

MINUTES OF THE REGULAR MEETING  
OF THE BOARD OF COMMISSIONERS OF THE  
JEFFERSON COUNTY EMERGENCY SERVICES DISTRICT NO. 4

A regular meeting of the Board of Commissioners of the Jefferson County Emergency Services District No. 4 (“District”) was called for at 5:30 p.m. on the 19<sup>th</sup> day of February 2014, at the District’s administrative office, located at the Labelle-Fannett VFD fire station, 12880 FM 365, Beaumont, Texas 77705, pursuant to notice duly posted according to law.

The meeting was called to order at approximately 5:30 p.m., and the roll was called of the duly constituted officers and members of the Board, to wit:

Jeff Roebuck	President
Charlie Reneau	Vice President
Sandra Duhon	Secretary
Sandra Melton	Treasurer
Charlie Cox	Assistant Treasurer

All of said Board members were present, with the exception of Assistant Treasurer Cox, thus constituting a quorum. Also present at the meeting were Joshua Heinz of the law firm Benckenstein & Oxford, L.L.P., attorneys for the District, and those persons identified on the attendance log attached hereto as **Exhibit A**.

Upon establishing that a quorum was present, President Roebuck asked for public comment as set forth in Agenda Item No. 3. Being as there was no public comment, the Board moved along to Agenda Item No. 4 for review of the Minutes of the January 15, 2014 regular meeting and the February 5, 2014 special meeting. As to the regular meeting minutes, Vice President Reneau advised that the minutes need to be edited to reflect that Scott Wade made a public comment, not Scott Newvine. Upon motion by Vice President Reneau and seconded by Treasurer Melton, the proposed Minutes were

approved by the Board members present, subject to the above-mentioned correction being made.

The Board was then directed to Agenda Item No. 5 for the Treasurer's Report and payment of bills. Treasurer Melton reported that the District's Texas First Bank account balance as of January 31, 2014 was \$197,774.31, as reflected on the account statement attached hereto as **Exhibit B**, and the account balance as of February 19, 2014 was \$375,889.78. The Board also reviewed and discussed the Jefferson County Tax Office 2013 collection fee (\$4,341.54), and the invoices from Benckenstein & Oxford, LLP ("B&O") for the period of January 25, 2012 through January 31, 2014 (\$97,441.38). Copies of the 2013 Collection Fee Statement and B&O Invoices are attached hereto as **Exhibit C**. As to B&O Invoice Nos. 46394, 46430, 46499, and 46458 (covering the period of January 25, 2012 through September 16, 2013), these invoices had already been approved by the Board at the September 18, 2013 regular meeting, but were not paid at that time because the District had not yet collected any tax revenue. Upon motion by Vice President Reneau and seconded by Treasurer Melton, and with the unanimous consent of the Board members present, the Jefferson County Tax Office 2013 collection fee and the B&O invoices for the period of September 17, 2013 through January 31, 2014 (Invoice Nos. 46688 and 46844) were approved along with payment of same, as well as payment of the previously approved B&O invoices mentioned above. Furthermore, the Board discussed reimbursement of the members' expenses from the SAFE-D conference, and agreed that each would submit their expenses for reimbursement at the next Board meeting.

Next, President Roebuck directed the Board's attention to Agenda Item No. 6, at which time Treasurer Melton advised the Board that all required documentation had already been signed and submitted to Texas First Bank.

Thereafter, the Board was directed to Agenda Item No. 7 regarding retention of an accountant, bookkeeper, and/or auditor for the District. Treasurer Melton advised the Board that Mary Ellen Robertson, proposed CPA for the District, would not agree to represent the VFDs in addition to the District until she is first allowed an opportunity to inspect the VFDs' financial and accounting records. Accordingly, Treasurer Melton will liaison with the VFDs and Mrs. Robertson to arrange a date and time for her to review the VFDs' financial and accounting records.

President Roebuck then directed the Board to Agenda Item No. 8 regarding the draft Fire Service Agreements between the District and the VFDs, and the draft Asset Purchase Agreement between the District and Cheek VFD. Vice President Reneau advised that he and Mr. Heinz had met with Labelle-Fannett VFD representatives and its counsel, Brandon Monk, regarding the draft agreement about questions and concerns they had about various agreement terms, including but not limited to the language concerning insurance proceeds received by VFD. Mr. Heinz reviewed with the Board the revisions made to the draft Fire Service Agreement for Labelle-Fannett VFD as a result of the meeting, which were limited to Section 4.01.B of the agreement. With the changes, representatives from Labelle-Fannett VFD indicated that they have no further objections to the draft agreement, and the Cheek VFD representative advised that it had no objections to the current drafts. Upon motion by Secretary Duhon and seconded by Treasurer Melton, and with the unanimous consent of the Board members present, the

proposed Fire Service Agreements for Labelle-Fannett VFD and Cheek VFD, and the proposed Asset Purchase Agreement for Cheek VFD, copies of which are attached hereto as **Exhibit D**, were conditionally approved subject to final review by the Board members; if Mr. Heinz receives no objections or proposed changes from a Board member on or before February 26, 2014 (7 days), then the agreements are fully approved and President Roebuck and Secretary Duhon are authorized to sign same; however, if any objections and/or proposed revisions are received from a Board member before said date, then the proposed changes and the subject agreement will be considered by the Board for approval at its next meeting.

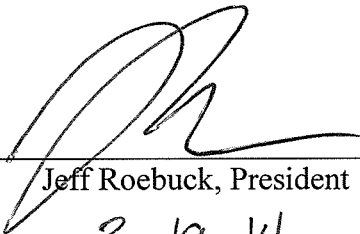
Next, the Board was directed to Agenda Item No. 9 regarding establishment of a Records Management Program for the District and designation of a Records Management Officer. The Board discussed the matter, but decided to table same until the District has acquired sufficient office equipment necessary for maintaining the District's records. In the meantime, Mr. Heinz will continue to maintain all District records, with the exception of certain financial records, which are in the possession of Treasurer Melton.

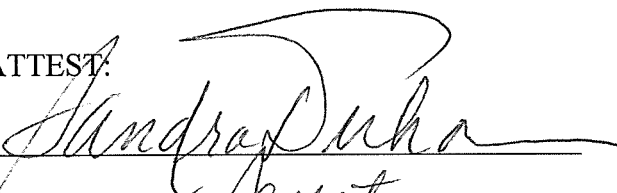
President Roebuck then directed the Board to Agenda Item No. 10 to discuss obtaining office equipment and supplies for the District. The Board discussed computer options for the District, and all favored purchasing an Apple laptop, so long as it would be compatible with all software and applications utilized by the District. Treasurer Melton is going to obtain pricing for various Apple laptop models, and will present same to the Board at its next meeting for consideration and approval.

No discussions were had regarding Agenda Item No. 11, so the Board was directed to Agenda Item No. 12, at which time Mr. Heinz reviewed and discussed with

the Board members the opinion letter received from John Carlton of the Carlton Law Firm, PLLC concerning Texas Health & Safety Code § 775.073(d), a copy of which is attached hereto as **Exhibit E**. Mr. Heinz also reported on the status of the BASF facility on West Port Arthur Rd. and possible removal/exemption of same from the District, and advised that he would continue to keep the Board apprised as the matter developed further.

Then, there being no further matters to come before, the regular meeting was adjourned at approximately 6:30 p.m.

  
\_\_\_\_\_  
Jeff Roebuck, President  
Date: 3-19-14

ATTEST:  
  
\_\_\_\_\_  
Name/Position: Secretary  
Date: 3-19-14

# Exhibit A

JCESD No. 4 - 2/19/2014

Darlene Rivett

Paul Rivett

Henry Labrie

Randall Jacobs Rivett

Scott Wade

Kenneth Duhon

Darlene Rivett



# Exhibit B



Helping Texans Build Texas

www.texasfirstbank.com

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Return Service Requested

TELEPHONE BANKING
(409) 945-9889 (281) 538-2226
(855) 355-TF81 (8321)

BOOKKEEPING
(409) 948-1993
(409) 296-2111

Page: 1

JEFFERSON COUNTY EMERGENCY
SERVICES No. 4
12880 FM 365 RD
BEAUMONT TX 77705-9682

Account Number: 10031508
Statement Date: 2/02/14
Checks/Items Enclosed: 1

EM

PUBLIC FUNDS TIERED INT. JEFFERSON COUNTY EMERGENCY Acct 10031508
SERVICES No. 4

Beginning Balance 1/01/14 34,672.79
Deposits / Misc Credits 3 164,340.52
Withdrawals / Misc Debits 3 1,239.00
\*\* Ending Balance 1/31/14 197,774.31 \*\*
Service Charge .00
Interest Paid Thru 1/31/14 21.93
Interest Paid Year To Date 21.93
Annual Percentage Yield Earned .15%
Number of Days for A.P.Y.E. 31
Average Balance for A.P.Y.E. 172,118.46
Minimum Balance 34,672
Enclosures 1

FEE RECAP

Table with 3 columns: Description, Total for this period, Total year-to-date. Rows include Total Overdraft Fees and Total Returned Item Fees.

DEPOSITS AND OTHER CREDITS

Table with 3 columns: Date, Deposits, Activity Description. Rows include INCOMING WIRE transactions and Interest Paid.

DEBITS AND OTHER WITHDRAWALS

Table with 3 columns: Date, Withdrawals, Activity Description. Row includes INCOMING WIRE FEE transaction.



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(409) 296-2111

Page: 2

JEFFERSON COUNTY EMERGENCY

Account Number: 10031508  
Statement Date: 2/02/14

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DEBITS AND OTHER WITHDRAWALS  
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Date	Withdrawals	Activity Description
1/10	7.00	INCOMING WIRE FEE-P201401100002244-02244

-----  
CHECKS PAID  
-----

\* indicates skip in check numbers

Date	Check No.	Amount	Date	Check No.	Amount	Date	Check No.	Amount
1/23	1502	1,225.00						

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DAILY BALANCE SUMMARY  
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Date	Balance	Date	Balance	Date	Balance
1/06	198,957.77	1/23	197,752.38	1/31	197,774.31
1/10	198,977.38				

# Exhibit C

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**\*\* STATEMENT \*\***

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**TO:** Jefferson County Emergency Services District #4      **DATE:** November 21, 2013  
ATTN: Jeff Roebuck  
12880 FM 365  
Beaumont, TX 77705

DESCRIPTION	TOTAL
2013 Tax Year Collection Fee  10,337 Parcels @ .42	\$4,341.54
<b>TOTAL Amount Due</b>	<b>\$4,341.54</b>

Please make check payable to: **J. Shane Howard, Tax Assessor-Collector**  
Jefferson County Tax Office  
P. O. Box 2112  
Beaumont, TX 77704-2112

**Please send your payment no later than January 31, 2014. Thank you.**

**\*\*\*Payment with a check authorizes us to convert your check to an Electronic Fund Transfer\*\*\***

cc: Sandra Melton  
Josh Heinz, atty.

**Benckenstein & Oxford, L.L.P.**

3535 Calder Avenue  
Suite 300  
Beaumont, TX 77706

**May 28, 2013**

Jefferson County Emergency Services District #4  
18769 FM 365  
Beaumont, TX 77705

**INVOICE #:** 46394 **JH**  
**Billed through:** May 11, 2013  
**Client/Matter #:** JCESD4 87102

RE: Jefferson County Emergency Services District No. 4

**PROFESSIONAL SERVICES RENDERED**

01/25/12	JH	Attention to one E-mail regarding estimated tax revenues and telephone conversation with Buddy Hughes from Appraisal District;	0.20 hrs
02/02/12	JH	Telephone conference with Henry Labrie regarding scheduling meeting to discuss creation of JCESD#4	0.20 hrs
02/09/12	JH	Telephone conversation with John Comeaux, acting City Manager of Port Arthur, Texas, regarding scheduling of meeting with the Port Arthur city officials to discuss boundaries of proposed JCESD No. 4 and inclusion of PA extra-territorial jurisdiction;	0.50 hrs
02/09/12	JTH	Telephone call from John Comeaux wanting to schedule a meeting with Mr. Heinz to discuss the boundaries for the ESD#4; scheduled and calendared for February 16, 2011 (n/c);	0.20 hrs
02/14/12	JH	Attention to 1 email regarding maps being prepared by the Regional Planning Commission;	0.10 hrs
02/15/12	JH	Receipt and review maps prepared by the Southeast Texas Regional Planning Commission; preparation for meeting with the City of Port Arthur regarding establishment of JCESD No. 4 and potential district boundaries, as well as in lieu of tax agreements held by the City of Port Arthur with various property owners in the proposed district's boundaries;	1.50 hrs
02/15/12	JTH	Perform conflicts check, open file, prepare New Matter Report (n/c);	1.00 hrs
02/16/12	JH	Travel to Port Arthur and attend meeting with city officials to discuss creation of JCESD No. 4, and to request certain materials and information needed from the city to help establish the proposed District's boundaries; attention to 1 email regarding same;	4.50 hrs
03/01/12	JH	Draft letter to Kyle Hayes, Beaumont City Manager, requesting meeting to discuss creation of JCESD No. 4, and establishing proposed boundaries; telephone call to Henry Lebric to discuss same; attention to 3 emails;	0.80 hrs
03/05/12	JH	Telephone conversation with Commissioner Weaver regarding proposed JCESD No. 4 and preparations for creation and filing of petition; attention to	0.20 hrs

		2 emails;	
03/08/12	JH	Telephone conversation with Commissioner Weaver to discuss Labelle-Fannett's intention to create JCESD No. 4; telephone conversation with Tyrone Cooper regarding meeting with City of Beaumont officials;	0.60 hrs
03/27/12	JH	Attention to 1 email to City of Port Arthur to check status of information and materials being provided in relation to the city's limits and in lieu of tax agreements;	0.10 hrs
03/29/12	JH	Attention to 1 email regarding scheduling of meeting with City of Beaumont to discuss creation of district and boundary issues; telephone conversation with City Attorney's office regarding same;	0.30 hrs
04/11/12	HOIV	Prepare for and attend meeting with City of Beaumont regarding extra-territorial jurisdiction (n/c);	2.00 hrs
04/11/12	JH	Attend meeting with City of Beaumont officials to discuss proposed creation of JCESD No. 4 and requesting assistance in determining proposed district boundaries; attention to 3 emails regarding same;	2.00 hrs
05/09/12	JH	Attention to 7 emails regarding records provided by City of Beaumont; review in lieu of tax agreements and map provided by city;	0.90 hrs
05/14/12	JH	Draft email to Port Arthur city attorneys requesting status of in lieu of tax agreements being provided to assist in efforts to create proposed district's boundaries;	0.10 hrs
06/26/12	JH	Revise and finalize engagement letter to Labelle-Fannett VFD; telephone conversation with Henry Labrie; draft and send email to Henry Labrie attaching engagement letter and providing status report on matter (n/c);	0.90 hrs
07/25/12	JH	Receipt and review signed engagement letter from Labelle-Fannett VFD; draft and forward status report letter to Labelle-Fannett VFD (n/c);	0.70 hrs
11/26/12	JH	Telephone conversations with Henry Lebrie and John Carlton regarding potential attempt to prepare and file Petition for Creation of JCESD No. 4 and get on May 2013 ballot, and scheduling of meeting with Labelle-Fannett VFD to discuss same; review statutes and analyze calendar of requirements to get on May 2013 ballot; attention to 13 emails;	2.70 hrs
11/27/12	JH	Draft outline for proposed petition, and prepare for meeting with LFVFD to discuss proposed district; legal research regarding deadlines for filing petition for consideration on May 2013 ballot and other deadlines relating to same;	1.90 hrs
11/29/12	JH	Travel to Port Arthur and meet with John Durkay, mayor of Taylor Landing, to discuss proposed JCESD No. 4; attention to 2 emails regarding same;	1.90 hrs
11/29/12	JH	Travel to and attend meeting with Labelle-Fannett VFD board members to discuss status of ESD creation and hiring of engineer/surveyor to draft written boundaries and create map illustrating district boundaries;	3.20 hrs
11/30/12	JH	Telephone conversation with Richard Faust of Faust Engineering to discuss district boundaries and arrange meeting regarding same; telephone conversation with Buddy Hughes (JCAD) regarding property/mineral valuation report for proposed district; attention to 4 emails;	0.60 hrs

12/03/12	JH	Meeting with Richard Faust of Faust Engineering to discuss drafting of district's written boundary description and creation of map for inclusion with Petition; telephone conversation with JCAD and SETRPC regarding production of digital maps for use by Faust Engineering; attention to 2 emails regarding same;	2.20 hrs
12/06/12	JH	Telephone conversations with Richard Faust and Henry Lebrie regarding preparation of boundary description and map, and payment for Faust Engineering services; telephone conversation with Henry Lebrie regarding attendance at Cheek VFD board meeting to discuss inclusion in JCESD No. 4; travel to and attend Cheek VFD board meeting;	3.70 hrs
12/07/12	JH	Telephone conversation with Richard Faust regarding amending proposed district boundaries to include Cheek VFD; telephone conversations with Commissioner Alfred and his office to schedule meeting to discuss JCESD No. 4;	0.80 hrs
12/10/12	JH	Meeting with Commissioner Alfred to discuss creation of JCESD No. 4 and Cheek VFD's anticipated involvement;	1.10 hrs
12/11/12	HOIV	Worked with Josh Heinz on gathering data for boundary issues and carve outs and met with Engineers to discuss drawing the boundaries; telephone calls to Brent Weaver and John Durkay to discuss status of Taylor's Landing's inclusion into JCESD #4; exchanged e-mails with the City of Beaumont regarding boundary issues and to set up a meeting with city officials;	4.10 hrs
12/11/12	JH	Meeting with Faust Engineering to review proposed boundaries; telephone conversation with Port Arthur engineer's office regarding areas annexed by city; attention to 8 emails;	2.60 hrs
12/12/12	HOIV	Exchanged multiple e-mails with Jim Thompson, City of Beaumont, regarding the City's boundaries and arranged a meeting with Chief Huff to discuss potential boundary issues for JCESD No. 4.	1.30 hrs
12/12/12	JH	Meeting with Faust Engineering to review proposed district boundary project; telephone conversation with Port Arthur engineer and city attorney's office regarding city limit boundaries and in lieu of tax agreements; attention to 14 emails; draft engagement letter for Cheek VFD;	2.80 hrs
12/13/12	JH	Telephone conversation with Faust Engineering regarding questions about the proposed boundaries; telephone conversation with Henry Lebrie regarding Cheek VFD's joinder in creation of District;	0.40 hrs
12/14/12	JH	Revise engagement letter to Cheek VFD; attention to 6 emails regarding same (n/c);	0.80 hrs
12/17/12	HOIV	Read and reviewed proposed election calendar and draft petition and worked with Josh Heinz on changes to the petition; exchanged 9 e-mails with John Carlton's office regarding deadlines in calendar;	2.30 hrs
12/17/12	JH	Telephone conversation with Faust Engineering and Henry Lebrie to arrange meeting to review proposed boundaries; telephone call to Port Arthur city attorney's office regarding in lieu of tax agreements; revise draft petition and draft filing letter to County Judge; review deadline schedule for creation petition and election; attend meeting at LFVFD fire station to review	2.20 hrs

		proposed boundaries; attention to 7 emails;	
12/18/12	HOIV	Exchanged a number of e-mails with Josh Heinz regarding final draft of Petition and made changes to the petition; conducted two telephone conferences with County Judge's office to arrange for a date for the County Commissioners to accept the petition;	1.80 hrs
12/18/12	JH	Review in lieu of tax agreements and other property records received from the City of Port Arthur and forward same to Faust Engineering for incorporation into proposed District boundaries; forward petitioner information to John Carlton; telephone conversation with Shane Howard regarding verification of petition signatures; telephone conversation with Jeremy Mitchell regarding boundaries; meeting with Rufus Lavergne to discuss draft petition and retainer agreement with John Carlton; attention to 9 emails;	3.20 hrs
12/19/12	HOIV	Prepared for and attended meeting with the City of Beaumont regarding boundaries and consent to the creation of JCESD #4; drafted e-mail to county judge requesting a date to file the Petition for the Creation of JCESD #4;	2.00 hrs
12/19/12	JH	Meeting with City of Beaumont and Faust Engineering regarding proposed district boundaries and areas covered by in lieu of tax agreements; receipt and review revised petition; attention to 5 emails;	1.80 hrs
12/20/12	HOIV	Worked with county officials and Josh Heinz on drafting e-mail requesting a hearing on the petition and explaining the timeline of events;	2.00 hrs
12/20/12	HOIV	Worked with Fred Jackson via telephone calls and e-mails regarding the language for the Agenda Item to approve the petition;	0.60 hrs
12/20/12	JH	Draft email to Judge Branick regarding anticipated filing of JCESD No. 4 Petition and agenda item for January 13, 2013 commissioners court meeting; draft outline letter regarding Valero's desire to include its facility within the proposed JCESD No. 4 boundaries; telephone conversation with Faust Engineering regarding boundaries;	1.40 hrs
12/21/12	JH	Telephone conversation with Jeremy Mitchell regarding status of boundary map and legal description;	0.30 hrs
12/28/12	JH	Telephone conversation with Faust Engineering regarding draft written boundaries and map, and forward same to the City of Beaumont and City of Port Arthur for review and approval; telephone conversation with Henry Lebric regarding status of map; attention to 12 emails;	1.40 hrs
12/31/12	JH	Telephone conversation with Shane Howard regarding verification of petition signatures and voter registration list; attention to 4 emails regarding same;	0.50 hrs
01/02/13	JH	Attention to 4 emails regarding voter registration lists from Jefferson Co. Tax Office;	0.40 hrs
01/03/13	JH	Attention to 7 emails regarding review of proposed boundaries by City of Beaumont and listing of registered voters in proposed district; telephone conversations with Greg Fountain and Henry Lebric regarding Valero facility outside proposed boundaries;	0.90 hrs
01/07/13	JH	Review map and forward questions to Faust Engineering; telephone	0.80 hrs

		conversation with Justin Chesson regarding boundaries; attention to 7 emails regarding finalizing petition;	
01/08/13	HOIV	Exchanged e-mails with Jim Thompson, City of Beaumont, Josh Heinz and engineer regarding providing Jim Thompson detailed mapping data for his upcoming meeting with the Chief of the Fire Department;	0.40 hrs
01/08/13	JH	Telephone conversations with Jeremy Mitchell regarding revision to the District's proposed boundaries; telephone conversations with clients regarding finalization of petition and delivery of same for obtaining signatures; travel to LFVFD and CVFD fire stations to deliver copies of petition; attention to 17 emails;	3.90 hrs
01/09/13	JH	Telephone conversation with Faust Engineering regarding boundary inquiry from City of Beaumont; telephone conversations with Ken Duhon, Henry Lebrie, and Rufus Lavergne regarding petition; telephone conversation with Shane Howard's office regarding voter registration information, and draft letter to Shane giving status update on petition and need for him to verify signatures once petition is filed; review voter registration information received from Shane Howard's office; attention to 8 emails;	3.80 hrs
01/10/13	JH	Telephone conversation with Faust Engineering regarding City of Beaumont's review of proposed boundaries; meeting with VFD members to collect petition signature pages; input missing voter registration nos. on petition signature pages; assemble and finalize petition and prepare same for filing with County Judge; forward copy of signature pages to Shane Howard so he can begin verification process in advance of commissioners court meeting; attention to 7 emails;	5.60 hrs
01/11/13	JH	Telephone conversation with City of Beaumont regarding need to file petition and to discuss amendment of boundaries at time of obtaining the city's consent to include its ETJ in district; legal research regarding these issues, and forward relevant statutes to the City of Beaumont; telephone conversations with Faust Engineering regarding boundaries; finalize Petition and prepare same for filing with the County Judge; deliver petition for filing to the County Judge, and deliver copies to Tax Assessor Collector and County Clerk; telephone conversation with County Clerk regarding verification of petition signatures; attention to 17 emails;	5.90 hrs
01/13/13	JH	Attention to 4 emails regarding commissioners court hearing to accept petition and set public hearing;	0.40 hrs
01/14/13	HOIV	Worked with Tax Assessor and County Clerk to assist in verifying petition; prepared for and attended January 14, 2013 Commissioner's Court hearing to get approval for a public hearing on the creation of JCESD #4;	4.50 hrs
01/14/13	JH	Prepare materials for Commissioners Court meeting; telephone conversations with Shane Howard and John Carlton regarding resolution should County Clerk be unable to verify petition signatures prior to Commissioners Court meeting; draft letters to Beaumont, Port Arthur and Taylor Landing requesting consent for their incorporated area and/or ETJ be included in District, and proposed resolutions emails for each city to consider; draft proposed public notices and forward same to the County Clerk, along with election calendar and copies of relevant statutes; attention to 21;	6.40 hrs

01/15/13	JH	Telephone conversation with Jeremy Mitchell regarding revisions to map and written boundary description; telephone conversation with John Carlton regarding proposed form of consent from Taylor Landing; attention to 17 emails regarding same, posting of public notices, and other deadlines;	2.10 hrs
01/15/13	TR	Calendar election deadlines and meetings (n/c);	0.50 hrs
01/16/13	JH	Attention to 9 emails regarding revised boundaries and meeting with City of Beaumont to discuss same;	0.90 hrs
01/18/13	JH	Telephone conversations with Henry Lebrie and Greg Fountain regarding District's proposed boundaries; telephone conversation with Gwen Thibodeaux regarding meeting with City of Port Arthur; attention to 4 emails;	0.90 hrs
01/21/13	JH	Draft email to JCAD requesting 2012 values for properties included in proposed District's boundaries; telephone conversation with Faust Engineering regarding revisions to proposed boundaries; attention to 9 emails regarding same and verification of language in the 2nd publication notice being posted in the Examiner, and agenda item language for Feb. 10th commissioner court meeting; attention to 1 message from City of Port Arthur regarding review and approval of proposed boundaries;	1.30 hrs
01/22/13	JH	Attention to 11 emails regarding revised boundary map and written description and agenda item language for commissioner court public hearing;	1.10 hrs
01/23/13	JH	Review revised boundaries, and prepared amended resolution for City of Beaumont; draft proposed Order of Special Election and Resolution Finding District Creation Feasible; coordinate with City of Beaumont regarding city council workshop; attention to 13 emails;	2.70 hrs
01/24/13	HOIV	Worked on PowerPoint Presentation for Commissioner's Court Public Hearing;	4.50 hrs
01/24/13	JH	Telephone conversations with City officials regarding consent to District's creation; telephone conversation with JCAD regarding 2012 agricultural values; assist HOIV with preparation of PowerPoint presentation for Public Hearing; telephone conversation with County Clerk regarding notices for public hearing; attention to 8 emails;	2.30 hrs
01/25/13	HOIV	Reviewed and edited PowerPoint for Commissioner's Court presentation;	3.50 hrs
01/25/13	JH	Attention to 3 emails regarding powerpoint presentation for public hearing and information needed from JCAD regarding property values and agricultural values;	0.30 hrs
01/28/13	JH	Attention to 2 emails regarding City of Beaumont city council work session to discuss JCESD No. 4;	0.20 hrs
01/30/13	JH	Telephone conversation with Beaumont and Port Arthur officials regarding city council meetings and consent to district's creation; draft revised resolution finding creation feasible and order of special election for commissioners' court public hearing; attention to 8 emails;	1.90 hrs
01/31/13	JH	Finalize drafts of resolution finding creation of district feasible and order calling special election; attention to 5 emails regarding same;	0.90 hrs

Client-	JCESD4	87102	Invoice #	46394	PAGE	7
02/04/13	JH		Revise proposed Order of Special Election and confirm contents with Clerk's office; revise powerpoint presentation for public hearing; attention to 5 emails;		2.10 hrs	
02/05/13	HOIV		Prepared for and attended City of Beaumont city council meeting to get approval for District;		2.00 hrs	
02/05/13	HOIV		Prepared for and attended City of Port Arthur city council meeting to get consent for District from the City;		2.00 hrs	
02/05/13	JH		Telephone conversation with Theresa Goodness regarding Order of Special Election language; review and revise proposed Order; telephone conversation with JCAD regarding preparation of estimated taxable value for the District; prepare materials for Port Arthur City Council Meeting; telephone conversation with Henry Lebrie regarding status; attention to 6 emails;		4.50 hrs	
02/06/13	JH		Preparation of materials for Feb. 11th public hearing and forward same to Judge Branick's office; telephone conversation with City of Port Arthur regarding copy of resolution consenting to district's creation; attention to 7 emails;		1.70 hrs	
02/07/13	JH		Review tax value estimates from appraisal district; telephone conversation with tax office regarding various tax rates; revise and finalize powerpoint presentation for public hearing; attention to 4 emails;		3.70 hrs	
02/08/13	JH		Telephone conversation with Buddy Hughes from JCAD regarding industrial property values and mineral productivity values; telephone conversation with Gwen Thibodeaux from City of Port Arthur regarding copy of city's resolution consenting to district's creation; attention to 11 emails;		1.80 hrs	
02/11/13	HOIV		Prepare for and attend Jefferson County Commissioner's Court for hearing;		3.70 hrs	
02/12/13	JH		Attention to 4 emails regarding hearing notices and consent from cities with ETJ in proposed district;		0.40 hrs	
02/13/13	JH		Attention to 2 emails regarding notices for public hearing;		0.20 hrs	
02/25/13	JH		Attention to 4 emails regarding preparation of DOJ submission for election preclearance;		0.40 hrs	
02/28/13	JH		Attention to 2 emails regarding publisher's affidavit;		0.20 hrs	
03/05/13	JH		Attention to 4 emails regarding notices of election and DOJ submission;		0.40 hrs	
03/07/13	JH		Attention to 1 email regarding invoice for publishing hearing notice;		0.10 hrs	
03/18/13	JH		Telephone conversation with Henry Lebrie regarding scheduling of meeting to arrange town hall meeting; telephone conversation with Kenneth Duhon regarding same;		0.30 hrs	
03/19/13	JH		Telephone conversations with Kenneth Duhon and Henry Lebrie regarding meeting to discuss JCESD#4 election; travel to and attend meeting at Labelle-Fannett VFD fire station;		2.60 hrs	
03/20/13	JH		Telephone conversation with Shane Howard's office regarding historical May election voter turnout for precincts within district; telephone conversation		4.60 hrs	

		with Theresa Goodness in clerk's office regarding ballot language; draft informational brochure for JCESD#4 election; review historical voter turnout information provided by Shane Howard's office; attention to 14 emails;	
03/21/13	JH	Attention to 4 emails regarding town hall meeting and order of special election;	0.40 hrs
03/28/13	JH	Attention to 1 email regarding town hall meetings;	0.10 hrs
04/01/13	JH	Revise draft informational brochure and forward same to Henry LeBrie via email requesting town hall meeting date;	0.50 hrs
04/03/13	JH	Meeting with Judge Branick to discuss status of JCESD#4 creation and upcoming election; confirm scheduling of town hall meeting and finalize informational brochure; telephone conversation with Henry LeBrie regarding brochure;	1.50 hrs
04/16/13	JH	Prepare for and attend town hall meeting at Labelle-Fannett VFD fire station;	4.20 hrs
04/17/13	JH	Telephone conversation with Phil Owens regarding JCESD No. 4 and questions raised by Taylor Landing residents;	0.20 hrs
04/18/13	JH	Attention to 1 email regarding posting/publishing notices of election; prepare for and attend town hall meeting in Cheek at Precinct 4 service center;	3.50 hrs
04/19/13	JH	Attention to 8 emails regarding posting/publishing notices of election; telephone conversation with election division regarding same;	1.00 hrs
05/01/13	JH	Telephone conversation with Dan Newton, Taylor Landing resident, regarding proposed ESD and election;	0.30 hrs
05/06/13	JH	Telephone conversation with Taylor Landing resident regarding possible meeting to discuss JCESD No. 4 election with Taylor Landing residents; telephone conversations with John Carlton and Henry LeBrie regarding election; attention to 6 emails regarding same;	0.90 hrs
05/07/13	JH	Telephone conversation with Barbara Fox regarding scheduled meeting with Taylor Landing residents to discuss JCESD#4 election; attention to 2 emails regarding same; draft proposed Order Canvassing Election Results and Certificate for same; telephone conversations with Philip Sonnier and Henry LeBrie regarding interview by Channel 6 News reporter concerning JCESD#4 election and attention to 1 email regarding same;	2.40 hrs
05/08/13	JH	Prepare for, travel to, and attend town hall meeting in Taylor Landing; attention to 4 emails regarding same;	3.80 hrs
05/09/13	JH	Travel to and attend town hall meeting at Labelle-Fannett VFD fire station;	3.00 hrs
05/11/13	JH	Monitor election results and telephone conversations with Henry LeBrie regarding same (n/c);	1.80 hrs
		Total fees for this matter	\$42,225.00

**DISBURSEMENTS**

01/07/13	Secretary of State; Invoice # 10297463 - search fee (12/14/12)	1.00
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01/07/13	J. Shane Howard, Tax Assessor Collector; Invoice # voter list	25.00
02/08/13	The Examiner; Invoice # 81366 - hearing notice	312.00
02/13/13	Joshua C. Heinz; Invoice # mileage; Travel Expense,	27.75
03/22/13	Joshua C. Heinz; Invoice # mileage; Travel Expense,	22.20
05/08/13	Travel Expense,	36.07
05/09/13	Travel Expense,	24.97
05/11/13	The Carlton Law Firm - retainer	10,000.00
05/11/13	Telefacsimile	36.00
05/11/13	Copy Expense	45.08
05/11/13	Color Copy Expense	156.50
05/11/13	Messenger Service	101.64
	Total disbursements for this matter	<u>\$10,788.21</u>

**BILLING SUMMARY:**

Oxford, IV Hubert	2.00 hrs @	\$0.00 /hr	\$0.00
Oxford, IV Hubert	34.70 hrs @	\$250.00 /hr	\$8,675.00
Heinz, Joshua	4.20 hrs @	\$0.00 /hr	\$0.00
Heinz, Joshua	134.20 hrs @	\$250.00 /hr	\$33,550.00
Ramos, Tanna	0.50 hrs @	\$0.00 /hr	\$0.00
Hughes, Julie T.	1.20 hrs @	\$0.00 /hr	\$0.00
TOTAL FEES			<u>\$42,225.00</u>
TOTAL DISBURSEMENTS			\$10,788.21
TOTAL CHARGES FOR THIS INVOICE			<u>\$53,013.21</u>
<b>TOTAL BALANCE NOW DUE</b>			<b><u><u>\$53,013.21</u></u></b>

Federal ID# 74-1646478

**Invoice Terms: Net 10 Days Upon Receipt**  
 Please Reference Invoice Number on Your Check



2705 Bee Cave Road, Suite 200  
 Austin, Texas 78746  
 Phone: 512-614-0901

# INVOICE

Invoice # 1253  
 Date: 08/16/2013  
 Due Upon Receipt

Labelle-Fannett Volunteer Fire Department  
 c/o Hubert Oxford, IV  
 Benckenstein & Oxford, LLP  
 3535 Calder, Ste. 300  
 Beaumont, Texas 77706

## 0101 - Labelle-Fannett VFD - Creation of Jefferson ESD No. 4

Date	Attorney	Description	Quantity	Total
08/01/2013	JJC	Flat fee for Creation of Jefferson County ESD No. 4.	1.00	\$10,000.00

Time Keeper	Position	Quantity	Rate	Total
John Carlton	Attorney	1.0	\$10,000.00	\$10,000.00
Subtotal				\$10,000.00
Total				<b>\$10,000.00</b>

## Detailed Statement of Account

### Other Invoices

Invoice Number	Due On	Amount Due	Payments Received	Balance Due
<del>1150</del>	<del>07/05/2013</del>	<del>\$40.00</del>	<del>\$0.00</del>	<del>\$40.00</del>

### Current Invoice

Invoice Number	Due On	Amount Due	Payments Received	Balance Due
1253	08/16/2013	\$10,000.00	\$0.00	<b>\$10,000.00</b>
Outstanding Balance				<del>\$10,000.00</del>

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**Total Amount Outstanding      \$10,040.00**

Please make all amounts payable to: The Carlton Law Firm, P.L.L.C.

**Benckenstein & Oxford, L.L.P.**

3535 Calder Avenue  
Suite 300  
Beaumont, TX 77706

**July 1, 2013**

Jefferson County Emergency Services District #4  
18769 FM 365  
Beaumont, TX 77705

**INVOICE #:** 46430 **JH**  
**Billed through:** June 30, 2013  
**Client/Matter #:** JCESD4 87102

RE: Jefferson County Emergency Services District No. 4

Balance forward from previous invoice dated	05/28/2013	\$53,013.21
Net balance forward		<u>\$53,013.21</u>

**PROFESSIONAL SERVICES RENDERED**

05/13/13	HOIV	Lunch with Jeff Branick to discuss appointment process of commissioners to Jefferson County Emergency Service District #4;	1.50 hrs
05/13/13	HOIV	Telephone conference and e-mails with two residents of JCESD #4 to discuss notice of public meetings and status of ESD and its role with Volunteer Fire Departments inside District;	1.60 hrs
05/13/13	JH	Revise and finalize proposed Order Canvassing Election Results; attention to 8 emails regarding same, appointment of ESD Commissioners, and post-election inquiries from district residents;	0.70 hrs
05/16/13	JH	Revise and finalize proposed order canvassing election and forward same to Judge Branick's office, along with request to place order and appointment of JCESD#4 commissioners on the next commissioners' court meeting agenda; telephone conversation with Fred Jackson regarding same; telephone conversation with Theresa Goodness regarding final election results; attention to 6 emails;	1.30 hrs
05/17/13	JH	Telephone conversations with Fred Jackson (county Judge's office), Commissioner Weaver and Commissioner Alfred regarding appointment of JCESD#4 Commissioners; create map of District illustrating County Commissioner precinct boundaries; attention to 15 emails regarding same; telephone conversation with Shane Howard regarding the District's population and split amongst precincts;	3.40 hrs
05/20/13	JH	Telephone conversations with Commissioner Alfred and Theresa Goodness (County Clerk's office) regarding JCESD#4 population by commissioner precincts, and attention to 5 emails regarding same;	0.80 hrs
05/21/13	JH	Attention to 2 emails regarding district population by commissioner precincts in relation to appointment of ESD commissioners;	0.20 hrs

05/30/13	JH	Telephone conversation with Commissioner Weaver regarding status of ESD Commissioner appointments; attention to 1 email regarding same;	0.10 hrs
05/31/13	JH	Telephone conversation with Henry LeBrie regarding status of ESD commissioner appointments; receipt and review Order Canvassing Election Results, and attention to 2 emails regarding same;	0.50 hrs
06/04/13	JH	Draft proposed Order Declaring Results of Election per requirements set forth in THSC 775.019(e), and forward same to Fred Jackson with explanation for consideration by the Commissioners' Court;	1.30 hrs
06/05/13	JH	Attention to 3 emails regarding proposed order declaring results of JCESD#4 election, and respond to email from Judge Branick regarding status of JCESD#4 commissioner appointments;	0.40 hrs
06/07/13	JH	Telephone conversation with Wade Taylor at JCAD regarding mapping of JCESD#4's boundaries, and draft and forward correspondence to Roland Bieber (Chief Appraiser) regarding necessary procedures to ensure JCESD#4's levy and collection of 2013 taxes;	0.80 hrs
06/10/13	JH	Telephone conversation with Roland Bieber (JCAD, Chief Appraiser) regarding district's creation and procedures of mapping district's boundaries and coding accounts for property in district for purposes of assessing and collecting ad valorem tax;	0.20 hrs
06/11/13	JH	Telephone conversation with Fred Jackson regarding order declaring district creation; telephone conversations with Shane Howard and Roland Biebers regarding information need by tax office and appraisal district; attention to 7 emails;	0.50 hrs
06/19/13	JH	Legal research and attention to 27 emails regarding procedure for appointing ESD Commissioners and issues relating thereto; prepare memorandum regarding appointment process for JCESD#3, per request from Judge Branick; telephone conversations with Commissioners Alfred and Sinegal regarding same;	3.40 hrs
06/20/13	JH	Telephone conversation with Commissioner Alfred regarding ESD commissioner appointments; attention to 12 emails regarding same and telephone conversations with John Carlton regarding tax/budget planning calendar;	1.30 hrs
06/24/13	HOIV	Drafted extensive e-mail to JCESD #4 Commissioners and attached a number of documents to same;	0.80 hrs
06/24/13	HOIV	Prepared for and attended County Commissioners hearing for appointment of ESD Commissioners;	1.20 hrs
06/24/13	JCR	Update Amicus with contact information for Jeff Roebuck, Charlie Cox, Charlie Reneau, Sandra Melton, and Sandra Duhon (n/c);	0.90 hrs
06/25/13	JH	Telephone conversations with LFFVD and board members regarding time and location of July 2, 2013 board meeting; attention to 6 emails regarding board meeting and preparation of tax/budget planning calendar; begin draft agenda for board meeting;	1.10 hrs
06/26/13	JH	Draft Resolution Confirming District's Boundaries and Annual Report to the	3.20 hrs

Texas Department of Agriculture - Office of Rural Affairs; revise draft of and prepare attachments for B&O Engagement Letter; revise and finalize Meeting Agenda and file same with County Clerk; telephone conversations with JCAD and Tax Office regarding updates on district's creation and appointment of board members; forward filed-stamped copy agenda to board along with materials being considered at July 2nd board meeting for advanced review;

Total fees for this matter \$6,075.00

**DISBURSEMENTS**

06/12/13	American Express; Invoice # SAFE-D webcast	11.00
06/12/13	American Express; Invoice # The Cafe	37.31
06/30/13	Messenger Service	31.95

Total disbursements for this matter \$80.26

**BILLING SUMMARY:**

Oxford, IV Hubert	5.10 hrs @	\$250.00 /hr	\$1,275.00
Heinz, Joshua	19.20 hrs @	\$250.00 /hr	\$4,800.00
Roebuck, Jennifer	0.90 hrs @	\$0.00 /hr	\$0.00

TOTAL FEES \$6,075.00

TOTAL DISBURSEMENTS \$80.26

TOTAL CHARGES FOR THIS INVOICE \$6,155.26

**TOTAL DUE FOR THIS INVOICE** \$6,155.26

NET BALANCE FORWARD \$53,013.21

**TOTAL BALANCE NOW DUE** \$59,168.47

Federal ID# 74-1646478

**Invoice Terms: Net 10 Days Upon Receipt**  
Please Reference Invoice Number on Your Check

# Benckenstein & Oxford, L.L.P.

3535 Calder Avenue  
Suite 300  
Beaumont, TX 77706

August 20, 2013

Jefferson County Emergency Services District #4  
18769 FM 365  
Beaumont, TX 77705

INVOICE #: 46499 JH  
Billed through: August 20, 2013  
Client/Matter #: JCESD4 87102

RE: Jefferson County Emergency Services District No. 4

Balance forward from previous invoice dated	07/01/2013	\$59,168.47
Net balance forward		<u>\$59,168.47</u>

## PROFESSIONAL SERVICES RENDERED

07/01/13	JH	Receipt and review draft 2013 Tax/Budget Planning Calendar, and forward same to board members for review in advance of July 2, 2013 meeting; telephone conversation with JCAD (Roland Bieber) regarding status of preliminary appraisal values;	0.30 hrs
07/02/13	JCR	Assist in preparation of materials for board meeting;	0.80 hrs
07/02/13	JH	Telephone conversations with Roland Bieber (JCAD), Paul Brown (City of Port Arthur), and John Carlton regarding preliminary value report and status of BASF property located on West Port Arthur Road; research City of Port Arthur resolution concerning industrial agreement with BASF for fire/emergency services, and legal research regarding tax-exempt businesses who have own fire/emergency service equipment; prepare materials for board meeting; travel to and attend board meeting at LFVFD fire station; attention to 13 emails;	5.60 hrs
07/03/13	JH	Draft minutes for July 2, 2013 board meeting; finalize and submit 2013 annual report to TDA-ORA; draft and forward letter to Judge Branick regarding setting of Treasurer's bond amount, and draft and forward letter confirming amount of same per instruction from Fred Jackson; telephone conversation with Glen Hastings of VFIS regarding insurance/bond proposal; forward materials to Board regarding statutes governing ESD and operating handbook, open meetings act and public information act; telephone conversation with Roland Bieber regarding tax exempt status of BASF facility on West Port Arthur Rd.; attention to 12 emails;	4.80 hrs
07/05/13	JH	Attention to 3 emails regarding setting of treasurer's bond; draft proposed Resolution and certificate for same relating to establishing bank account and line of credit at Texas First Bank, and attention to 1 email regarding same;	1.40 hrs
07/08/13	JH	Telephone conversations with Port Arthur City Attorney and Appraisal District regarding BASF facility on West Port Arthur Rd.; telephone	0.80 hrs

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		conversation with and forward information to Examiner for publishing of District's administrative office address;	
07/09/13	JH	Attention to 2 emails regarding publishing of District's administrative office address;	0.10 hrs
07/15/13	JH	Attention to 4 emails regarding Tax ID No. and bank accounts/line of credit;	0.40 hrs
07/23/13	JH	Forward requested information and materials to the Tax Assessor-Collector and Appraisal District;	0.40 hrs
07/24/13	JH	Draft and forward letter to the Jefferson Co. Appraisal District advising of District's administrative office address and board member positions; telephone conversation with BASF representative regarding tax exempt status of the facility on West Port Arthur Road, and draft and forward email regarding same;	0.90 hrs
07/25/13	JH	Forward draft minutes from first board meeting to Jefferson Co. Tax Office per request; telephone conversation with BASF tax consultant Blas Ortiz regarding BASF facility on West Port Arthur Rd. and attention to 3 emails regarding same;	0.80 hrs
07/29/13	JH	Meeting with Glenn Hastings from VFIS to review insurance proposal for District, and forward copy of same to Board; telephone conversation with Henry LeBrie and Kenneth Duhon regarding preparation of VFDs' proposed budgets; attention to 3 emails regarding tax-exempt status of BASF facility on West Port Arthur Rd pursuant to THSC 775.032;	0.70 hrs
07/30/13	JH	Attention to 4 emails regarding exemption of BASF industrial property;	0.40 hrs
07/31/13	JH	Attention to 1 email regarding status of BASF facility;	0.10 hrs
08/01/13	JH	Attention to 6 emails regarding BASF property and meeting with the facility's tax consultants;	0.60 hrs
08/05/13	JH	Attention to 6 emails regarding VFDs' preliminary budgets;	0.50 hrs
08/06/13	JH	Meeting with BASF tax consultants and President Roebuck regarding possible exemption of BASF industrial property on West Port Arthur Road; attention to 11 emails regarding same and VFDs budgets, including clarification of finance committee's role in preparing District's 2013-14 budget and meeting with VFD representatives regarding their preliminary budgets;	2.40 hrs
08/09/13	JH	Telephone conversations with Sandra Melton and Charlie Cox regarding preliminary budgets submitted by the VFDs and scheduling of finance committee meeting to meet/discuss budgets with VFDs representatives; attention to 3 emails regarding same; telephone conversation with Blas Ortiz regarding status of BASF property exemption and attention to 1 email regarding same;	1.20 hrs
08/12/13	JH	Attention to 2 emails regarding finance committee meeting;	0.20 hrs
08/13/13	JH	Travel to and attend finance committee meeting at LFFVFD fire station for 2013 budget preparation/discussions;	2.00 hrs

08/14/13	JH	Attention to 2 emails regarding cost for county to publishing effective tax rate for district; telephone conversation with Jeff Roebuck regarding BASF property and information received from JCAD relating thereto;	0.20 hrs
08/16/13	JH	Draft agenda for Aug. 21, 2013 board meeting and prepare for filing; receipt and review draft resolution for exempting BASF facility from district; attention to 6 emails regarding meeting and BASF property;	1.60 hrs
08/20/13	JCR	Assist in preparation of documents for August 21, 2013 board meeting;	0.80 hrs
08/20/13	JH	Prepare materials for August 21, 2013 board meeting and forward copies to board members for advance review; telephone conversation with Sandra Melton regarding VFDs' budgets; telephone conversation with Jeff Roebuck regarding certified tax roll and status of BASF facility on West Port Arthur Rd.; attention to 7 emails;	1.40 hrs
Total fees for this matter			\$6,780.00

**DISBURSEMENTS**

07/05/13	The Carlton Law Firm, P.L.L.C.	40.00
07/05/13	The Carlton Law Firm, P.L.L.C.	217.50
07/25/13	The Examiner; Invoice # 83179	11.00
08/06/13	Joshua C. Heinz; Invoice # mileage; Travel Expense,	22.60
08/09/13	The Carlton Law Firm, P.L.L.C.	310.00
08/20/13	Copy Expense	38.08
Total disbursements for this matter		<u>\$639.18</u>

**BILLING SUMMARY:**

Heinz, Joshua	26.80 hrs @	\$250.00 /hr	\$6,700.00
Roebuck, Jennifer	1.60 hrs @	\$50.00 /hr	\$80.00
TOTAL FEES			<u>\$6,780.00</u>
TOTAL DISBURSEMENTS			\$639.18
TOTAL CHARGES FOR THIS INVOICE			<u>\$7,419.18</u>
TOTAL DUE FOR THIS INVOICE			<u>\$7,419.18</u>
NET BALANCE FORWARD			\$59,168.47
<b>TOTAL BALANCE NOW DUE</b>			<b><u><u>\$66,587.65</u></u></b>

Federal ID# 74-1646478

**Invoice Terms: Net 10 Days Upon Receipt**  
Please Reference Invoice Number on Your Check



2705 Bee Cave Road, Suite 200  
 Austin, Texas 78746  
 Phone: 512-614-0901

# INVOICE

Invoice # 1150  
 Date: 07/05/2013  
 Due Upon Receipt

Labelle-Fannett Volunteer Fire Department  
 c/o Hubert Oxford, IV  
 Benckenstein & Oxford, LLP  
 3535 Calder, Ste. 300  
 Beaumont, Texas 77706

## 0101 - Labelle-Fannett VFD - Creation of Jefferson ESD No. 4

Type	Date	Description	Quantity	Rate	Total
Expense	03/27/2013	Information Systems Development - Translation for Order of Special Election.	1.00	\$40.00	\$40.00

Time Keeper	Position	Quantity	Rate	Total
			Subtotal	\$40.00
			Total	\$40.00

## Detailed Statement of Account

### Current Invoice

Invoice Number	Due On	Amount Due	Payments Received	Balance Due
1150	07/05/2013	\$40.00	\$0.00	\$40.00
			Outstanding Balance	\$40.00
			Total Amount Outstanding	\$40.00

Please make all amounts payable to: The Carlton Law Firm, P.L.L.C.



2705 Bee Cave Road, Suite 200  
 Austin, Texas 78746  
 Phone: 512-614-0901

# INVOICE

Invoice # 1147  
 Date: 07/05/2013  
 Due Upon Receipt

Benckenstein & Oxford, L.L.P.  
 3535 Calder Avenue, Suite 300  
 Beaumont, Texas 77706

## 0103 - Benckenstein & Oxford, L.L.P. - Jefferson ESD No. 4

Date	Attorney	Description	Quantity	Total
06/20/2013	ALL	Draft correspondence to J. Heinz regarding tax planning calendar and commissioners for district.	0.10	\$12.50
06/21/2013	ALL	Draft tax planning calendar.	0.50	\$62.50
06/25/2013	JJC	Review budget and tax planning calendar.	0.20	\$55.00
06/25/2013	ALL	Receive and review correspondence from J. Heinz regarding tax planning calendar; draft response.	0.40	\$50.00
06/27/2013	ALL	Revise tax planning calendar; call to Jefferson County Tax Assessor's office to inquire about publication of effective and roll back tax rates.	0.30	\$37.50

Time Keeper	Position	Quantity	Rate	Total
John Carlton	Attorney	0.2	\$275.00	\$55.00
Amy Loera	Non-Attorney	1.3	\$125.00	\$162.50
			<b>Subtotal</b>	<b>\$217.50</b>
			<b>Total</b>	<b>\$217.50</b>

## Detailed Statement of Account

### Current Invoice

Invoice Number	Due On	Amount Due	Payments Received	Balance Due
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1147	07/05/2013	\$217.50	\$0.00	\$217.50
			Outstanding Balance	\$217.50
			Total Amount Outstanding	\$217.50

Please make all amounts payable to: The Carlton Law Firm, P.L.L.C.



2705 Bee Cave Road, Suite 200  
Austin, Texas 78746  
Phone: 512-614-0901

# INVOICE

Invoice # 1199  
Date: 08/09/2013  
Due Upon Receipt

Benckenstein & Oxford, L.L.P.  
3535 Calder Avenue, Suite 300  
Beaumont, Texas 77706

## 0103 - Benckenstein & Oxford, L.L.P. - Jefferson ESD No. 4

Date	Attorney	Description	Quantity	Total
07/02/2013	JJC	Receive and review correspondence from J. Heinz regarding taxation issue; research and draft response.	0.50	\$137.50
07/02/2013	JJC	Review draft agenda and taxable value certification; draft correspondence to J. Heinz regarding same.	0.20	\$55.00
07/10/2013	ALL	Draft memo regarding 2013 Annual Voting Systems Filing Report; draft correspondence to H. Oxford and J. Heinz regarding same.	0.10	\$12.50
07/22/2013	ALL	Draft correspondence to J. Heinz regarding tax planning calendar.	0.20	\$25.00
07/26/2013	ALL	Complete and file 2013 Annual Voting Systems Report with Secretary of State.	0.20	\$25.00
07/30/2013	JJC	Receive and review correspondence from J. Heinz regarding BASF taxation.	0.20	\$55.00

Time Keeper	Position	Quantity	Rate	Total
John Carlton	Attorney	0.9	\$275.00	\$247.50
Amy Loera	Non-Attorney	0.5	\$125.00	\$62.50
			<b>Subtotal</b>	<b>\$310.00</b>
			<b>Total</b>	<b>\$310.00</b>

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## Detailed Statement of Account

### Other Invoices

Invoice Number	Due On	Amount Due	Payments Received	Balance Due
1147	07/05/2013	\$217.50	\$0.00	\$217.50

### Current Invoice

Invoice Number	Due On	Amount Due	Payments Received	Balance Due
1199	08/09/2013	\$310.00	\$0.00	\$310.00
			<b>Outstanding Balance</b>	<b>\$527.50</b>
			<b>Total Amount Outstanding</b>	<b>\$527.50</b>

Please make all amounts payable to: The Carlton Law Firm, P.L.L.C.

# Benckenstein & Oxford, L.L.P.

3535 Calder Avenue  
Suite 300  
Beaumont, TX 77706

September 17, 2013

Jefferson County Emergency Services District #4  
18769 FM 365  
Beaumont, TX 77705

**INVOICE #:** 46548 **JH**  
**Billed through:** September 17, 2013  
**Client/Matter #:** JCESD4 87102

RE: Jefferson County Emergency Services District No. 4

Balance forward from previous invoice dated	08/20/2013	\$66,587.65
Net balance forward		<u>\$66,587.65</u>

## PROFESSIONAL SERVICES RENDERED

08/21/13	JCR	Assist in finalizing materials for board meeting;	0.90 hrs
08/21/13	JH	Finalize materials for board meeting; attention to 5 emails regarding budgets and tax rate information requested by the tax office; travel to and attend board meeting at the LFVFD fire station; attention to 2 emails regarding BASF facility;	3.90 hrs
08/22/13	JH	Draft minutes for the August 21, 2013 board meeting; telephone conversation with Blas Ortiz and attention to 1 email regarding BASF property;	2.80 hrs
08/23/13	JCR	Assist in preparing exhibits for August 21, 2013 board meeting minutes;	0.50 hrs
08/23/13	JH	Finalize draft of August 21, 2013 meeting minutes and prepare exhibits for same, and forward copy of the draft minutes/exhibits to all Board members via email; telephone conversations with Sandra Melton and Jeff Roebuck regarding the Resolution to establish bank accounts and line of credit at Texas First Bank; attention to 1 email regarding proposed budget workshop/special meeting during week of September 9, 2013 and Board member availability;	1.80 hrs
08/27/13	JCR	Assist in filing notice and agendas for September Board Meetings;	0.30 hrs
08/27/13	JH	Draft notice/agendas for September 10, 2013 budget workshop/special meeting and September 18, 2013 public hearing/regular meeting; telephone conversations with Board members to confirm availability for budget workshop/special meeting, and attention to 1 email regarding same; telephone conversation with Roland Bieber from JCAD regarding status of BASF industrial property on West Port Arthur Rd.;	1.80 hrs
08/28/13	JH	Revise, finalize, and file notice/agenda for September 18, 2013 public hearing/regular meeting; attention to 3 emails regarding same;	0.30 hrs
08/30/13	JH	Telephone conversation with Henry LeBrie and attention to 5 emails	0.50 hrs

regarding Rural VFD Insurance Program which reimburses 100% of worker's compensation insurance costs;

09/03/13	JH	Attention to 4 emails and telephone conversation with Sandra Melton regarding TFS grant ban against LFVFD;	0.50 hrs
09/04/13	JH	Prepare District's membership application for SAFE-D organization;	0.50 hrs
09/05/13	JH	Provide information to John Carlton for preparation of orders, etc. for adopting a 2013-14 budget and setting the 2013 tax rate; attention to 4 emails regarding same;	1.50 hrs
09/06/13	JH	Attention to 4 emails regarding budget-related issues;	0.40 hrs
09/09/13	JH	Prepare materials for 9/10/2013 budget workshop/special meeting and forward copies of same to Board for advance review;	0.60 hrs
09/10/13	JH	Legal research regarding status of lawsuits in which LFVFD is a party; work with John Carlton's office on drafting resolution adopting budget and order setting tax rate; telephone conversations with Val Tizeno, City Attorney for Port Arthur, and Blas Ortiz regarding status of BASF property included in the District's boundaries; attention to 7 emails; travel to and attend budget workshop/special meeting in Labelle, TX;	3.80 hrs
09/11/13	JH	Telephone conversations with Charlie Cox, Sandra Melton and Jeff Roebuck regarding amendments to the proposed 2013-14 budget as a result of review/discussions during budget workshop; draft minutes for the September 10, 2013 budget workshop and special meeting; telephone conversation with Blas Ortiz of Pop Hutchinson regarding BASF property on West Port Arthur Rd.; attention to 4 emails;	2.80 hrs
09/12/13	JH	Receipt, review and edit proposed 2013-14 annual budget; telephone discussion with Sandra Melton regarding same; attention to 7 emails;	1.40 hrs
09/13/13	JH	Review and edit draft 2013-14 budget; telephone conversation with Sandra Melton and attention to 2 emails regarding same;	4.30 hrs
09/16/13	JH	Revise and finalize proposed budget; revise and finalize draft resolution adopting budget and order levying taxes; forward copies of meeting materials to board members for advance review;	2.50 hrs
Total fees for this matter			\$7,435.00

#### DISBURSEMENTS

08/22/13	Joshua C. Heinz; Invoice # mileage; Travel Expense,	22.60
09/05/13	The Carlton Law Firm PLLC - Invoice #1261	452.50
09/10/13	Joshua C. Heinz; Invoice # mileage; Travel Expense,	22.60
09/17/13	Color Copy Expense	7.50
09/17/13	Copy Expense	56.70
09/17/13	Messenger Service	45.00
Total disbursements for this matter		<u>\$606.90</u>

**BILLING SUMMARY:**

Heinz, Joshua	29.40 hrs @	\$250.00 /hr	\$7,350.00
Roebuck, Jennifer	1.70 hrs @	\$50.00 /hr	\$85.00
TOTAL FEES			<u>\$7,435.00</u>
TOTAL DISBURSEMENTS			\$606.90
TOTAL CHARGES FOR THIS INVOICE			<u>\$8,041.90</u>
TOTAL DUE FOR THIS INVOICE			<u>\$8,041.90</u>
NET BALANCE FORWARD			\$66,587.65
<b>TOTAL BALANCE NOW DUE</b>			<b><u><u>\$74,629.55</u></u></b>

Federal ID# 74-1646478

**Invoice Terms: Net 10 Days Upon Receipt**  
Please Reference Invoice Number on Your Check



2705 Bee Cave Road, Suite 200  
 Austin, Texas 78746  
 Phone: 512-614-0901

## INVOICE

Invoice # 1261  
 Date: 09/05/2013  
 Due Upon Receipt

Benckenstein & Oxford, L.L.P.  
 3535 Calder Avenue, Suite 300  
 Beaumont, Texas 77706

### 0103 - Benckenstein & Oxford, L.L.P. - Jefferson ESD No. 4

Date	Attorney	Description	Quantity	Total
08/01/2013	JJC	Teleconference with J. Heinz regarding BASF tax exemption.	0.40	\$110.00
08/06/2013	JJC	Teleconference with J. Heinz and others regarding BASF tax exempt status.	0.40	\$110.00
08/12/2013	ALL	Draft correspondence to J. Heinz following up on tax planning calendars and certifications for district.	0.10	\$12.50
08/16/2013	JJC	Draft resolution regarding BASF ad valorem tax exemption; draft correspondence to J. Heinz regarding same.	0.80	\$220.00

Time Keeper	Position	Quantity	Rate	Total
John Carlton	Attorney	1.6	\$275.00	\$440.00
Amy Loera	Non-Attorney	0.1	\$125.00	\$12.50
			<b>Subtotal</b>	<b>\$452.50</b>
			<b>Total</b>	<b>\$452.50</b>

### Detailed Statement of Account

#### Other Invoices

Invoice Number	Due On	Amount Due	Payments Received	Balance Due
1147	07/05/2013	\$217.50	\$0.00	\$217.50

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1199	08/09/2013	\$310.00	\$0.00	\$310.00
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**Current Invoice**

Invoice Number	Due On	Amount Due	Payments Received	Balance Due
1261	09/05/2013	\$452.50	\$0.00	\$452.50
			<b>Outstanding Balance</b>	<b>\$980.00</b>
			<b>Total Amount Outstanding</b>	<b>\$980.00</b>

Please make all amounts payable to: The Carlton Law Firm, P.L.L.C.

# Benckenstein & Oxford, L.L.P.

3535 Calder Avenue  
Suite 300  
Beaumont, TX 77706

December 18, 2013

Jefferson County Emergency Services District #4  
18769 FM 365  
Beaumont, TX 77705

**INVOICE #:** 46688 **JH**  
**Billed through:** December 16, 2013  
**Client/Matter #:** JCESD4 87102

RE: Jefferson County Emergency Services District No. 4

Balance forward from previous invoice dated	09/17/2013	\$74,629.55
Net balance forward		<u>\$74,629.55</u>

## PROFESSIONAL SERVICES RENDERED

09/17/13	JH	Prepare minutes outline and prepare materials for September 18, 2013 public hearing and regular meeting;	2.10 hrs
09/18/13	JH	Prepare for and attend public hearing and regular board meeting in Labelle; attention to 3 emails regarding tax rate form; attention to 4 emails regarding Valero terminal in Hamshire, and prepare map illustrating location of facility outside district's boundaries;	4.50 hrs
09/18/13	TR	Travel to and attend September 18, 2013, hearing to notarize documents;	1.40 hrs
09/19/13	JH	Revise and finalize minutes for the 9/18 public hearing/regular meeting, and prepare exhibits for same; forward tax rate info to Tax Office and JCAD; attention to 11 emails regarding same and additional records requested by Texas First Bank;	2.70 hrs
09/23/13	JH	Begin drafting Fire Service Agreements; attention to 1 email regarding execution of bank documents for establishing account and line of credit;	2.10 hrs
09/24/13	JH	Continue draft of Fire Service Agreement, and draft Asset Purchase Agreements for Labelle-Fannett and Cheek VFDs;	3.80 hrs
09/26/13	JH	Attention to 5 emails regarding line of credit funding and payment of VFIS insurance premium; gather records relating to same and fill-out VFIS order from and management liability application;	0.80 hrs
10/01/13	JH	Attention to 3 emails regarding Board members' attendance at Hamshire VFD meeting and need to post notice pursuant to Public Meetings Act;	0.40 hrs
10/02/13	JH	Attention to 3 emails regarding VFIS insurance payment;	0.30 hrs
10/03/13	JH	Telephone conversation with Glenn Hastings and attention to 2 emails regarding insurance policy and submittal of application and premium	0.30 hrs

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		payment;	
10/04/13	JH	Draft and send letter to Glenn Hastings with VFIS forwarding District's insurance payment; attention to 4 emails regarding same;	0.80 hrs
10/08/13	JH	Attention to 4 emails and telephone conversation with Greg Fountain regarding inventory of county equipment loaned to Labelle-Fannett VFD and Cheek VFD;	0.80 hrs
10/09/13	JH	Draft October meeting agenda and file same with County Clerk for posting;	0.40 hrs
10/10/13	JH	Forward October meeting agenda to Board members;	0.10 hrs
10/11/13	JH	Telephone conversations with Greg Fountain and Rufus Lavergne regarding county equipment on loan to LFFVFD;	0.30 hrs
10/16/13	JH	Attention to 3 emails regarding equipment loaned by county to LFFVFD; travel to and attend board meeting at LFFVFD fire station;	2.80 hrs
10/17/13	JH	Attention to 2 emails regarding BASF property on West Port Arthur Rd.;	0.10 hrs
10/18/13	JH	Receipt and review 2013 certified tax roll provided by Tax Office;	0.10 hrs
10/23/13	JH	Draft minutes for the October 16, 2013 board meeting; revise drafts of the District service agreements with the VFDs; telephone conversation with John Carlton regarding the District's service and asset transfer agreements with the VFDs, and investment policy; attention to 4 emails regarding same;	5.20 hrs
10/28/13	JH	Review John Carlton's proposed revisions to fire service and asset transfer agreements for Cheek VFD and Labelle-Fannett VFD, and comment on same;	1.30 hrs
10/28/13	JH	Telephone conversation with VFIS requesting certificate of coverage for Treasurer's bond; draft and forward letter to County Clerk for filing evidence of Treasurer's Bond in accordance with THSC 775.037; attention to 3 emails regarding same;	0.80 hrs
10/31/13	JH	Attention to 1 email regarding BASF property;	0.10 hrs
11/01/13	JH	Attention to 2 emails regarding possible CPA for District;	0.20 hrs
11/06/13	JH	Attention to 5 emails regarding draft asset transfer agreements and FEMA grants available to the VFDs;	0.50 hrs
11/08/13	JH	Receipt and review tax collection statement provided by Tax Office and forward same to board members;	0.10 hrs
11/11/13	JH	Attention to 2 emails regarding FEMA grants;	0.20 hrs
11/15/13	JH	Prepare and file agenda for 11/20/2013 board meeting;	0.90 hrs
11/18/13	JH	Attention to 1 email regarding FEMA grants available to VFDs;	0.10 hrs
11/20/13	JCR	Assist in preparation of materials for upcoming Board meeting;	0.50 hrs
11/20/13	JH	Telephone conversation with John Carlton regarding Service Agreements for VFDs, and revise drafts of same; attention to 1 email to Board forwarding meeting agenda and other materials being reviewed/considered at the	4.10 hrs

		meeting; travel to and attend Board meeting at the Labelle-Fannett VFD Fire Station;	
11/26/13	JH	Draft minutes for the November 20, 2013 board meeting;	3.20 hrs
11/27/13	JH	Revise draft Asset Purchase and Sale Agreement, and forward to Contract Committee members for review; telephone conversation with John Carlton regarding transfer of Cheek VFDs' assets to the District and needed revisions to the Fire Service Agreements; revise and finalize minutes for the Nov. 20, 2013 meeting, and forward draft to Board members; attention to 4 emails;	2.60 hrs
12/02/13	JH	Draft and forward letter to Judge Branick and County Commissioners requesting Commissioners' Court to assign places and designate terms of office for the ESD Commissioners; prepare District's Annual Report required by Sec. 775.083 of the Texas Health and Safety Code, and forward same to the Department of Agriculture-Office of Rural Affairs;	1.90 hrs
12/03/13	JH	Attention to 6 emails regarding revised Fire Service Agreements and designation of terms of office from ESD Commissioners;	0.50 hrs
12/05/13	JH	Review and comment on revisions to draft service agreements for Labelle-Fannett and Cheek VFDs;	0.80 hrs
12/09/13	JH	Receipt and review tax collection statement and forward to Board; attention to 3 emails regarding designation of ESD Commissioners' terms of office;	0.30 hrs
12/10/13	JH	Receipt and review order from Commissioners' Court assigning places and designating terms of office for ESD Commissioners, and forward to Board members;	0.10 hrs
12/12/13	JH	Draft agenda for 12/18/2013 Board meeting; telephone conversation with Sandra Melton and Charlie Cox regarding potential accountants for the District;	0.90 hrs
12/16/13	JH	Draft proposed Resolution Adopting Investment Policy and Bank Depository Agreement; review and revise draft Fire Protection Service Agreements for Labelle-Fannett and Cheek VFDs; revise draft SAFE-D Membership Application for District; prepare materials for December 18, 2013 Board meeting, and forward same to Board members for advance review; telephone conversation with BASF tax consultant regarding conference call to discuss West Port Arthur Road facility;	4.60 hrs
		Total fees for this matter	\$12,795.00

**DISBURSEMENTS**

09/18/13	Joshua C. Heinz; Invoice # mileage; Travel Expense,	22.60
09/24/13	Tanna Ramos; Invoice # mileage; Travel Expense,	28.25
10/04/13	The Carlton Law Firm P.L.L.C. - Invoice #1322	242.50
10/25/13	Joshua C. Heinz; Invoice # mileage; Travel Expense,	22.60
11/04/13	The Carlton Law Firm P.L.L.C. - Invoice #1368	487.50
12/05/13	The Carlton Law Firm P.L.L.C. - Invoice #1423	742.50
12/16/13	Telefacsimile	10.00
12/16/13	Copy Expense	38.22
12/16/13	Computer Research	1.60

12/16/13	Excess Postage	2.04
12/16/13	Messenger Service	45.00
Total disbursements for this matter		<u>\$1,642.81</u>

**BILLING SUMMARY:**

Heinz, Joshua	50.80 hrs @	\$250.00 /hr	\$12,700.00
Ramos, Tanna	1.40 hrs @	\$50.00 /hr	\$70.00
Roebuck, Jennifer	0.50 hrs @	\$50.00 /hr	\$25.00
TOTAL FEES			<u>\$12,795.00</u>
TOTAL DISBURSEMENTS			\$1,642.81
TOTAL CHARGES FOR THIS INVOICE			<u>\$14,437.81</u>
<b>TOTAL DUE FOR THIS INVOICE</b>			<u>\$14,437.81</u>
NET BALANCE FORWARD			\$74,629.55
<b>TOTAL BALANCE NOW DUE</b>			<u><u><b>\$89,067.36</b></u></u>

Federal ID# 74-1646478

**Invoice Terms: Net 10 Days Upon Receipt**  
Please Reference Invoice Number on Your Check



2705 Bee Cave Road, Suite 200  
Austin, Texas 78746  
Phone: 512-614-0901

## INVOICE

Invoice # 1322  
Date: 10/04/2013  
Due Upon Receipt

Benckenstein & Oxford, L.L.P.  
3535 Calder Avenue, Suite 300  
Beaumont, Texas 77706

### 0103 - Benckenstein & Oxford, L.L.P. - Jefferson ESD No. 4

Date	Attorney	Description	Quantity	Total
09/10/2013	ALL	Draft Resolution Adopting Budget and Order Levying Taxes.	0.60	\$75.00
09/10/2013	JJC	Review and finalize resolution adopting budget and order levying taxes.	0.20	\$55.00
09/11/2013	ALL	Revise Order Levying Taxes and Resolution Adopting Budget; forward same to J. Heinz.	0.60	\$75.00
09/19/2013	ALL	Receive and review correspondence from J. Heinz regarding public hearing and meeting minutes; file maintenance.	0.30	\$37.50

Time Keeper	Position	Quantity	Rate	Total
John Carlton	Attorney	0.2	\$275.00	\$55.00
Amy Loera	Non-Attorney	1.5	\$125.00	\$187.50
			<b>Subtotal</b>	<b>\$242.50</b>
			<b>Total</b>	<b>\$242.50</b>

### Detailed Statement of Account

#### Other Invoices

Invoice Number	Due On	Amount Due	Payments Received	Balance Due
1147	07/05/2013	\$217.50	\$0.00	\$217.50

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1199	08/09/2013	\$310.00	\$0.00	\$310.00
1261	09/05/2013	\$452.50	\$0.00	\$452.50

**Current Invoice**

<b>Invoice Number</b>	<b>Due On</b>	<b>Amount Due</b>	<b>Payments Received</b>	<b>Balance Due</b>
1322	10/04/2013	\$242.50	\$0.00	\$242.50
			<b>Outstanding Balance</b>	<b>\$1,222.50</b>
			<b>Total Amount Outstanding</b>	<b>\$1,222.50</b>

Please make all amounts payable to: The Carlton Law Firm, P.L.L.C.



2705 Bee Cave Road, Suite 200  
Austin, Texas 78746  
Phone: 512-614-0901

## INVOICE

Invoice # 1368  
Date: 11/04/2013  
Due Upon Receipt

Benckenstein & Oxford, L.L.P.  
3535 Calder Avenue, Suite 300  
Beaumont, Texas 77706

### 0103 - Benckenstein & Oxford, L.L.P. - Jefferson ESD No. 4

Date	Attorney	Description	Quantity	Total
10/23/2013	ALL	Work regarding service agreements.	0.60	\$75.00
10/28/2013	JJC	Review draft fire service contract; review draft asset sale and purchase agreements; draft correspondence to J. Heinz regarding same.	1.50	\$412.50

Time Keeper	Position	Quantity	Rate	Total
John Carlton	Attorney	1.5	\$275.00	\$412.50
Amy Loera	Non-Attorney	0.6	\$125.00	\$75.00
			<b>Subtotal</b>	<b>\$487.50</b>
			<b>Total</b>	<b>\$487.50</b>

### Detailed Statement of Account

#### Other Invoices

Invoice Number	Due On	Amount Due	Payments Received	Balance Due
1147	07/05/2013	\$217.50	\$0.00	\$217.50
1199	08/09/2013	\$310.00	\$0.00	\$310.00
1261	09/05/2013	\$452.50	\$0.00	\$452.50

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1322	10/04/2013	\$242.50	\$0.00	\$242.50
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**Current Invoice**

Invoice Number	Due On	Amount Due	Payments Received	Balance Due
1368	11/04/2013	\$487.50	\$0.00	\$487.50
			<b>Outstanding Balance</b>	<b>\$1,710.00</b>
			<b>Total Amount Outstanding</b>	<b>\$1,710.00</b>

Please make all amounts payable to: The Carlton Law Firm, P.L.L.C.

Payment is due upon receipt.



2705 Bee Cave Road, Suite 200  
Austin, Texas 78746  
Phone: 512-614-0901

## INVOICE

Invoice # 1423  
Date: 12/05/2013  
Due Upon Receipt

Benckenstein & Oxford, L.L.P.  
3535 Calder Avenue, Suite 300  
Beaumont, Texas 77706

### 0103 - Benckenstein & Oxford, L.L.P. - Jefferson ESD No. 4

Date	Attorney	Description	Quantity	Total
11/27/2013	JJC	Teleconference with J. Heinz regarding service contracts; Receive and review correspondence from J. Heinz; revise service provider agreements.	2.70	\$742.50

Time Keeper	Position	Quantity	Rate	Total
John Carlton	Attorney	2.7	\$275.00	\$742.50
			<b>Subtotal</b>	<b>\$742.50</b>
			<b>Total</b>	<b>\$742.50</b>

### Detailed Statement of Account

#### Other Invoices

Invoice Number	Due On	Amount Due	Payments Received	Balance Due
1147	07/05/2013	\$217.50	\$0.00	\$217.50
1199	08/09/2013	\$310.00	\$0.00	\$310.00
1261	09/05/2013	\$452.50	\$0.00	\$452.50
1322	10/04/2013	\$242.50	\$0.00	\$242.50
1368	11/04/2013	\$487.50	\$0.00	\$487.50

**Current Invoice**

<b>Invoice Number</b>	<b>Due On</b>	<b>Amount Due</b>	<b>Payments Received</b>	<b>Balance Due</b>
1423	12/05/2013	\$742.50	\$0.00	\$742.50
<b>Outstanding Balance</b>				<b>\$2,452.50</b>
<b>Total Amount Outstanding</b>				<b>\$2,452.50</b>

Please make all amounts payable to: The Carlton Law Firm, P.L.L.C.

Payment is due upon receipt.

# Benckenstein & Oxford, L.L.P.

3535 Calder Avenue  
Suite 300  
Beaumont, TX 77706

February 3, 2014

Jefferson County Emergency Services District #4  
18769 FM 365  
Beaumont, TX 77705

**INVOICE #:** 46844 **JH**  
**Billed through:** January 31, 2014  
**Client/Matter #:** JCESD4 87102

RE: Jefferson County Emergency Services District No. 4

Balance forward from previous invoice dated	12/13/2013	\$89,067.36
Net balance forward		<u>\$89,067.36</u>

## PROFESSIONAL SERVICES RENDERED

12/17/13	JH	Telephone conversation with Sandra Melton regarding payoff quote for District's line of credit loan through Texas First Bank; receipt and review Tax Collection-Distribution Statement from Jeff. Co. Tax Office, and forward same to Board for review;	0.30 hrs
12/18/13	JH	Attention to 4 emails regarding resolution approving 2013 certified tax roll and payoff quote for District's line of credit loan through Texas First Bank; prepare additional materials for board meeting; travel to and attend board meeting at Labelle-Fannett VFD fire station;	3.90 hrs
12/19/13	JH	Draft minutes for the 12/18/2013 board meeting, and forward to Board members for review; draft and forward letter to SAFE-D for filing the District's membership application; forward draft Fire Service and Asset Transfer agreements to Ken Duhon for review; forward Resolution Approving 2013 Certified Tax Roll to Jefferson County Tax Office; forward Resolution Adopting Investment Policy and Bank Depository Agreement to Sandra Melton for forwarding to Texas First Bank;	3.60 hrs
12/20/13	JH	Attention to 3 emails regarding local computer companies for obtaining quotes on computer/software for District; telephone conversation with Wave Computers;	0.20 hrs
12/30/13	JH	Attention to 5 emails regarding agreements with Texas First Bank and board member attendance at SAFE-D conference;	0.50 hrs
12/31/13	JH	Attention to 4 emails and telephone conversation with 2 board members regarding attendance at SAFE-D conference; draft letter to SAFE-D regarding registration of board members to attend conference and payment of fees;	0.50 hrs
01/06/14	JH	Draft letter to SAFE-D forwarding payment for commissioners' annual conference registration fees; receipt and review December 2013 tax collection-distribution summary from tax office; attention to 2 emails	0.50 hrs

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		regarding same;	
01/07/14	JH	Prepare draft of 1/15/2014 meeting agenda and forward to Board for review; telephone conversations with local resident, Jolene Nelson, regarding District's creation and taxing authority, and attention to 3 emails regarding same;	1.50 hrs
01/08/14	JH	Finalize agenda and draft filing letter for posting at Courthouse; telephone conversation with Charlie Cox regarding posting at Precinct 4 Service Center;	0.30 hrs
01/13/14	JH	Telephone conversation with Commissioner Alfred's office confirming use of Precinct 4 Service Center for 1/15/2014 board meeting; attention to 8 emails regarding conference call with BASF and board meeting agenda;	0.90 hrs
01/14/14	JH	Attend conference call with BASF counsel and tax consultants regarding facility on West Port Arthur Road; attention to 5 emails regarding options for removing facility from District;	2.10 hrs
01/16/14	JH	Attention to 5 emails regarding conference call to discuss BASF facility on West Port Arthur Road, and telephone conversation with Blas Ortiz regarding same;	0.50 hrs
01/17/14	JH	Prepare minutes for the 01/15/2014 regular Board meeting and forward to Board members for review; prepare and file agenda for the 01/29/2014 Board meeting, and telephone conversation with Charlie Cox regarding posting same at fire station;	3.60 hrs
01/20/14	JH	Attention to 4 emails regarding publishing of District's administrative office address in accordance with Texas Health & Safety Code sec. 775.036(f);	0.40 hrs
01/21/14	JH	Attention to 6 emails regarding BASF conference call and publishing of District's administrative office address in Examiner;	0.60 hrs
01/22/14	JH	Telephone conversation with John Carlton regarding BASF property; participate in conference call with BASF in house-counsels and tax consultants, along with Port Arthur City Attorney, to discuss BASF facility/property located in district and tax revenue generated thereby; attention to 1 email forwarding filed-stamped agenda for 1/29/2014 special meeting and 12/2013 tax collection statement to Board members; telephone conversation with Ken Duhon regarding draft asset transfer agreement for Cheek VFD and identity of real estate owned by the department; search Jefferson Co. real property records relating to property owned by Cheek VFD; telephone conversation with Ken Whitlow regarding title search to determine and/or confirm real property owned by Cheek VFD;	3.20 hrs
01/23/14	JH	Draft letter to SAFE-D requesting refund of President Roebuck's conference registration fee; attention to 4 emails regarding same;	0.30 hrs
01/24/14	JH	Draft proposed Order Establishing Records Management Program, and prepare Designation of Records Management Officer, Declaration of Compliance by Records Management Officer, and draft letter for filing same with the State Library and Archives Commission; prepare draft agenda for the 2/19/2014 regular Board meeting, and draft filing letter to the Jefferson Co. Clerk for posting same;	4.10 hrs
01/28/14	JH	Research corporate status of VFDs via Secretary of State and Comptroller,	2.20 hrs

and forward information/materials relating thereto to Charlie Cox; telephone conversations with several Board members and attention to 4 emails regarding rescheduling of January 29, 2014 special meeting; prepare amended agenda for rescheduled meeting and filing letter for same; review Labelle-Fannett VFD attorney's proposed revisions to draft fire service agreement, and telephone conversation with Henry Lebric regarding same;

01/29/14	JH	Receipt and review copy of notice published in the Examiner (administrative office address), along with the publisher's affidavit, and forward same to Board; telephone conversations with Board members and attention to 4 emails regarding rescheduled special meeting; telephone conversations with Ken Duhon and Jason Keiningham with Forestry Service, review draft service agreement, and draft letter for Cheek VFD to Texas A&M Forestry Service requesting approval of proposed transfer of fire truck obtained via Forestry Service Grant to JCESD No. 4;	3.20 hrs
Total fees for this matter			\$8,100.00

**DISBURSEMENTS**

01/06/14	The Carlton Law Firm PLLC - Invoice #1463	137.50
01/31/14	Telefacsimile	4.50
01/31/14	Copy Expense	105.56
01/31/14	Excess Postage	0.46
01/31/14	Messenger Service	15.00
01/31/14	The Examiner; Invoice # 85207	11.00
Total disbursements for this matter		<u>\$274.02</u>

**BILLING SUMMARY:**

Heinz, Joshua	32.40 hrs @	\$250.00 /hr	\$8,100.00
TOTAL FEES			<u>\$8,100.00</u>
TOTAL DISBURSEMENTS			\$274.02
TOTAL CHARGES FOR THIS INVOICE			<u>\$8,374.02</u>
TOTAL DUE FOR THIS INVOICE			<u>\$8,374.02</u>
NET BALANCE FORWARD			\$89,067.36
TOTAL BALANCE NOW DUE			<u><u>\$97,441.38</u></u>

Federal ID# 74-1646478

**Invoice Terms: Net 10 Days Upon Receipt**  
Please Reference Invoice Number on Your Check



2705 Bee Cave Road, Suite 200  
 Austin, Texas 78746  
 Phone: 512-614-0901

# INVOICE

Invoice # 1463  
 Date: 01/06/2014  
 Due Upon Receipt

Benckenstein & Oxford, L.L.P.  
 3535 Calder Avenue, Suite 300  
 Beaumont, Texas 77706

## 0103 - Benckenstein & Oxford, L.L.P. - Jefferson ESD No. 4

Date	Attorney	Description	Quantity	Total
12/11/2013	JJC	Review Cheek service contract; draft correspondence to J. Heinz regarding same.	0.50	\$137.50

Time Keeper	Position	Quantity	Rate	Total
John Carlton	Attorney	0.5	\$275.00	\$137.50
			<b>Subtotal</b>	<b>\$137.50</b>
			<b>Total</b>	<b>\$137.50</b>

## Detailed Statement of Account

### Other Invoices

Invoice Number	Due On	Amount Due	Payments Received	Balance Due
1147	07/05/2013	\$217.50	\$0.00	\$217.50
1199	08/09/2013	\$310.00	\$0.00	\$310.00
1261	09/05/2013	\$452.50	\$0.00	\$452.50
1322	10/04/2013	\$242.50	\$0.00	\$242.50
1368	11/04/2013	\$487.50	\$0.00	\$487.50
1423	12/05/2013	\$742.50	\$0.00	\$742.50

**Current Invoice**

<b>Invoice Number</b>	<b>Due On</b>	<b>Amount Due</b>	<b>Payments Received</b>	<b>Balance Due</b>
1463	01/06/2014	\$137.50	\$0.00	\$137.50
			<b>Outstanding Balance</b>	<b>\$2,590.00</b>
			<b>Total Amount Outstanding</b>	<b>\$2,590.00</b>

Please make all amounts payable to: The Carlton Law Firm, P.L.L.C.

Payment is due upon receipt.

# Exhibit D

**AGREEMENT FOR PROVIDING  
FIRE PROTECTION SERVICES**

**STATE OF TEXAS** §

**COUNTY OF JEFFERSON** §

This is an Agreement for Providing Fire Protection Services (“Agreement”), effective as of \_\_\_\_\_, 2014, by and between the Jefferson County Emergency Services District No. 4 (“District”), a political subdivision of the State of Texas, organized and operating pursuant to the provisions of Section 48-e, Article III of the Texas Constitution and Chapter 775 of the Health and Safety Code, as amended (“H&S Code”), and the Labelle-Fannett Volunteer Fire Department (“Department”), a Texas non-profit corporation duly organized and operating under the laws of the State of Texas.

**WITNESSETH**

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

**WHEREAS**, pursuant to Section 775.031 of the H&S Code, the District has the authority to enter into such necessary contracts with others, including incorporated cities or towns or other government entities and volunteer fire organizations, whereby fire protection services and other services may be made available to the District as the District shall determine; and

**WHEREAS**, the District desires to secure fire protection and suppression services (“Emergency Services”, hereinafter defined) for the geographic area of the District to be served by the Department (“Service Area”, hereinafter defined); and

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

**WHEREAS**, the District has determined that it is in the best interests of the residents and the property owners of the District to enter into a contract for Emergency Services with an independent agency capable of providing Emergency Services at levels acceptable to the District; and

**WHEREAS**, the Department currently owns facilities and equipment and has the requisite personnel (paid and/or volunteer) to provide the Emergency Services, and is willing and able to provide to the District such Emergency Services to the Service Area for the consideration hereinafter provided; and

**WHEREAS**, the Department is the current provider of Emergency Services to the Service Area pursuant to prior county and/or 911 designations; and

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

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

## **ARTICLE I.** **DEFINITIONS**

### **Section 1.01 Definitions**

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

- A. Act. Chapter 775 of the Health and Safety Code, as amended, and also referred to herein as the "H&S Code."
- B. Board. The Board of Commissions for the District.
- C. District. Jefferson County Emergency Services District No. 4, a political subdivision of the State of Texas created and operating pursuant to the H&S Code.
- D. Chain of Command. The rank and file of the District and the Department that establishes the roles and responsibilities within the District and the Department, as set forth in Exhibit "C" attached hereto and incorporated herein for all purposes.
- E. Department. Labelle-Fannett Volunteer Fire Department, a non-profit corporation duly organized and existing under the laws of the State of Texas.
- F. Agreement. This Agreement and any and all amendments or supplements hereto.
- G. Equipment. The equipment owned as of the effective date of this Agreement and operated and utilized by the Department in providing Emergency Services.
- H. Service Area. The geographic area of the District to be served by the Department, as more particularly described in Exhibit "A", attached hereto and incorporated herein for all purposes, which the Department will serve as the primary responder for Emergency Services.
- I. Emergency Services. All fire protection and suppression services and other services to be made available to the District pursuant to this Agreement.

### **Section 1.02 Construction of Terms**

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

**ARTICLE II.**  
**REPRESENTATIONS AND WARRANTIES**

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

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

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

**Section 2.02** Department's Representations and Warranties

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

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

C. Neither the execution or the delivery of this Agreement, the consummation of the transactions contemplated hereby, nor the fulfillment of or compliance with the terms or conditions of this Agreement conflicts with or results in a breach of the terms, conditions, or provisions of any corporate restriction or any agreement or instrument to which the Department is now a party or by which it is bound, or constitutes a default under any of the foregoing, or results in the creation or imposition of any prohibited lien, charge or encumbrance whatsoever on any property or assets of the Department.

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

E. The quality of the Emergency Services to be provided to the residents, commercial interests, and others found within the Service Area will be equal to or better than the quality of the Emergency Services received in the Service Area before the effective date of this Agreement or as evaluated by the District.

F. The training of the Department's personnel shall equal or exceed that of the prior year's level, as determined in the sole and reasonable discretion of the District.

**Section 2.03 Duties and Responsibilities of Department.**

A. The Department's Chief, or the Chief's designated representative, shall be the liaison with the Board for Emergency Services operations, and for legal and business matters and shall report directly to the Board as set forth in the attached Chain of Command. (See Exhibit "C").

B. The Department's Chief and the Chief's designated representatives shall use their best efforts to coordinate with the Board to determine what constitutes an emergency for a response by the Department.

C. The Department's Chief, or the Chief's designated representatives, shall notify the Board's designated representative when the Department responds to mutual aid outside of the District.

D. The Department shall disclose quarterly to the Board prior to the District's January, April, July and October meetings, a roster of all of the Department's personnel, noting thereon the respective state certifications held by the personnel and the percentage of calls that each member responded to in that quarter.

E. The Department agrees to provide Emergency Services within the Service Area and the District as specified in this Agreement.

F. It shall be the duty and responsibility of the Department to utilize only responsible, competent and well-trained personnel and to conduct regularly scheduled training sessions to ensure a high level of competency among their personnel. The Department shall notify the Board, in writing within ten days of an occurrence, when the level of personnel in the Department declines by more than 20% from the level of the Department as of the date of this Agreement.

G. The Department shall, at all times, conduct its activities in accordance with all current statutes, rules and regulations of any and all governmental bodies and shall further obtain and maintain all permits, consents and certificates that are required by any governmental body for the Department to be able to provide the Emergency Services. In the event the Department falls below compliance with any such statutes, rules or regulations of any governmental body, the Department shall notify the Board in writing within ten days of the date the Department receives official notice of such non-compliance.

H. The Department shall maintain and repair any and all equipment used to provide Emergency Services to the Service Area in a state of good repair at all times and shall comply, so far as practicable, with applicable sections of the National Fire Protection Association ("NFPA") codes and standards. Approvals and Permits. In order to assure readiness of equipment, the Department's Chief, or the Chief's designated representative, shall notify the Board of any out of service equipment as soon as practical depending on the nature of the problem and need for the equipment, and to the greatest extent and as soon as practicable, the Department will repair any out-of-service equipment.

I. The Department shall make recommendations to the Board for future acquisition of additional equipment and other property prior to May 1<sup>st</sup> of each year.

J. The Department shall implement and maintain a staff and emergency services personnel evaluation and review policy toward the goal of satisfying the requirements under Paragraph 2.03.D. and 2.03.F. The personnel evaluation and review policy shall include policies dealing with discrimination, sexual harassment, and chain of command, and shall be delivered to the Board upon execution of the Agreement, if the policy is then in place; otherwise, it shall be delivered not later than 90 days following the effective date of the Agreement.

**ARTICLE III.**  
**SERVICE TO BE PROVIDED**

**Section 3.01 General**

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

**Section 3.02 Exclusive Agreement and Mutual Aid**

The Department hereby acknowledges and agrees that its primary responsibilities are to the Service Area. However, in order to ensure that there will be available at all times equipment and personnel, the parties acknowledge that the Department will, in its sole and reasonable discretion and judgment to do so, summon mutual aid from others, including incorporated cities or towns or other government entities and volunteer fire and first responder organizations that are able to provide and/or assist in providing the Emergency Services in the Service Area, when appropriate or as needed. Provided however that, the Department will enter into an agreement with the Cheek Volunteer Fire Department for automatic mutual aid in order to provide Emergency Services in the Service Area and throughout the District when appropriate or as needed. The Department shall obtain prior written approval from the Board for all such mutual aid agreements, approval of which shall not be unreasonably withheld.

**Section 3.03 Independent Contractor**

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

B. Nothing in this Agreement shall be construed to make any party the partner or joint venturer of or with another party.

**ARTICLE IV.**  
**INSURANCE AND INDEMNIFICATION**

**Section 4.01 Insurance**

A. The Department shall insure all of the equipment and property owned by Department and reasonably required to provide the Emergency Services hereunder, including but not limited to the equipment and assets identified on Exhibit "D" attached hereto and incorporated herein for all purposes, or cause same to be insured for loss or damage of such kind usually insured against by entities similarly situated, and the District will pay any and all insurance premiums pursuant to and in accordance with the procedures set forth in Section 5.03 below.

B. Any funds received by the Department from private insurance carriers in payment for loss or damage to the equipment and property discussed in the foregoing paragraph shall be used by Department for the sole purpose of repairing or replacing the damaged equipment or vehicle upon which the insurance claim is based. If the funds received by the Department from a private insurance carrier are insufficient to replace any equipment deemed a total loss, and the District contributes any of funds toward the replacement cost, then the District shall own at least a pro-rata share of the new equipment equal to the portion of total replacement cost paid by the District.

C. At all times during the term of this Agreement, and the Department shall maintain Worker's Compensation coverage, with respect to all volunteer members, of such kind and at such levels usually maintained by entities similarly situated, and the District will pay the insurance premiums pursuant to and in accordance with the procedures set forth in Section 5.03 below. In relation to the Worker's Compensation coverage maintained by Department, Department shall, on an annual basis, apply for and seek recovery of any funds available through the Rural Volunteer Fire Department Insurance Program administered by the Texas A&M Forestry Service, so long as such program is available, and any funds received by Department through this program shall be paid by Department to the District.

**Section 4.02 Indemnification**

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

**ARTICLE V.**  
**BUDGET; PAYMENTS BY DISTRICT; AUDIT;**  
**AND TITLE TO ASSETS**

**Section 5.01 Preparation of Budget**

A. Each year during the term of this Agreement, the Department shall submit to the Board a proposed annual budget to be reviewed by the Board. The budget is due on May 1<sup>st</sup> of each year that this Agreement is in place.

B. Upon submission to the Board by the Department, the Board has the right to approve, modify or reject in whole or in part the Department's proposed budgets.

**Section 5.02 Emergency Services Billing**

Any funds received by the Department from private insurance carriers in payment for Emergency Services that are related to services provided under this Agreement during the term of this Agreement, and collectively herein referred to as "emergency services billing revenue," must be reported by the Department to the District not later than 45 days following the Department's receipt of such revenue and money.

**Section 5.03 Payments Made On Behalf Of and To Department**

A. The District will pay the Department's expenditures from current revenues on hand in accordance with the approved operating budget for the Department for the current fiscal year and other purchasing policies and procedures as provided in this Section. Should unexpected or emergency expenditures arise, Department may submit a proposal itemizing those additional expenses to the Board for consideration, unless a particular expenditure qualifies as an emergency expenditure, which is discussed herein below. All requests by Department for additional funding shall be in writing, stating the unexpected or emergency event. The District is not obligated to approve or fund unexpected or emergency expenditures.

B. Notwithstanding any other provisions in this Agreement, the District is not required to pay any of Department's operation or maintenance expenditures or approve Department's proposed operating budget, and the District will not be obligated to make any payment on behalf of Department, or reimburse Department for any emergency expenditures, except in accordance with Department's approved operating budget, as modified and approved by the Board from time to time, and Department's compliance with the requirements set forth in this Section.

C. As to all operation and maintenance expenditures which Department seeks to be paid by the District, Department shall submit an invoice and all other documentation and/or supports required under this Section to the District, and at the next regularly scheduled District Board meeting, the Board shall consider said payment requests, and if approved, the District shall issue payment for said expenditures on behalf of Department. .

D. Any expenditure exceeding \$1,000.00 for which Department intends to submit to the District for payment under this Section, not including any regularly occurring operation expenditure already approved by the Board as part of the Department's operating budget, and any emergency expenditure exceeding \$5,000.00 for which Department intends to submit to the District for reimbursement under this section, Department must first seek and obtain Board approval for said expenditure prior to incurring same.

E. Department is authorized to incur an emergency expenditure not to exceed \$5,000.00 without prior Board approval. Should Department be required to pay for said emergency expenditure out of its own funds, Department shall submit an invoice and all other documentation and/or supports for said expenditure to the District, along with a written explanation for same, to the District seeking reimbursement for same, and at the next regularly scheduled District Board meeting, the Board shall consider said reimbursement request, and if approved, the District shall issue payment to the Department as reimbursement for said emergency expenditure. An “emergency expenditure” is one that is necessary for Department to be able to provide a sufficient level of Emergency Services within the Service Area in accordance with the terms of this Agreement.

F. Department shall maintain and submit to the District documentation of every operation and maintenance expenditure for which the Department seeks to be paid or reimbursed under this Agreement. Supporting documentation includes original copies of invoices, receipts and other documents describing the amount, purpose and nature of a particular expenditure. Supporting documentation and requests for payment and/or reimbursement, along with a summary of all expenditures being submitted for payment and/or reimbursement, must be submitted to the District at least seven (7) days before a District Board meeting in order to be considered for approval at that meeting.

G. Upon timely receipt of sufficient supporting documentation and provided that the expenditure has been previously approved by the District as part of the Department’s annual budget or pursuant to other requirements set forth in this Section, the District shall issue payment for said expenditure for or on behalf of Department; or, in the event of a qualifying and approved emergency expenditure for which the Department is seeking reimbursement from the District, the District shall issue payment to the Department in an amount sufficient to reimburse the Department for any such approved emergency expenditure. The District shall determine, in its sole discretion, whether documentation is adequate to support any payment for or to the Department. The District may not be required to pay the Department more than once per month.

H. Should the Department ever receive funds from the District or come into possession of same, Department may not commingle District funds with other Department funds and shall deposit and keep all District funds in a separate account from all other Department accounts. This paragraph does not apply to any payments made by the District to Department as reimbursement for an emergency or other approved expenditure.

I. As set forth in Section 5.05(A) below, all assets and equipment purchased by the District with District funds, in whole or in part, must be in the name of the District. All requests by Department to the District for the purchase of equipment to be used by Department in the provision of the Emergency Services to the Service Area must be made in writing to the District. If an equipment purchase is approved by the Board, the District will purchase the equipment in its name, and will place said equipment into the possession of Department for use by Department in the provision of Emergency Services under this Agreement. Any equipment purchases made by the Department for which Department intends to seek reimbursement from the District requires prior Board approval, and reimbursement is conditioned upon Department conveying title of said asset to the District.

**Section 5.04 Audit.**

The Department must submit to an annual audit or financial review by an independent auditor selected by the District, unannounced inspections of all records, property, or equipment, and any other requirement reasonably imposed by the District, or local, state, federal law, or administrative regulations. The Department must make all audit/financial review documents requested by the District or its auditor available on or before January 1st of the year following the period for which the audit or financial review is being prepared.

**Section 5.05 Title to Assets**

A. Title to and ownership of the any assets owned by the Department as of the effective date of this agreement shall remain that of the Department. Following the effective date of this Agreement, all assets purchased by the District and/or with District funds, in whole or in part, for use in the provision of the Emergency Services to the Service Area shall be acquired in the name of the District. The District agrees to make such assets fully available and to be placed in the possession of the Department to be used by the Department in accordance with this Agreement and the protocols adopted by the Department from time to time in order for the Department to carry out the terms of this Agreement.

B. The Department may not sell, trade, assign or convey to another person or entity any asset purchased in whole or in part with District funds without prior approval of the Board.

C. The Department may not acquire any asset using District funds without the prior approval of the Board.

**ARTICLE VI.  
REPORTS**

**Section 6.01 Annual Report**

Department shall provide to the Board annually, in the month of January, a report of the number and nature of Emergency Services calls originating from all stations within the Service Area. The report shall cover the period from October 1 through September 30 of the prior year.

**Section 6.02 Monthly Report**

Department shall deliver a monthly written report to the Board of the number and nature of Emergency Services calls for the prior month (i.e., run report). The report shall also state the number and type of calls during the period that the Department did not respond to and for which third-party mutual aid was requested. A sample of this report is attached here to as Exhibit "B".

**Section 6.03 Monthly Financial Report**

At least seven days before the District Board meeting, the Department shall deliver a monthly financial report to the Board that shows all revenue and expenditures and monthly financial activity. The monthly financial report shall be in a form as established by the District.

In the event that Department has receives no revenue and pays no expenditures, or otherwise has no financial activity during a monthly period, then Department shall notify the Board of same and shall not be obligated to provide the Board with a monthly financial report.

**Section 6.04 Other Information**

The Department shall furnish or cause to be furnished to the District and to any agent of the District, such reports or information concerning the Department as the District may reasonably request. Such reports may include, at the District's discretion, additional financial information, response times for the various calls made by the Department, calls and response times broken down by zone or neighborhood, or types of calls.

**ARTICLE VII.  
ASSIGNMENT AND MODIFICATION**

This Agreement may not be assigned by the Department, in whole or in part, without obtaining the prior written consent of the District. Further, this Agreement may be modified only on the prior written consent of all parties.

**ARTICLE VIII.  
MISCELLANEOUS**

**Section 8.01 Term of Agreement**

This Agreement shall be for the period of \_\_\_\_\_, 2014 through \_\_\_\_\_, 2015. Thereafter, this Agreement shall automatically renew for successive one-year terms unless terminated as provided below.

**Section 8.02 Termination of Agreement**

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

**Section 8.03 Treatment of Assets Upon Dissolution of Entity**

A. In the event that the District dissolves during the term of this Agreement, all of the District's assets used by the Department to provide Emergency Services within the Service Area, including but not limited to all assets purchased by the District and/or with District funds, shall be transferred, along with the District's debts, to the Department so that same may be utilized to provide continued Emergency Services to the Service Area, so long as the Department is located within or embracing the District and the transfer will benefit the District's residents, subject to the requirements of Section 775.055 of the Texas Health & Safety Code.

B. In the event that the Department dissolves during the term of this Agreement, all of the Department's assets, including the Equipment, used to provide Emergency Services must be automatically and immediately conveyed and transferred to the District. Department will amend its bylaws to ensure compliance with this section within 90 days of the effective date of this Agreement.

**Section 8.04** Notices

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

If to District, at: Jefferson County Emergency Service District No. 4  
12880 FM 365  
Beaumont, Texas 77705

With a copy to: Joshua C. Heinz  
General Counsel  
Benckenstein & Oxford, LLP  
3535 Calder Ave., Suite 300  
Beaumont, Texas 77706  
Fax: (409) 833-8819

If to Departments, at: Labelle-Fannett Volunteer Fire Department  
12880 FM 365  
Beaumont, Texas 77705

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

**Section 8.05** Binding Effect

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

**Section 8.06** Severability

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

**Section 8.07** Execution and Counterparts

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

**Section 8.08** Captions

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

**Section 8.09 Governing Law**

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

**Section 8.10 Venue**

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

**Section 8.11 Attorney's Fees**

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

**Section 8.12 Legal Representation**

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

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

Signed this \_\_\_\_\_ day of \_\_\_\_\_, 2014.

<b>JEFFERSON COUNTY EMERGENCY SERVICES DISTRICT NO. 4</b>  By: _____ <b>Printed Name: Jeff Roebuck</b> <b>Title: District President</b>	<b>LABELLE-FANNETT VOLUNTEER FIRE DEPARTMENT</b>  By: _____ <b>Printed Name: _____</b> <b>Title: Department President</b>
<b>ATTEST:</b>  By: _____ <b>Printed Name: Sandra Duhon</b> <b>Title: District Secretary</b>	<b>ATTEST:</b>  By: _____ <b>Printed Name: _____</b> <b>Title: Department Secretary</b>

**EXHIBIT A**

**DISTRICT AND DEPARTMENT SERVICE AREA MAP**

**EXHIBIT B**  
**MONTHLY REPORT**

**EXHIBIT C**

**CHAIN OF COMMAND**

**EXHIBIT D**  
**EQUIPMENT AND PROPERTY**

**Real Property**

\_\_\_\_\_ [legal description].

**Fire Trucks/Vehicles**

**Year/Make/Model**

**VIN/Serial No.**

**AGREEMENT FOR PROVIDING  
FIRE PROTECTION SERVICES**

**STATE OF TEXAS** §

**COUNTY OF JEFFERSON** §

This is an Agreement for Providing Fire Protection Services (“Agreement”), effective as of \_\_\_\_\_, 2014, by and between the Jefferson County Emergency Services District No. 4 (“District”), a political subdivision of the State of Texas, organized and operating pursuant to the provisions of Section 48-e, Article III of the Texas Constitution and Chapter 775 of the Health and Safety Code, as amended (“H&S Code”), and the Cheek Volunteer Fire Department (“Department”), a Texas non-profit corporation duly organized and operating under the laws of the State of Texas.

**WITNESSETH**

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

**WHEREAS**, pursuant to Section 775.031 of the H&S Code, the District has the authority to enter into such necessary contracts with others, including incorporated cities or towns or other government entities and volunteer fire organizations, whereby fire protection services and other services may be made available to the District as the District shall determine; and

**WHEREAS**, the District desires to secure fire protection and suppression services (“Emergency Services”, hereinafter defined) for the geographic area of the District to be served by the Department (“Service Area”, hereinafter defined); and

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

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

**WHEREAS**, the Department currently owns facilities and equipment and has the requisite personnel (paid and/or volunteer) to provide the Emergency Services, and is willing and able to provide to the District such Emergency Services to the Service Area for the consideration hereinafter provided, and to enter into an agreement to convey certain assets it currently owns and uses and will use in the provision of the Emergency Services (“Department Assets”, hereinafter defined); and

**WHEREAS**, the Department is the current provider of Emergency Services to the Service Area pursuant to prior county and/or 911 designations; and

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

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

**ARTICLE I.**  
**DEFINITIONS**

**Section 1.01** Definitions

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

- A. Act. Chapter 775 of the Health and Safety Code, as amended, and also referred to herein as the “H&S Code.”
- B. Board. The Board of Commissioners for the District.
- C. District. Jefferson County Emergency Services District No. 4, a political subdivision of the State of Texas created and operating pursuant to the H&S Code.
- D. Chain of Command. The rank and file of the District and the Department that establishes the roles and responsibilities within the District and the Department, as set forth in Exhibit “C” attached hereto and incorporated herein for all purposes.
- E. Department. Cheek Volunteer Fire Department, a non-profit corporation duly organized and existing under the laws of the State of Texas.
- F. Agreement. This Agreement and any and all amendments or supplements hereto.
- G. Department Assets. The real and personal property owned by the Department as of the effective date of this Agreement and operated and utilized by the Department in providing Emergency Services.
- H. Service Area. The geographic area of the District to be served by the Department, as more particularly described in Exhibit “A”, attached hereto and incorporated herein for all purposes, which the Department will serve as the primary responder for Emergency Services.
- I. Emergency Services. All fire protection and suppression services and other services to be made available to the District pursuant to this Agreement.

**Section 1.02** Construction of Terms

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

**ARTICLE II.**  
**REPRESENTATIONS AND WARRANTIES**

**Section 2.01** Conveyance of Department Assets to the District.

The Department and District shall enter into that certain “Asset Purchase and Sale Agreement” upon the execution of this Agreement in accordance with Section 5.05(A) below (“Purchase Agreement”). The Purchase Agreement sets forth the terms and conditions of sale of the Department Assets to the District.

**Section 2.02** District’s Representations, Warranties, and Findings. The District represents, warrants, and finds that:

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

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

**Section 2.03** Department’s Representations and Warranties

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

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

C. Neither the execution or the delivery of this Agreement, the consummation of the transactions contemplated hereby, nor the fulfillment of or compliance with the terms or conditions of this Agreement conflicts with or results in a breach of the terms, conditions, or provisions of any corporate restriction or any agreement or instrument to which the Department is now a party or by which it is bound, or constitutes a default under any of the foregoing, or results in the creation or imposition of any prohibited lien, charge or encumbrance whatsoever on any property or assets of the Department.

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

E. The quality of the Emergency Services to be provided to the residents, commercial interests, and others found within the Service Area will be equal to or better than the quality of the Emergency Services received in the Service Area before the effective date of this Agreement or as evaluated by the District.

F. The training of the Department's personnel shall equal or exceed that of the prior year's level, as determined in the sole and reasonable discretion of the District.

**Section 2.04 Duties and Responsibilities of Department.**

A. The Department's Chief, or the Chief's designated representative, shall be the liaison with the Board for Emergency Services operations, and for legal and business matters, and shall report directly to the Board as set forth in the attached Chain of Command. (See Exhibit "C").

B. The Department's Chief and the Chief's designated representatives shall use their best efforts to coordinate with the Board to determine what constitutes an emergency for a response by the Department.

C. The Department's Chief, or the Chief's designated representatives, shall notify the Board's designated representative when the Department responds to mutual aid outside of the District.

D. The Department shall disclose quarterly to the Board prior to the District's January, April, July and October meetings, a roster of all of the Department's personnel, noting thereon the respective state certifications held by the personnel and the percentage of calls that each member responded to in that quarter.

E. The Department agrees to provide Emergency Services within the Service Area and the District as specified in this Agreement.

F. It shall be the duty and responsibility of the Department to utilize only responsible, competent and well-trained personnel and to conduct regularly scheduled training sessions to ensure a high level of competency among their personnel. The Department shall notify the Board, in writing within ten days of an occurrence, when the level of personnel in the Department declines by more than 20% from the level of the Department as of the date of this Agreement.

G. The Department shall, at all times, conduct its activities in accordance with all current statutes, rules and regulations of any and all governmental bodies and shall further obtain and maintain all permits, consents and certificates that are required by any governmental body for the Department to be able to provide the Emergency Services. In the event the Department falls below compliance with any such statutes, rules or regulations of any governmental body,

the Department shall notify the Board in writing within ten days of the date the Department receives official notice of such non-compliance.

H. The Department shall maintain and repair any and all equipment used to provide Emergency Services to the Service Area in a state of good repair at all times and shall comply, so far as practicable, with applicable sections of the National Fire Protection Association (“NFPA”) codes and standards. In order to assure readiness of equipment, the Department’s Chief, or the Chief’s designated representative, shall notify the Board of any out of service equipment as soon as practical depending on the nature of the problem and need for the equipment, and to the greatest extent and as soon as practicable, the Department will repair any out-of-service equipment.

I. The Department shall make recommendations to the Board for future acquisition of additional equipment and other property prior to May 1<sup>st</sup> of each year.

J. The Department shall implement and maintain a staff and emergency services personnel evaluation and review policy toward the goal of satisfying the requirements under Paragraph 2.04.D. and 2.04.F. The personnel evaluation and review policy shall include policies dealing with discrimination, sexual harassment, and chain of command, and shall be delivered to the Board upon execution of the Agreement, if the policy is then in place; otherwise, it shall be delivered not later than 90 days following the effective date of the Agreement.

### **ARTICLE III.** **SERVICE TO BE PROVIDED**

#### **Section 3.01 General**

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

#### **Section 3.02 Exclusive Agreement and Mutual Aid**

The Department hereby acknowledges and agrees that its primary responsibilities are to the Service Area. However, in order to ensure that there will be available at all times equipment and personnel, the parties acknowledge that the Department will, in its sole and reasonable discretion and judgment to do so, summon mutual aid from others, including incorporated cities or towns or other government entities and volunteer fire and first responder organizations that are able to provide and/or assist in providing the Emergency Services in the Service Area, when appropriate or as needed. Provided however that, the Department will enter into an agreement with Labelle-Fannett Volunteer Fire Department for automatic mutual aid in order to provide Emergency Services in the Service Area and throughout the District when appropriate or as needed. The Department shall obtain prior written approval from the Board for all such mutual aid agreements, approval of which shall not be unreasonably withheld.

#### **Section 3.03 Independent Contractor**

A. Notwithstanding anything in this Agreement that may be construed to the contrary, the Department and all of its personnel (paid and volunteers) or agents shall at all times

be independent contractors regarding the services rendered or not rendered to the District and the residents of the District. The Department and its personnel shall at all times have the right to supervise, manage, control, and direct the details and performance of the work in providing Emergency Services under this Agreement.

B. Nothing in this Agreement shall be construed to make any party the partner or joint venturer of or with another party.

**ARTICLE IV.**  
**INSURANCE AND INDEMNIFICATION**

**Section 4.01 Insurance**

A. The District shall insure all of the equipment and property reasonably required to provide the Emergency Services hereunder or cause same to be insured for loss or damage of such kind usually insured against by entities similarly situated, including but not limited to the assets conveyed to the District by Department under the Purchase Agreement.

B. At all times during the term of this Agreement, and following the expiration of any policy currently held by the Department, the District shall ensure that the Department's Worker's Compensation coverage, with respect to all volunteer members, is maintained by Department and the District shall pay for same in accordance with the procedures set forth in Section 5.03 below.

C. With regard to the Worker's Compensation coverage maintained by Department, Department shall, on an annual basis, apply for and seek recovery of any funds available through the Rural Volunteer Fire Department Insurance Program administered by the Texas A&M Forestry Service, so long as such program is available, and any funds received by Department through this program shall be paid by Department to the District.

**Section 4.02 Indemnification**

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

**ARTICLE V.**  
**BUDGET; PAYMENTS BY DISTRICT; AUDIT;**  
**AND TITLE TO ASSETS**

**Section 5.01 Preparation of Budget**

A. Each year during the term of this Agreement, the Department shall submit to the Board a proposed annual budget to be reviewed by the Board. The budget is due on May 1<sup>st</sup> of each year that this Agreement is in place.

B. Upon submission to the Board by the Department, the Board has the right to approve, modify or reject in whole or in part the Department's proposed budgets.

**Section 5.02 Emergency Services Billing**

Any funds received by the Department from private insurance carriers in payment for Emergency Services that are related to services provided under this Agreement during the term of this Agreement, and collectively herein referred to as "emergency services billing revenue," must be reported by the Department to the District not later than 45 days following the Department's receipt of such revenue and money.

**Section 5.03 Payments Made On Behalf Of and To Department**

A. The District will pay the Department's expenditures from current revenues on hand in accordance with the approved operating budget for the Department for the current fiscal year and other purchasing policies and procedures as provided in this Section. Should unexpected or emergency expenditures arise, Department may submit a proposal itemizing those additional expenses to the Board for consideration, unless a particular expenditure qualifies as an emergency expenditure, which is discussed herein below. All requests by Department for additional funding shall be in writing, stating the unexpected or emergency event. The District is not obligated to approve or fund unexpected or emergency expenditures.

B. Notwithstanding any other provisions in this Agreement, the District is not required to pay any of Department's operation or maintenance expenditures or approve Department's proposed operating budget, and the District will not be obligated to make any payment on behalf of Department, or reimburse Department for any emergency expenditures, except in accordance with Department's approved operating budget, as modified and approved by the Board from time to time, and Department's compliance with the requirements set forth in this Section. .

C. As to all operation and maintenance expenditures which Department seeks to be paid by the District, Department shall submit an invoice and all other documentation and/or supports required under this Section to the District, and at the next regularly scheduled District Board meeting, the Board shall consider said payment requests, and if approved, the District shall issue payment for said expenditures on behalf of Department. .

D. Any expenditure exceeding \$1,000.00 for which Department intends to submit to the District for payment under this Section, not including any regularly occurring operation expenditure already approved by the Board as part of the Department's operating budget, and any emergency expenditure exceeding \$5,000.00 for which Department intends to submit to the District for reimbursement under this section, Department must first seek and obtain Board approval for said expenditure prior to incurring same.

E. Department is authorized to incur an emergency expenditure not to exceed \$5,000.00 without prior Board approval. Should Department be required to pay for said emergency expenditure out of its own funds, Department shall submit an invoice and all other documentation and/or supports for said expenditure to the District, along with a written explanation for same, to the District seeking reimbursement for same, and at the next regularly

scheduled District Board meeting, the Board shall consider said reimbursement request, and if approved, the District shall issue payment to the Department as reimbursement for said emergency expenditure. An “emergency expenditure” is one that is necessary for Department to be able to provide a sufficient level of Emergency Services within the Service Area in accordance with the terms of this Agreement.

F. Department shall maintain and submit to the District documentation of every operation and maintenance expenditure for which the Department seeks to be paid or reimbursed under this Agreement. Supporting documentation includes original copies of invoices, receipts and other documents describing the amount, purpose and nature of a particular expenditure. Supporting documentation and requests for payment and/or reimbursement, along with a summary of all expenditures being submitted for payment and/or reimbursement, must be submitted to the District at least seven (7) days before a District Board meeting in order to be considered for approval at that meeting.

G. Upon timely receipt of sufficient supporting documentation and provided that the expenditure has been previously approved by the District as part of the Department’s annual budget or pursuant to other requirements set forth in this section, the District shall issue payment for said expenditure for or on behalf of Department; or, in the event of a qualifying and approved emergency expenditure for which the Department is seeking reimbursement from the District, the District shall issue payment to the Department in an amount sufficient to reimburse the Department for any such approved emergency expenditure. The District shall determine, in its sole discretion, whether documentation is adequate to support any payment for or to the Department. The District may not be required to pay the Department more than once per month.

H. Should the Department ever receive funds from the District or come into possession of same, Department may not comingle District funds with other Department funds and shall deposit and keep all District funds in a separate account from all other Department accounts. This paragraph does not apply to any payments made by the District to Department as reimbursement for an emergency or other approved expenditure paid by Department.

I. As set forth in Section 5.05(A) below, all assets and equipment purchased by the District with District funds, in whole or in part, must be in the name of the District. All requests by Department to the District for the purchase of equipment to be used by Department in the provision of the Emergency Services to the Service Area must be made in writing to the District. If an equipment purchase is approved by the Board, the District will purchase the equipment in its name, and will place said equipment into the possession of Department for use by Department in the provision of Emergency Services under this Agreement. Any equipment purchases made by the Department for which Department intends to seek reimbursement from the District requires prior Board approval, and reimbursement is conditioned upon Department conveying title of said asset to the District.

#### **Section 5.04 Audit.**

The Department must submit to an annual audit or financial review by an independent auditor selected by the District, unannounced inspections of all records, property, or equipment, and any other requirement reasonably imposed by the District, or local, state, federal law, or

administrative regulations. The Department must make all audit/financial review documents requested by the District or its auditor available on or before January 1st of the year following the period for which the audit or financial review is being prepared.

**Section 5.05 Title to Assets**

A. Title to and ownership of the Department Assets shall be conveyed to the District under the Purchase Agreement within 120 days of the effective date of this Agreement. Following the effective date of this Agreement, all assets purchased for use in the provision of the Emergency Services to the Service Area shall be acquired in the name of the District. The District agrees to make such assets fully available and to be placed in the possession of Department to be used by Department in accordance with this Agreement and the protocols adopted by Department from time to time in order for Department to carry out the terms of this Agreement.

B. The Department may not sell, trade, assign or convey to another person or entity any asset purchased in whole or in part with District funds without prior approval of the Board.

C. The Department may not acquire any asset using District funds without the prior approval of the Board.

**ARTICLE VI.  
REPORTS**

**Section 6.01 Annual Report**

Department shall provide to the Board annually, in the month of January, a report of the number and nature of Emergency Services calls originating from all stations within the Service Area. The report shall cover the period from October 1 through September 30 of the prior year.

**Section 6.02 Monthly Report**

Department shall deliver a monthly written report to the Board of the number and nature of Emergency Services calls for the prior month (i.e., run report). The report shall also state the number and type of calls during the period that the Department did not respond to and for which third-party mutual aid was requested. A sample of this report is attached here to as Exhibit "B".

**Section 6.03 Monthly Financial Report**

At least seven days before the District Board meeting, the Department shall deliver a monthly financial report to the Board that shows all revenue and expenditures and monthly financial activity. The monthly financial report shall be in a form as established by the District. In the event that Department has receives no revenue and pays no expenditures, or otherwise has no financial activity during a monthly period, then Department shall notify the Board of same and shall not be obligated to provide the Board with a monthly financial report.

**Section 6.04 Other Information**

The Department shall furnish or cause to be furnished to the District and to any agent of the District, such reports or information concerning the Department as the District may reasonably request. Such reports may include, at the District's discretion, additional financial information, response times for the various calls made by the Department, calls and response times broken down by zone or neighborhood, or types of calls.

**ARTICLE VII.**  
**ASSIGNMENT AND MODIFICATION**

This Agreement may not be assigned by the Department, in whole or in part, without obtaining the prior written consent of the District. Further, this Agreement may be modified only on the prior written consent of all parties.

**ARTICLE VIII.**  
**MISCELLANEOUS**

**Section 8.01** Term of Agreement

This Agreement shall be for the period of \_\_\_\_\_, 2014 through \_\_\_\_\_, 2015. Thereafter, this Agreement shall automatically renew for successive one-year terms unless terminated as provided below.

**Section 8.02** Termination of Agreement

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

**Section 8.03** Treatment of Assets Upon Dissolution of Entity

A. In the event that the District dissolves during the term of this Agreement, all of the District's assets used to provide Emergency Services within the Service Area, including but not limited to all assets purchased by the District and/or with District funds, shall be transferred, along with the District's debts, to the Department so that same may be utilized to provide continued Emergency Services to the Service Area, so long as the Department is located within or embracing the District and the transfer will benefit the District's residents, subject to the requirements of Section 775.055 of the Texas Health & Safety Code.

B. In the event that the Department dissolves during the term of this Agreement, all of the Department's assets used to provide Emergency Services, to the extent not already conveyed and transferred to the District, must be automatically and immediately conveyed and transferred to the District. Department will amend its bylaws to ensure compliance with this section within 90 days of the effective date of this Agreement.

**Section 8.04** Notices

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

If to District, at: Jefferson County Emergency Service District No. 4  
12880 FM 365  
Beaumont, Texas 77705

With a copy to: Joshua C. Heinz  
General Counsel  
Benckenstein & Oxford, LLP  
3535 Calder Ave., Suite 300  
Beaumont, Texas 77706  
Fax: (409) 833-8819

If to Departments, at: Cheek Volunteer Fire Department  
8523 Kidd Rd.  
Beaumont, Texas 77713

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

**Section 8.05** Binding Effect

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

**Section 8.06** Severability

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

**Section 8.07** Execution and Counterparts

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

**Section 8.08** Captions

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

**Section 8.09** Governing Law

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

**Section 8.10** Venue

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

**Section 8.11** Attorney's Fees

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

**Section 8.12** Legal Representation

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

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

Signed this \_\_\_\_\_ day of \_\_\_\_\_, 2014.

<b>JEFFERSON COUNTY EMERGENCY SERVICES DISTRICT NO. 4</b>  By: _____ <b>Printed Name: Jeff Roebuck</b> <b>Title: District President</b>	<b>CHEEK VOLUNTEER FIRE DEPARTMENT</b>  By: _____ <b>Printed Name: Kenneth A. Duhon</b> <b>Title: Department President</b>
<b>ATTEST:</b>  By: _____ <b>Printed Name: Sandra Duhon</b> <b>Title: District Secretary</b>	<b>ATTEST:</b>  By: _____ <b>Printed Name: Delisa Fuselier</b> <b>Title: Department Secretary</b>

**EXHIBIT A**

**DISTRICT AND DEPARTMENT SERVICE AREA MAP**

**EXHIBIT B**  
**MONTHLY REPORT**

**EXHIBIT C**

**CHAIN OF COMMAND**

## ASSET PURCHASE AND SALE AGREEMENT

This Asset Purchase and Sale Agreement (this "Agreement") is made as of the \_\_\_\_<sup>th</sup> day of \_\_\_\_\_, 2014, by and between **CHEEK VOLUNTEER FIRE DEPARTMENT**, a Texas non-profit corporation ("Seller"), and **JEFFERSON COUNTY EMERGENCY SERVICES DISTRICT NO. 4**, a special district created and operating under Article IV, Section 48-e of the Texas Constitution and Chapter 775 of the Texas Health & Safety Code ("Buyer").

WHEREAS, Seller is presently engaged in providing volunteer fire protection services to the Cheek community and surrounding areas primarily from a fire station location together with related facilities and equipment at 8523 Kidd Rd., Beaumont, Texas 77713 ("Cheek Station"); and

WHEREAS, Seller desires to sell to Buyer, and Buyer desires to purchase from Seller, certain assets owned by Seller and used by Seller in the provision of fire protection and other emergency services (collectively, "Fire Protection Services"); and

NOW, THEREFORE, in consideration of the premises and the mutual terms and conditions herein contained, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

### ARTICLE I. DEFINITIONS

1.1 Definitions. As used in this Agreement, the following terms shall have the meanings set forth below:

(a) "Assets" means the Real Property as defined hereinafter and any improvements thereon, and the vehicles, apparatus, and fixtures all more particularly described on Exhibit A attached hereto and incorporated herein by reference, as well as any related warranties.

(b) "Bill of Sale" means a Bill of Sale in the form of Exhibit B attached hereto and incorporated herein by reference.

(c) "Deeds" means Special Warranty Deeds in the form attached hereto as Exhibit C and incorporated herein by reference.

(d) "Real Property" means that certain real property as described in Exhibit A and Exhibit C attached hereto.

(e) "Closing" means the closing of the transactions contemplated by the Agreement as provided for in Article IV hereof.

(f) "Effective Time" means 5:00 p.m. on the date of Closing.

ARTICLE II.  
PURCHASE AND SALE;  
ASSIGNMENT AND ASSUMPTION

2.1 Agreement to Sell and Purchase. Subject to the terms and conditions in this Agreement, at the Closing, Seller shall sell to Buyer, and Buyer shall purchase from Seller, all of the Assets.

2.2 Consideration. The consideration for the Assets shall be Buyer's obligations under this Agreement and Buyer's obligations under that certain "Agreement for Providing Fire Protection Services" between the parties, executed on \_\_\_\_\_, 2014.

2.3 Asset Transaction/No Liabilities Assumed. The transactions contemplated by this Agreement shall constitute only the purchase, sale and assignment as provided herein of the Assets. Buyer does not and shall not, pursuant to this Agreement or any other agreement or document to be executed and delivered by Buyer pursuant to this Agreement, assume or become liable for any obligations or liabilities of Seller, whether direct or indirect, now existing or hereafter incurred, absolute, accrued, contingent or otherwise, and Seller shall pay, discharge and indemnify Buyer and hold it harmless from and against any liability or obligation now existing or hereafter incurred by Buyer as a result, either direct or indirect, of the purchase, sale and assignment of the Assets.

ARTICLE III.  
REPRESENTATIONS AND WARRANTIES

3.1 Representations and Warranties of Seller. Seller represents and warrants to Buyer as follows:

(a) Organization. Seller is a non-profit corporation, duly organized and validly existing under the laws of the State of Texas. Seller has all requisite power and authority to execute and deliver this Agreement and any instruments and agreements contemplated herein which are required to be executed and delivered by it pursuant to this Agreement.

(b) Enforceability. This Agreement constitutes, and the other agreements to be executed and delivered by Seller at the Closing hereunder shall constitute when executed and delivered by Seller, legal, valid and binding obligations of Seller enforceable against Seller in accordance with their respective terms.

(c) Title to Assets. Seller is the sole and unconditional legal and equitable owner of the Assets, and has good and marketable title to the Assets, free and clear of any and all liens, tax liens, charges, claims, security interests, restrictions or encumbrances of any kind or nature whatsoever and of any agreement or understanding with respect to the use or possession thereof. At the Closing, Seller will convey to Buyer good and marketable title to the Assets, free and clear of any and all liens, tax liens, charges, claims security interest, restrictions and encumbrances of any kind or nature whatsoever and of any such agreement or understanding.

(d) Compliance with Laws and Regulations. Seller has complied in all material respects with all federal, state and local laws, ordinances, codes, orders, rules and regulations applicable to or relating to or governing Seller's activities of providing Fire

Protection Services. No condition exists which does or could constitute a violation of or deficiency under any federal, state or local law, ordinance, code, order, rule or regulation applicable to or relating to or governing Seller's activities of providing Fire Protection Services.

(e) No Litigation. There are no actions, suits or proceedings pending or, to the best of Seller's knowledge, threatened, at law or in equity, or before any governmental board, agency or authority, (i) against any of the Assets, (ii) challenging the transactions contemplated by this Agreement, or (iii) against Seller that, if decided or resolved against Seller, would prohibit, or adversely affect Seller's ability to consummate, the transactions contemplated by this Agreement. Seller does not know of any facts or circumstances which might reasonably form the basis for any such action, suit or proceeding.

(f) Books and Records. The books of account and other records of Seller with respect to the provision of Fire Protection Services reflect accurately and completely and in reasonable detail valid transactions and fairly present an accurate and complete statement of the transactions, operations, affairs and liabilities of Seller.

(g) Licensing. Seller has received and holds on the date hereof all required and appropriate licenses, permits, certificates, consents, approvals and authorizations from all applicable persons entities, or governmental agencies, or authorities having jurisdiction over Seller necessary for the operation of the Seller's activities of providing Fire Protection Services. All such licenses, permits, certificate, consents, approvals and authorizations are listed on Schedule 3.1(g).

(h) Condition of Assets. Except as disclosed on Schedule 3.1(h) attached hereto and incorporated herein by reference, Seller is not aware of any material defects or deficiencies in the condition of, or repairs needed with respect to, any of the Assets and the Assets are in good working order and condition. The Assets consist of or are located at the Cheek Station, including but not limited to the Real Property.

(i) Consents. The execution, delivery and performance of this Agreement by Seller and the consummation of the transactions contemplated by this Agreement by Seller will not require any consent, approval, authorization, order, or declaration of, or filing or registration with, any court, any federal, state, or local governmental or regulatory authority, or any other person or entity.

(j) No Violation. The execution, delivery and performance of this Agreement by Seller and the consummation of the transactions contemplated by this Agreement by Seller (i) do not conflict with and will not conflict with, or result or will result in a breach of, or constitute or will constitute a default (or an event which, with or without notice or lapse of time, or both, would constitute a default) under, or result or will result in the creation of any lien or other encumbrance upon any of the Assets under any of the terms, conditions or provisions of any material agreement or other instrument or obligation to which Seller is a party or by which Seller is bound, and (ii) do not violate and will not violate in any material respect any order, writ, injunction, decree, statute, rule or regulation applicable to Seller or any of the Assets.

(k) Disclosure. No representation or warranty by the Seller or any exhibit hereto contains or will contain any untrue statement of material fact or admits or will admit to stating any material fact (of which the Seller has knowledge) required to make the statements

herein or therein contained not misleading. Seller has disclosed to Buyer all facts known to Seller material to the Assets.

(l) Taxes. Seller has (i) timely filed all returns required to be filed by it with respect to all federal, state and local or foreign income, payroll, withholding, excise, added value, social security, sales, use, real and personal property, use and occupancy, business and occupation, mercantile, real estate, capital stock and franchise or other tax (all the foregoing taxes, including interest and penalties thereon and included estimated taxes thereof, are hereinafter collectively referred to as "Taxes"), (ii) paid all Taxes shown to become due pursuant to such returns, and (iii) paid all other Taxes for which a notice of assessment or demand for payment has been received. All Tax returns filed by or on behalf of the Seller have been prepared in accordance with all applicable laws and requirements and accurately reflect the taxable income (or other measure of Tax) of Seller. There are no Tax liens upon any of the Assets and Seller is not aware of any audit or other proceeding or investigation, or of any position taken on a Tax return of Seller which could give rise to a Tax lien upon any Assets. There are no agreements, waivers or other arrangements providing for an extension of time with respect to the assessment of any Tax or deficiency against Seller, nor are there any actions, suits, proceedings, investigations or claims now pending against Seller regarding any Tax or assessment or any matters under discussion with any federal, state, local or foreign authority relating to any Taxes or assessments or any claims for additional Taxes or assessments asserted by any such authority and there is no basis for the assertion of any additional Taxes or assessments against Seller. The consummation of the transactions contemplated by this Agreement will not result in the imposition of any additional Taxes or assessments against the Assets.

(m) No Undisclosed Liabilities. There are no liabilities or obligations of Seller, whether accrued, absolute or contingent or otherwise, that are material to Seller, except those specifically disclosed in writing to Buyer; and to the best knowledge of Seller, there is no basis for assertion against Seller of any liability or obligation of any nature whatsoever except as previously disclosed to Buyer.

3.2 Representations and Warranties. Buyer represents and warrants to Seller as follows:

(a) Organization. Buyer is a special district created and operating under Article IV, Section 48-e of the Texas Constitution and Chapter 775 of the Texas Health and Safety Code. Buyer has all requisite power and authority to execute and deliver this Agreement and any instruments and agreements contemplated herein that are required to be executed and delivered by it pursuant to this Agreement.

(b) Enforceability. This Agreement constitutes, and the other agreements to be executed and delivered by Buyer at Closing hereunder shall constitute when executed and delivered by Buyer, legal, valid and binding obligations of Buyer enforceable against Buyer in accordance with their respective terms.

(c) Consents. The execution, delivery and performance of this Agreement by Buyer and the consummation of the transactions contemplated by this Agreement by Buyer will not require any consent, approval, authorization, order, or declaration of, or filing or registration

with, any court, any federal, state, or local governmental or regulatory authority, or any other person or entity, other than Lender Consents.

(d) No Violation. The execution, delivery and performance of this Agreement by Buyer and the consummation of the transactions contemplated by this Agreement by Buyer, (i) do not conflict with and will not conflict with, or result or will result in a breach of, or constitute or will constitute a default (or an event which, with or without notice or lapse of time, or both, would constitute a default) under any of the terms, conditions or provisions of any material agreement or other instrument or obligation to which Buyer is a party or by which Buyer is bound, and (ii) do not violate and will not violate in any material respect any order, writ, injunction, decree, statute, rule or regulation applicable to Buyer or any of its properties or Assets.

#### ARTICLE IV. CLOSING

4.1 Place of Closing. The Closing shall take place at \_\_\_\_\_ .m. on \_\_\_\_\_, 2014, at the offices of Benckenstein & Oxford, L.L.P. or at such other date, time and place as the parties may mutually agree. The Closing shall be effective as of the Effective Time, and risk of loss in the Assets shall pass to Buyer at such Closing.

4.2 Actions by Seller. At Closing, Seller shall:

(a) Bill of Sale. Deliver to Buyer a Bill of Sale in the form attached hereto as **Exhibit B** duly executed by Seller conveying to Buyer good and marketable title to all personal property Assets free and clear of any and all liens, security interests, encumbrances, conditions and restrictions.

(b) Certificates of Title. Deliver to Buyer Certificates of Title conveying to Buyer good and marketable title to the vehicles and other titled personal property constituting part of the Assets, free and clear of any and all liens, security interests, encumbrances, conditions and restrictions.

(c) Deeds. Deliver to Buyer the Special Warranty Deed in the form attached hereto as **Exhibit C** conveying to Buyer good and marketable title to the Real Property and any improvements thereon constituting part of the Assets, excluding any mineral interest, if any mineral interest is held by Seller, free and clear of any and all liens, security interests, encumbrances, conditions and restrictions

(d) Possession. Deliver to Buyer possession of the Assets.

(e) Other Agreements. Perform or shall have performed all of the covenants and agreements contained in this Agreement to be performed or complied with by Seller on or prior to date of the Closing hereunder.

4.3 Actions by Buyer. At the Closing, Buyer shall perform or shall have performed all of the covenants and agreements contained in this Agreement to be performed or complied with by Buyer on or prior to the date of the Closing hereunder.

4.4 Attorney's Fees. Except as otherwise provided herein, Buyer shall pay all attorney's fees incurred in connection with the consummation of the transaction contemplated by this Agreement.

4.5 Further Assurances to Buyer. From time to time, after Closing and at the request of Buyer, Seller will execute and deliver to Buyer such other instruments of conveyance and transfer and will take such other action as Buyer may reasonably request in order to perfect title in Buyer to the Assets, to put Buyer in possession of the Assets, and/or to consummate any of the other transactions contemplated by this Agreement.

ARTICLE V.  
SURVIVAL OF REPRESENTATIONS AND WARRANTIES;  
INDEMNITY; POST CLOSING AGREEMENTS AND COVENANTS

5.1 Representations and Warranties to Survive. All statements contained in any agreement, certificate, instrument, schedule, exhibit, deed or document delivered by or on behalf of Seller or Buyer pursuant to this Agreement and the transactions contemplated hereby shall be deemed representations and warranties by the respective parties hereunder and shall survive Closing. All representations, warranties, covenants and agreements made by the parties each to the other in this Agreement or pursuant hereto shall survive the consummation of this Agreement and the Closing hereunder. Any Investigation or examination made by any party hereto shall not constitute a waiver of any representation or warranty and no representation or warranty shall be merged into the Closing hereunder.

5.2 Indemnity.

(a) Seller. Seller shall indemnify and hold Buyer and the Assets harmless from, and against, and in respect of, any loss, liability, claim, demand, or expense (including but not limited to reasonable attorney and consultant fees, costs, and expenses, and investigation and laboratory fees and expenses, and response, remedial or corrective action costs) of any kind whatsoever arising out of or resulting from any of the following:

(i) Any misrepresentation, breach or warranty, or failure to fulfill any agreement or covenant, of Seller under this Agreement or under any other agreement or document delivered by Seller at the Closing hereunder;

(ii) Any and all actions, suits, proceedings, demands, assessments, judgments, costs and legal and other expenses incident to any of the foregoing.

(b) Buyer. To the extent allowed by law, Buyer shall indemnify and hold Seller harmless from, against, and in respect of, any loss, liability, claim, demand, or expense, including but not limited to reasonable attorney's fees and costs, of any kind whatsoever, arising out of or resulting from any of the following:

(i) Any misrepresentation, breach of warranty, or failure to fulfill any agreement or covenant of Buyer under this Agreement or under any other agreement or document delivered by Buyer to Seller at the Closing hereunder; and

(ii) Any and all actions, suits, proceedings, demands, assessments, judgments, costs, and legal and other expenses incident to any of the foregoing.

(c) Indemnity Procedures. In case any claim, demand or action shall be brought by any third party against a party entitled to indemnity under Section 5.2(a) or 5.2(b) above, such party shall promptly notify the other party hereto from whom indemnity is sought in writing and the indemnifying party shall assume the defense thereof, including the employment of counsel. In addition, in case a party hereto shall become aware of any facts which might result in any such claim, demand or action, such party shall promptly notify the other party who would be obligated to provide indemnity hereunder with respect to such claim, demand or action, and such other party shall have the right to take such action as it may deem appropriate to resolve such matter. The indemnified party shall have the right to employ separate counsel in any such action and to participate in the defense thereof, and the fees and expenses of such counsel shall be at the expense of the indemnifying party. The indemnifying party shall not be liable for any settlement of any action effected without its consent, but if settled with the consent of the indemnifying party or if there be a final judgment for the plaintiff in any such action, the indemnifying party shall indemnify and hold harmless the indemnified party from and against any loss or liability by reason of such settlement or judgment.

5.3 Full Cooperation. Seller and Buyer shall cooperate and take such action, including the execution of such other documents, as may be necessary to fully consummate the transactions contemplated hereby, and as may be reasonably requested in order to carry out the provisions and purposes of this Agreement.

5.4 Disputes. In the event of any dispute concerning the rights and obligations of the parties hereunder, the prevailing party shall be entitled to recover from the non-prevailing party all reasonable attorney's fees, costs and other expenses incurred by the prevailing party in connection with such dispute.

## ARTICLE VI. MISCELLANEOUS

6.1 Notices. All notices, claims, or demands required or permitted to be given hereunder shall be in writing and shall be deemed delivered when delivered personally or mailed to the other party, properly addressed, certified or registered mail, postage prepaid, return receipt requested, addressed as follows:

(a) If to Seller:

Cheek Volunteer Fire Department  
8523 Kidd Rd.  
Beaumont, Texas 77713

(b) If to Buyer:

Jefferson County ESD No. 4  
12880 FM 365  
Beaumont, Texas 77705

With Copy to:

Benckenstein & Oxford, LLP  
Attorneys for Jefferson County ESD No. 4  
3535 Calder Ave., Suit 300  
Beaumont, Texas 77706  
Fax No. (409) 833-8819

Either party may change the address for notices to be sent to it by written notice delivered pursuant to the terms of this Section 6.1.

6.2 Entire Agreement; Amendments. This Agreement and the documents delivered at Closing hereunder set forth the entire understanding of the parties and supersede all prior agreements or understandings, whether written or oral, with respect to the subject matter hereof. No terms, conditions, or warranties, other than those contained herein, and no amendments or modifications hereto, shall be valid unless made in writing and signed by the parties intended to be bound thereby.

6.3 Binding Effect/Assignability. This Agreement shall extend to and be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns. Neither Seller nor Buyer shall be entitled to assign any of its rights or obligations under this Agreement.

6.4 Invalid Provisions. If any provision of this Agreement is held to be illegal, invalid or unenforceable under present or future laws effective during the term hereof, such provisions shall be fully severable and this Agreement shall be construed and enforced as if such illegal, invalid or unenforceable provision had never comprised a part hereof with the remaining provisions remaining in full force and effect and not affected by the illegal, invalid or unenforceable provision or by severance thereof herefrom. Furthermore, in lieu of such illegal, invalid or unenforceable provision there shall be added automatically as part of this Agreement a provision as similar in terms to such illegal, invalid, or unenforceable provision as may be possible and still be legal, valid and enforceable.

6.5 Headings/Captions. The captions to sections and subsections of this Agreement have been inserted solely for convenience and reference, and the same shall not control or affect the meaning or construction of any of the provisions of this Agreement.

6.6 Waiver; Remedies. Waiver by any party hereto of any breach of or exercise of any rights under this Agreement shall not be deemed to be a waiver of similar or other breaches or rights or a future breach of the same duty. The failure of a party to take any action by reason of any such breach or to exercise any such right shall not deprive any party of the right to take any action at any time while such breach or condition giving rise to such right continues. Except as expressly limited by this Agreement, the parties shall have all remedies permitted to them by this Agreement or law, and all such remedies shall be cumulative.

6.7 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Texas.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first written above.

SELLER:

CHEEK VOLUNTEER FIRE DEPARTMENT,  
a Texas non-profit corporation

By: \_\_\_\_\_  
Kenneth A. Duhon, President

BUYER:

JEFFERSON COUNTY EMERGENCY  
SERVICES DISTRICT NO. 4, a special district  
created and operating under Article III, Section  
48-e of the Texas Constitution and Chapter 775  
of the Texas Health and Safety Code

By: \_\_\_\_\_  
Jeff Roebuck, President

**EXHIBIT "A"**

**ASSETS**

**Real Property**

**Parcel No. 1**

Being a 0.4178 acre tract of land out of a 13.275 acre tract known as Lot 1, Block 4, allocated to Lula F. Auguste in a partition of the L. D. Fontenots lands situated in the Sarah Miles League, Abstract No. 173, and also being out of a 73.78 acre tract in the Jefferson County, Texas, described as follows to-wit:

BEGINNING at a point in the South line of Kidd Road at the Northwest corner of Lot 1, Block 4, of said partition, which point in the Northwest corner of said 73.78 acre tract and the Northwest corner of the tract of land herein described, and from which point the Northeast corner of the Sarah Miles League bears East 1771.17 feet and North 2418.89 feet, an iron pin for corner;

THENCE East 70.00 feet along the South line of Kidd Road and a portion of the North line of Lot 1, Block 4, of said partition and the 73.78 acre tract, to the Westerly line of a drain ditch, which point in the Northeast corner of the tract of land herein described, an iron pin for corner;

THENCE South II 051' 30" East 204.37 feet along the Westerly line of the drain ditch to the Southeast corner of the tract of land herein described, an iron pin for corner;

THENCE West 112.00 feet to a point in the West line of Lot I, Block 4 of said partition and the 73.78 acre tract, which point is the Southwest corner of the tract of land herein described, an iron pin for corner;

THENCE North 200.00 feet along a portion of the West line of Lot 1, Block 4, of said partition and the 73.78 acre tract to the PLACE OF BEGINNING;

(known as 8523 Kidd Rd., Beaumont, Texas 77713).

**Fire Trucks/Vehicles**

**Year/Make/Model**

**VIN/Serial No.**

2012 Kenworth Tanker Truck

2NKHLN9X6CM286885

1989 Ford Pumper Truck

1FDXK84A7KVA12822

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**Other Assets**

All fire and rescue equipment owned by the Cheek Volunteer Fire Department as of the Closing Date of this Asset Purchase and Sale Agreement, including but not limited to all vehicle extrication tools, self-contained breathing apparatuses, bunker gear, personal protection equipment, fire hoses, fire hose appliances and adapters, and all other equipment used in fire and/or rescue operations.

All other tangible property, including but not limited to all fixtures, appliances, and equipment, owned by the Cheek Volunteer Fire Department as of the Closing Date of this Asset Purchase and Sale Agreement.

**EXHIBIT "B"**

**BILL OF SALE**

STATE OF TEXAS

§

KNOW ALL MEN BY THESE PRESENTS:

COUNTY OF JEFFERSON

§

§

That **CHEEK VOLUNTEER FIRE DEPARTMENT**, a Texas non-profit corporation ("Seller"), for and in consideration of the payment made to Seller pursuant to that certain Asset Purchase and Sale Agreement dated as of \_\_\_\_\_, 2014 (the "Agreement") between Seller and **JEFFERSON COUNTY EMERGENCY SERVICES DISTRICT NO. 4**, a special district created and operating under Article IV, Section 48-e of the Texas Constitution and Chapter 775 of the Texas Health & Safety Code ("Buyer"), the receipt and sufficiency of which is hereby acknowledged by Seller, hereby grants, bargains, sells and transfers to Buyer, its successors and assigns all of the Assets as defined in the Agreement.

TO HAVE AND HOLD all of such personal property Assets, including but not limited to all vehicles and other personal property assets owned by Seller, to Buyer, its successors and assigns to its own use forever.

Seller hereby sells and assigns such Assets to Buyer with those representations and warranties stated in Section 3.1 of the Agreement.

Seller hereby binds itself, its successors and assigns, to warrant and defend the title represented in Section 3.1(c) of the Agreement to all the Assets unto Buyer, its successors and assigns, forever against every person whomsoever claiming such Assets or any part thereof.

Each capitalized term used herein shall have the meaning given to such term in the Agreement, unless the context hereof otherwise requires or provides.

IN WITNESS WHEREOF, this Bill of Sale is executed effective as of \_\_\_\_\_.m. on \_\_\_\_\_, 2014.

**CHEEK VOLUNTEER FIRE DEPARTMENT,**  
a Texas non-profit corporation

By: \_\_\_\_\_  
Kenneth A. Duhon, President

**“EXHIBIT C”**

**SPECIAL WARRANTY DEED**

**Date:** \_\_\_\_\_, 2014

**Grantor:** **CHEEK VOLUNTEER FIRE DEPARTMENT**, a Texas non-profit corporation

**Grantor’s Mailing Address:**

Cheek Volunteer Fire Department  
8523 Kidd Rd.  
Beaumont, Texas 77713

**Grantee:** **JEFFERSON COUNTY EMERGENCY SERVICES DISTRICT NO. 4**, a special district created and operating under Article IV, Section 48-e of the Texas Constitution and Chapter 775 of the Texas Health & Safety Code

**Grantee’s Mailing Address:**

Jefferson County Emergency Services District No. 4  
12880 FM 365  
Beaumont, Texas 77706

**Consideration:**

Grantee’s obligations under that certain “Agreement for Providing Fire Protection Services” entered into between Grantor and Grantee, executed on \_\_\_\_\_, 2014; and, Grantee’s obligations under that certain “Asset Purchase and Sale Agreement” entered into between Grantor and Grantee, executed on \_\_\_\_\_, 2014.

**Property (including any improvements):**

Being a 0.4178 acre tract of land out of a 13.275 acre tract known as Lot 1, Block 4, allocated to Lula F. Auguste in a partition of the L. D. Fontenots lands situated in the Sarah Miles League, Abstract No. 173, and also being out of a 73.78 acre tract in the Jefferson County, Texas, described as follows to-wit:

BEGINNING at a point in the South line of Kidd Road at the Northwest corner of Lot 1, Block 4, of said partition, which point in the Northwest corner of said 73.78 acre tract and the Northwest corner of the tract of land herein described, and from which point the Northeast corner of the Sarah Miles League bears East 1771.17 feet and North 2418.89 feet, an iron pin for corner;

THENCE East 70.00 feet along the South line of Kidd Road and a portion of the North line of Lot 1, Block 4, of said partition and the 73.78 acre tract, to the Westerly line of a drain ditch, which point in the Northeast corner of the tract of land herein described, an iron pin for corner;

THENCE South II 051' 30" East 204.37 feet along the Westerly line of the drain ditch to the Southeast corner of the tract of land herein described, an iron pin for corner;

THENCE West 112.00 feet to a point in the West line of Lot I, Block 4 of said partition and the 73.78 acre tract, which point is the Southwest corner of the tract of land herein described, an iron pin for corner;

THENCE North 200.00 feet along a portion of the West line of Lot 1, Block 4, of said partition and the 73.78 acre tract to the PLACE OF BEGINNING;

(known as 8523 Kidd Rd., Beaumont, Texas 77713).

**Reservations from Conveyance:**

For Grantor and Grantor's heirs, successors, and assigns forever, a reservation of all oil, gas, and other minerals in and under and that may be produced from the Property. If the mineral estate is subject to existing production or an existing lease, this reservation includes the production, the lease, and all benefits from it.

Nothing herein, however, restricts or prohibits the pooling or unitization of the portion of the mineral estate owned by Grantor with land other than the Property; or the exploration or production of the oil, gas, and other minerals by means of wells that are drilled or mines that open on land other than the Property but enter or bottom under the Property, provided that these operations in no manner interfere with the surface or subsurface support of any improvements constructed or to be constructed on the Property.

**Exceptions to Conveyance and Warranty:**

None.

Grantor, for the Consideration and subject to the Reservations from Conveyance and the Exceptions to Conveyance and Warranty, grants, sells, and conveys to Grantee the Property, together with all and singular the rights and appurtenances thereto in any way belonging, to have and to hold it to Grantee and Grantee's heirs, successors, and assigns forever. Grantor binds Grantor and Grantor's heirs and successors to warrant and forever defend all and singular the Property to Grantee and Grantee's heirs, successors, and assigns against every person whomsoever lawfully claiming or to claim the same or any part thereof when the claim is by, through, or under Grantor but not otherwise, except as to the Reservations from Conveyance and the Exceptions to Conveyance and Warranty.

When the context requires, singular nouns and pronouns include the plural.

**CHEEK VOLUNTEER FIRE DEPARTMENT,**  
a Texas non-profit corporation

---

Kenneth A. Duhon, President

STATE OF TEXAS           §  
  §  
COUNTY OF JEFFERSON   §

Before me, the undersigned Notary Public, on this the \_\_\_\_ day of \_\_\_\_\_ 2014, personally appeared Kenneth A. Duhon, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same as the act of the **CHEEK VOLUNTEER FIRE DEPARTMENT**, a Texas non-profit corporation, as its President, for the purposes and consideration therein expressed.

\_\_\_\_\_  
Notary Public, State of Texas  
My commission expires: \_\_\_\_\_

<b><u>AFTER RECORDING RETURN TO:</u></b>  Jefferson County ESD No. 4 12880 FM 365 Beaumont, Texas 77705	<b><u>PREPARED IN THE OFFICE OF:</u></b>  Benckenstein & Oxford, L.L.P. 3535 Calder Avenue, Suite 300 Beaumont, Texas 77706 Tel: (409) 833-9182 Fax: (409) 833-8819
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**SCHEDULE 3.1(g)**

**LIST OF LICENSES**

**Fire Trucks/Vehicles**

**YEAR/MAKE/MODEL**

**LICENSE NO.**

2012 Kenworth Tanker Truck

1015126

1989 Ford Pumper Truck

No Plates

**SCHEDULE 3.1(h)**

**LIST OF MATERIAL DEFECTS IN ASSETS**

1989 Ford Pumper Truck – Currently is out of inspection and is not registered. Needs to be inspected and registration needs to be renewed.

# Exhibit E

# The Carlton Law Firm, P.L.L.C.

2705 Bee Cave Road, Suite 200  
Austin, Texas 78746

Phone: (512) 614-0901  
Facsimile: (512) 900-2855

John J. Carlton  
[john@carltonlawaustin.com](mailto:john@carltonlawaustin.com)

February 18, 2014

**VIA EMAIL: [jheinz@benoxford.com](mailto:jheinz@benoxford.com)**

Board of Commissioners  
Jefferson County Emergency Services District No. 4  
c/o Joshua Heinz  
Benckenstein & Oxford, L.L.P.  
3535 Calder, Ste. 300  
Beaumont, Texas 77706

Re: Opinion - Interpretation of New Section 775.073(d), Health & Safety Code

Dear Commissioners:

As special counsel for Jefferson County ESD No. 4, and general counsel for various emergency services districts ("ESDs") in the State of Texas, our firm had a key role in authoring and, ultimately, the passage of, HB 3798, which added new Section 775.073(d) to the Texas Health & Safety Code. You have asked for our opinion regarding this new statutory provision.

## Background

Prior to the passage of HB 3798, the Health & Safety Code was silent on the issue of ownership of assets purchased in whole or in part with ESD funds. Numerous ESDs found themselves entangled in litigation defending the position that property purchased wholly or partly with ESD funds should be characterized as property owned by the ESD, regardless of title or actual use.

## Analysis

Section 775.073(d) specifically states:

Any property, including an interest in property, purchased or leased using district funds, wholly or partly, must remain the property of the district, regardless of whether the property is used by a third party under a contract for services or otherwise, until [the property is sold or otherwise disposed of].

*Legislative Intent* – Having worked closely with the sponsor of the legislation, Rep. Garnet Coleman, it is our opinion that the intent of the new Section 775.073(d) was to simply eliminate the costs of litigation regarding ownership of assets and provide statutory support for an ESD's ownership of assets that it has funded in whole or in part. The legislation was drafted

**The Carlton Law Firm, P.L.L.C.**

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to ensure that ESDs would have a protected, legal ownership interest in assets purchased in whole or in part with ESD funds, notwithstanding that the assets may have been purchased in the name of or for use by another party under contract or otherwise. In fact, the bill analysis for the legislation states the author's intent on this issue as "H.B. 3798 will also clarify that any assets purchased with or using district funds remain the property of the ESD until properly sold or disposed of by the ESD."

*Application* – If an ESD invests or expends its own funds for the purchase of an asset, it is our opinion that under Section 775.073(d), such investment or expenditure results in the ESD having a legally-protected interest in the asset, corresponding to the ESD's financial investment in that asset. This holds true regardless of whether another entity (most likely a volunteer fire department) has invested funds in the same asset, and notwithstanding that the asset is titled in the name of another entity, such as the volunteer fire department. Finally, based on the intent of the legislation and the case law on this issue, we believe that the same logic applies even when an ESD expends its funds to improve property held in the name of another entity. For instance, if an ESD expends its funds to improve a fire station that was built by donations to a volunteer fire department and prior to the formation of the ESD, the ESD's investment in the improvements results in a legally-protected ownership interest in that improved property under the statute.

This opinion is rendered solely for the benefit of Jefferson County ESD No. 4. This opinion may not be used or relied upon, nor may copies be delivered to, any other person or entity without our express written consent.

Sincerely,

**THE CARLTON LAW FIRM, P.L.L.C.**



John J. Carlton