be the minimum amounts required to meet the statutory requirements of Texas Labor Code, Section 401.011(44), or the following, whichever is greater:

\$1,000,000 bodily injury per accident, and

\$1,000,000 bodily injury by disease policy limit; and

\$1,000,000 bodily injury by disease each employee; and

\$1,000,000 Employer's Liability.

- D. Commercial General Liability Insurance. The Policy shall contain the following provisions:

Blanket contractual liability coverage for liability and indemnifications assumed under the Contract and all contracts relative to this Project.

Completed Operations/Products Liability until the end the statute of repose period.

Explosion, Collapse and Underground (X, C & U) coverage.

Independent Contractor's coverage.

Aggregate limits of insurance per project, endorsement CG 2503.

OWNER listed as an additional insured, endorsement CG 2010.

30 day notice of cancellation in favor of OWNER, endorsement CG 0205.

Waiver of Transfer of Recovery Against Others in favor of OWNER, endorsement CG 2404

fully insuring CONTRACTOR'S or Subcontractor's liability for bodily injury and property damages with a combined bodily injury (including death) and property damage minimum limit of:

\$1,000,000 per occurrence

\$2,000,000 general aggregate

\$2,000,000 products and completed operations aggregate

Coverage shall be on an "occurrence" basis.

- E. Property Floater. Contractor shall obtain and maintain Property Floater in an amount sufficient to cover the replacement value of materials on site.
- F. ***Umbrella Liability Insurance. The CONTRACTOR shall obtain, pay for, and maintain umbrella liability insurance during the contract term, insuring the CONTRACTOR (or subcontractor) for an amount not less than \$2,000,000 that provides coverage at least as broad and applies in excess of and follows the form of the primary liability coverages required in Article 5. The policy shall provide "drop down" coverage where underlying primary insurance coverages limits are insufficient or exhausted.***
- G. Asbestos Abatement Liability Insurance. If the Work or the Project involves asbestos containing materials, the CONTRACTOR shall obtain Asbestos Abatement Liability Insurance for liability arising from the encapsulation, removal, handling, storage, transportation, and disposal of asbestos containing materials. The combined single limit for bodily injury and property damage shall be a minimum of \$1,000,000 per occurrence. If claims made, the claims-made, the claims made form shall provide that the period of coverage shall be: Continuous coverage for the term of the Contract plus the warranty period of at least one (1) year, and an extended discovery period for a minimum of five (5) years, which shall begin at the end of the warranty period.
- H. Completed Work Insurance.