

CERTIFICATE FOR ORDER

THE STATE OF TEXAS §

COUNTY OF COLLIN §

COLLIN COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 3 §

We, the undersigned officers of the Board of Directors (the "Board") of Collin County Water Control and Improvement District No. 3 (the "District"), hereby certify as follows:

1. The Board convened in special session, open to the public, on the 11th day of February, 2025, at a designated meeting place outside the District, and the roll was called of the members of the Board, to-wit:

	Tommy Thomas	President
	Mike Reynolds	Vice President
	Traci Miller	Secretary
<i>Gary Moore</i>	Jessica Puckett	Assistant Secretary
<i>Don Dawes</i>	Mike Reil	Assistant Secretary

All members of the Board were present except: Director Miller, thus constituting a quorum. Whereupon, among other business, the following was transacted at such meeting:

ORDER CALLING FIRE PROTECTION PLAN ELECTION

was duly introduced for the consideration of the Board. It was then duly moved and seconded that such Order be adopted; and, after due discussion, such motion, carrying with it the adoption of said Order, prevailed and carried by the following vote:

AYES: All Present NOES: None

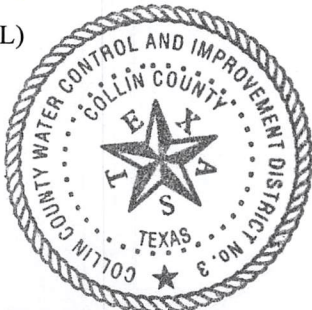
2. A true, full, and correct copy of the aforesaid Order adopted at the meeting described in the above and foregoing paragraph is attached to and follows this Certificate; such Order has been duly recorded in said Board's minutes of such meeting; the above and foregoing paragraph is a true, full, and correct excerpt from the Board's minutes of such meeting pertaining to the adoption of such Order; the persons named in the above and foregoing paragraph are the duly chosen, qualified, and acting officers and members of the Board as indicated therein; each of the officers and members of the Board was duly and sufficiently notified officially and personally, in advance of the time, place, and purpose of such meeting and that such Order would be introduced and considered for adoption at such meeting and each of such officers and members consented, in advance, to the holding of such meeting for such purpose; such meeting was open to the public, as required by law, and public notice of the time, place and purpose of such meeting was given as required by V.T.C.A. Government Code, Chapter 551, as amended.

SIGNED AND SEALED the 11th day of February, 2025.

Gary Moore
Asst. Secretary, Board of Directors

Tommy Thomas
President, Board of Directors

(DISTRICT SEAL)



ORDER CALLING FIRE PROTECTION PLAN ELECTION

THE STATE OF TEXAS §

COUNTY OF COLLIN §

COLLIN COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 3 §

WHEREAS, Collin County Water Control and Improvement District No. 3 (the "District") was heretofore duly created by order of the Texas Commission on Environmental Quality dated March 15, 2011, as a conservation and reclamation district created under and essential to accomplish the purposes of Section 59, Article XVI, of the Texas Constitution and operating pursuant to Chapters 49 and 51 of the Texas Water Code; and

WHEREAS, pursuant to Section 49.351, Texas Water Code, the District has the authority to contract with any other person to perform fire-fighting services within the District and may charge a mandatory fee, subject to prior approval by the Texas Commission on Environmental Quality (the "Commission") and approval by the voters in the District; and

WHEREAS, Inspiration Residential Association, Inc., a Texas corporation ("Inspiration"), entered into a Fire Protection Agreement with the City of Wylie, Texas (the "City"), dated June 18, 2021, a copy of which is attached as Exhibit "A" (the "Agreement"), to provide fire protection services to the property located within the District; and

WHEREAS, the District and Inspiration intend to enter into an Assignment and Assumption of Fire Protection Agreement with Inspiration wherein Inspiration would assign, and the District would assume, all of the rights and obligations of Inspiration under the Agreement; and

WHEREAS, on July 9, 2024, the Board of Directors of the District (the "Board") adopted a Resolution Authorizing Submission of a fire plan (the "Plan") to the Commission. The Commission has not yet issued an order approving the Plan for the District as of the date of this Order; and

WHEREAS, a copy of the Plan is on file and available for public inspection at the District's office, c/o Coats Rose, P.C., 16000 North Dallas Parkway, Suite 350, Dallas, Texas 75248; and

WHEREAS, Section 49.351(i), Texas Water Code, requires that the District submit to the electors of the District the proposition of whether or not the Plan should be implemented by the District; and

WHEREAS, the Board of said District finds and determines that all requisites to the ordering of an election on the proposition of the implementation of the Plan therefore have been met, and the Board is of the opinion that such election should be called for the purpose of submitting to the duly qualified resident electors of the District the proposition of a Plan, including a mandatory fee, as more particularly set out below; and

WHEREAS, the Board wishes to proceed with the ordering of said election.

IT IS, THEREFORE, ORDERED BY THE BOARD OF DIRECTORS OF COLLIN COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 3 THAT:

Section 1: The matters and facts set out in the preamble of this Order are hereby found to and declared to be true and complete.

Section 2: An election shall be held within the District on May 3, 2025, between the hours of 7:00 a.m. and 7:00 p.m. (unless authorized to close earlier pursuant to Section 41.033, Texas Election Code, as amended) at 1715 Inspiration Boulevard, St. Paul, Texas 75098, which the Board of Directors of the District, after duly considering the requirements of Section 43.004 of the Texas Election Code, finds to be a proper place for conducting said election, at which the following proposition shall be submitted to the duly qualified resident electors of the District for their action thereon:

PROPOSITION

SHALL THE BOARD OF DIRECTORS OF COLLIN COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 3 (THE "DISTRICT") BE AUTHORIZED TO IMPLEMENT A FIRE PROTECTION PLAN PURSUANT TO A FIRE PROTECTION AGREEMENT, DATED JUNE 18, 2021 BETWEEN INSPIRATION RESIDENTIAL ASSOCIATION, INC., A TEXAS CORPORATION ("INSPIRATION"), AND THE CITY OF WYLIE, TEXAS, AS ASSIGNED OR TO BE ASSIGNED TO THE DISTRICT PURSUANT TO THAT CERTAIN ASSIGNMENT AND ASSUMPTION OF FIRE PROTECTION AGREEMENT BETWEEN INSPIRATION AND THE DISTRICT; AND SHALL THE DISTRICT BE AUTHORIZED TO ASSESS, LEVY AND COLLECT MANDATORY CHARGES FOR THE PURPOSE OF PROVIDING SUCH FIRE-FIGHTING SERVICES IN ACCORDANCE WITH THE CONSTITUTION AND LAWS OF THE STATE OF TEXAS?

Section 3: Voting in said election shall be by the use of an electronic voting system or paper ballots which shall offer both English and Spanish ballots and which shall conform to the requirements of the Texas Election Code. The following proposition shall be submitted to the resident electors of the District at the May 3, 2025 election:

OFFICIAL BALLOT

Instruction Note: Place an "X" in the square beside the statement indicating the way you wish to vote

FOR

THE FIRE PROTECTION PLAN AND CONTRACT TO PROVIDE FIRE-FIGHTING SERVICES FOR THE DISTRICT

AGAINST

Section 4: The boundaries of the District are hereby established as and shall constitute one election precinct and the following is hereby appointed an officer of said election:

Presiding Judge: Kathryn Lynn McCord

The Presiding Judge may appoint two (2) clerks to assist in the conduct of the election and may appoint such additional clerks as (s)he deems necessary for the proper conduct of the election, not to exceed the maximum number of three (3). Early voting in the election by personal appearance shall begin on April 22 and shall continue through April 29. The clerk for early voting shall be Kathryn Lynn McCord and the place at which such early voting shall be conducted is 1715 Inspiration Boulevard, St. Paul, Texas 75098, within the boundaries of the District.

The early voting clerk's mailing address to which ballot applications and ballots to be voted by mail may be sent is the same as above. The said early voting clerk shall keep said early voting polling place open for early voting by personal appearance from 10:00 a.m. to 7:00 p.m., on each day for early voting which is not a Saturday, a Sunday or an official State holiday. Early voting ballots shall be provided to the presiding judge on election day, and the presiding judge and any clerks shall serve as the early voting ballot board and tally the early ballots.

Section 5: The election shall be held and conducted and returns made to this Board of Directors in accordance with the Texas Election Code as modified by Chapter 49, Texas Water Code.

Section 6: The Board of Directors of the District hereby appoints Coats Rose, P.C., as the District agent for the election.

Section 7: All qualified resident electors of the District shall be entitled to vote in the election.

Section 8: The President and the Secretary of the Board or the District's agent is hereby directed to cause notice of this election to be posted (i) on election day and during early voting by personal appearance in a prominent location at each polling place, (ii) in three public places in the boundaries of the political subdivision at least 21 days

before the election shall be posted on the political subdivision's website, if the District maintains an internet website, and (iv) at such other places as notice of the meetings of the Board of Directors of the District are required to be posted.

Section 9: If applicable, the rate of pay for judges and clerks of the election shall be determined by the Board of Directors of the District, in compliance with the Texas Election Code.


Section 10: The President or Vice President and Secretary or Assistant Secretary are authorized and directed to take any action necessary to carry out the provisions of this order.

Adopted this 11th day of February, 2025.



President, Board of Directors

ATTEST:



Asst. Secretary, Board of Directors

(SEAL)



EXHIBIT "A"
The Agreement

FIRE PROTECTION AGREEMENT

This Fire Protection Agreement ("Agreement") is made by and between **Inspiration Residential Association, Inc.**, a Texas nonprofit corporation ("Association"), and the **City of Wylie, Texas**, a home-rule municipality ("Wylie"). The Association and Wylie are sometimes referred to collectively as the "parties" or individually as a "party."

RECITALS

WHEREAS, the Association was formed to further the interests of the owners of the real property located within the planned development community located in Collin County, Texas commonly known as "Inspiration," the Community (hereinafter defined); and

WHEREAS, the Community is located in close proximity to Wylie, outside of the corporate limits of Wylie; and

WHEREAS, pursuant to the Charter, each person who owns a Unit (hereinafter defined) within the Community is a member of the Association and must pay certain assessments to the Association; and

WHEREAS, the District (hereinafter defined) provides certain services and facilities, including water supply and distribution services and facilities, to the Community; and

WHEREAS, Wylie is engaged in providing Fire Protection Services (hereinafter defined) and Emergency Medical Services (hereinafter defined) for the benefit of the citizens of Wylie; and

WHEREAS, pursuant to the Charter, the Association is authorized to contract with and pay Wylie to provide Fire Protection Services and Emergency Medical Services within the Community; and

WHEREAS, the Association and Wylie entered into that certain Fire Protection Agreement dated August 15, 2016 (the "2016 Agreement"), whereby Wylie agreed to provide, and the Association agreed to pay for, Fire Protection Services and Emergency Medical Services within the Community; and

WHEREAS, the parties desire to terminate the 2016 Agreement and reach a new agreement for Fire Protection Services and Emergency Medical Services on different terms and conditions than set forth in the 2016 Agreement; and

WHEREAS, the Association continues to desire to obtain Fire Protection Services and Emergency Medical Services from Wylie for the benefit of the Association; and

WHEREAS, the provision of Fire Protection Services and Emergency Medical Services by Wylie is a governmental function that serves the public health and welfare and is of mutual concern to the parties; and

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WHEREAS, the Association desires to pay Wylie for providing the Fire Protection Services and Emergency Medical Services to the Association under the terms and conditions of this Agreement.

NOW, THEREFORE, in consideration of the foregoing and on the terms and conditions hereinafter set forth, and for other valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

I.
DEFINITIONS

As used in this Agreement, the following words and phrases have the following meanings:

Association means the Inspiration Residential Association, Inc., a Texas nonprofit corporation.

Charter means the Association's Community Charter for Inspiration, filed of record on January 9, 2015 in the Collin County Land Records under Instrument No. 20150109000028030, and all amendments and supplements thereto.

Community means the real property that is made subject to the terms of the Association's Charter, as it exists or may be amended.

District means the Collin County Water Control and Improvement District No. 3, a water control and improvement district created under Section 59 of Article XVI of the Texas Constitution and operating under Chapters 49 and 51 of the Texas Water Code.

Effective Date means the date this Agreement is signed by the last party to sign it, as indicated by the date associated with that party's signature below.

Emergency Medical Services means services regularly provided by Wylie to persons located within its corporate limits, and outside its corporate limits pursuant to contracts similar in nature to this Agreement, which services are used to respond to an individual's perceived need for immediate medical care and to prevent death or aggravation of physiological or psychological illness or injury.

Fire Protection Services means all fire suppression and rescue services regularly provided by Wylie to persons and property located within its corporate limits, and outside its corporate limits pursuant to contracts similar in nature to this Agreement, except for Emergency Medical Services, fire inspections of buildings and properties, public education services, code enforcement services and arson investigations.

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Full Cost of Service means Wylie's annual cost of providing all of the Fire Protection Services and Emergency Medical Services. Full Cost of Service shall be calculated annually as part of Wylie's budget process in the following manner and shall be equal to the aggregate of:

- (a) Direct recurring costs of Wylie's Fire Department as reflected in Wylie's current annual budget, exclusive of direct costs for fire inspections of buildings and properties, public education services, code enforcement services and arson investigations;
[Ex. If Wylie's fiscal year is FY20, Wylie's FY20 budget is the current annual budget, and the direct recurring costs of the Fire Department, as provided in this subsection, will be reflected in the FY20 budget for the Association's 2021 calendar year payments];
- (b) Direct recurring costs of Wylie's dispatch operations as reflected in Wylie's current annual budget, prorated to reflect the percentage of all dispatch calls, as reported by Wylie's public safety dispatch system, that are attributable to Fire Protection Services and Emergency Medical Services;
[Ex. If Wylie's fiscal year is FY20, Wylie's FY20 budget is the current annual budget, and the direct recurring costs of Wylie's dispatch operations, as provided in this subsection, will be reflected in the FY20 budget for the Association's 2021 calendar year payments];
- (c) Indirect and overhead costs attributed to the Fire Department, which shall be comprised of prorated costs for management oversight, human resource services, accounting services, building use fees and legal services. Such indirect costs shall be calculated and prorated in the manner customarily used by Wylie for such purposes; and
- (d) Indirect and overhead costs attributed to dispatch services, as reported by Wylie's public safety dispatch system, which shall be calculated and prorated in the same manner as described above relative to indirect and overhead costs of the Fire Department, and further prorated to reflect the percentage of all dispatch calls that are attributable to Fire Protection Services and Emergency Medical Services.

Out-of-City Service Charge means an additional charge to be paid by the Association to Wylie in an amount equal to ten percent (10%) of the Full Cost of Service Per Service Connection.

Residential Unit means any building or part of a building designed for permanent occupancy by one family. A detached single-family residential unit is one residential unit; a duplex is two residential units; and each living unit in an apartment complex is one residential unit.

Service Connection means either a Residential Unit or nonresidential unit that is connected to a potable water supply system servicing residents within Wylie or the potable water supply

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systems servicing Residential Units or nonresidential units within the Service Area or any other area for which Wylie provides Fire Protection Services.

Service Area means the area of land within the boundaries of the Community, as depicted in Exhibit A, attached hereto and incorporated herein by reference for all purposes.

Water Distribution System means the fire hydrants, connections and water supply and distribution systems within the Service Area.

Wylie means the City of Wylie, Texas, a home-rule municipality.

II. **SERVICES**

- (a) During the term of this Agreement, Wylie will provide Fire Protection Services and Emergency Medical Services to persons, buildings and property located within the Service Area.
- (b) In providing Fire Protection Services and Emergency Medical Services within the Service Area, Wylie will follow its adopted standard operating procedures regularly used for all residents of Wylie; provided, however, that Wylie shall have the right and discretion, without being in breach of this Agreement and without liability to the Association or its members or any other person, to determine:
 - (1) the Fire Protection Services or Emergency Medical Services that are needed in a particular case;
 - (2) whether and when personnel or equipment are available to respond to a request for Fire Protection Services or Emergency Medical Services;
 - (3) the order in which to respond to requests for Fire Protection Services or Emergency Medical Services; and
 - (4) the time in which to respond to a request for Fire Protection Services or Emergency Medical Services.
- (c) The parties acknowledge that Wylie also must respond to requests for Fire Protection Services and Emergency Medical Services in the corporate limits of Wylie and that Wylie has contracts to provide Fire Protection Services and Emergency Medical Services to other entities. Nothing in this Agreement shall prohibit Wylie from performing Fire Protection Services and Emergency Medical Services in the corporate limits of Wylie or to other entities.

III. **FACILITIES AND EQUIPMENT**

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- (a) As of the date of this Agreement, Wylie owns and/or operates certain facilities and equipment used to perform Fire Protection Services and Emergency Medical Services, including fire stations, pumpers, booster trucks, squad trucks, command vehicles, ambulances and other necessary equipment. In providing Fire Protection Services and Emergency Medical Services to the Association, Wylie shall be solely responsible for the operation and maintenance of its facilities and equipment, subject to its right and discretion, without being in breach of this Agreement and without liability to the Association or its members or residents, to determine the amount and quality of facilities and equipment used in providing the Fire Protection Services and Emergency Medical Services under this Agreement.
- (b) This Agreement shall not obligate Wylie to construct or keep any facilities, equipment or personnel within the Service Area or to designate, reserve or devote all or part of Wylie's facilities, equipment or personnel exclusively to or for the use of the Association in carrying out this Agreement.
- (c) The parties acknowledge that in performing Fire Protection Services in the Service Area, Wylie will use the Water Distribution System and water supply available in the Service Area, but Wylie shall not be responsible for providing for, constructing, inspecting, maintaining or repairing any part of the Water Distribution System or water supply in or near the Service Area. Wylie shall not be liable to the Association, any Association member or any other person for any deficiency or malfunction of the Water Distribution System or water supply located in or near the Service Area. Wylie, however, agrees to use reasonable commercial efforts to notify the Association of any deficiencies in the Water Distribution System of which Wylie becomes aware.

**IV.
DESIGNATED REPRESENTATIVE**

Each party shall designate, in writing or by email, one individual to serve as the contact person between the Association and Wylie ("Representative"). Each Representative will be responsible for communicating any concerns or complaints regarding policies, procedures and/or practices. The Association acknowledges and agrees that laws governing patient privacy may prevent Wylie from disclosing information to the Association or the Association's Representative.

**V.
COMPENSATION**

In consideration of Wylie providing the Fire Protection Services and Emergency Medical Services under this Agreement, the Association shall compensate Wylie as follows:

- (a) Quarterly Payments. The Association shall make quarterly payments to Wylie equal to the sum of the following calculation:

- (1) The result of (A) then-current average market value of homes within the District, as determined by the Collin County Appraisal District and set forth in the annual certified taxable value table provided by the Collin County Appraisal District to Wylie¹ multiplied by (B) the then-current Wylie tax rate per \$100 in assessed value²;
 - (2) The product of subsection (1) multiplied by the current amount of the Full Cost of Service of the Fire Department as a percentage of the overall general fund expenditures.
 - (3) The product of subsection (2) plus an amount equal to ten percent of the result of (2);
 - (4) The product of subsection (3) multiplied by the number of actual Service Connections within the Service Area for the calendar quarter immediately preceding the Service Connection Audit Date. The "Service Connection Audit Date" shall be the first day of the third month of the applicable calendar quarter. On or before March 15, June 15, September 15 and December 15 of each year, the Association must submit a report to Wylie showing the number of actual Service Connections within the Service Area for the Service Connection Audit Date for the applicable calendar quarter³;
 - (5) The product of subsection (4) divided by 4.⁴
- (b) Increases to the Full Cost of Service shall be effective as of January 1 of each year and shall be based on the budget for the fiscal year in which the increase to the Full Cost of Service occurs. [For example, the Full Cost of Service commencing on January 1, 2021 shall be based on the budget for the 2020-2021 fiscal year effective October 1, 2020.] Wylie shall provide the Association with sixty (60) days prior written notice of any annual increase in the Full Cost of Service.
- (c) Notwithstanding anything to the contrary herein, the first quarterly payment required under this Subsection (a) shall be prorated to reflect the percentage of the then-current calendar quarter remaining. Wylie will send an invoice to the Association for each quarterly payment due under this Agreement within five (5) days of the Effective Date and on or before the first day of each calendar quarter thereafter (e.g., January 1, April 1, July 1, October 1). Except for the first payment required under this Subsection (a) (which such

¹ The parties agree that \$375,816 is the current average homestead market value of homes within the District, according to certified data dated as of September 16, 2020 and provided by the Collin County Appraisal District, as of the Effective Date.

² The parties agree that 0.671979 is the current Wylie tax rate per \$100 in assessed value as of the Effective Date.

³ The parties agree that 1,102 is the current number of Service Connections as of the Service Connection Audit Date immediately preceding the Effective Date.

⁴ The parties agree that the amount of \$159,683.11 is the total amount due under this Section for the calendar quarter immediately preceding the Effective Date.

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payment is due within five (5) days of the Effective Date), the Association's payment shall be due on the thirtieth (30th) day after Wylie sends the invoice. For illustration purposes only, an example of the compensation rate calculation is set forth in Exhibit C.

VI.
SERVICE BILLING

Nothing in this Agreement shall prohibit or limit Wylie from separately billing and collecting charges and fees from persons or other entities to whom Fire Protection Services or Emergency Medical Services are provided under this Agreement ("Service Recipients"); provided, however, that such charges and fees are the same types of charges and fees and are calculated at the same rates that Wylie applies to residents within its corporate limits. The Association shall have no authority over, or responsibility for, any Service Recipient billing or collection activities for services provided by Wylie under this Agreement. The Service Recipient charges and fees billed or collected by Wylie under this Article shall be in addition to, and shall not affect, the Association's payment of any fees or other compensation under Article V (Compensation).

VII.
TERM AND TERMINATION

The term of this Agreement shall be for a period of one (1) year beginning on the Effective Date (hereinafter defined) and shall automatically renew for twenty-four (24) successive one (1) year terms, unless terminated by either party in accordance with this Agreement. Notwithstanding anything to the contrary herein, either party is entitled to terminate this Agreement at any time and for any reason by giving ninety (90) days prior written notice to the other party, provided that any such termination by the Association shall comply with applicable provisions of the Charter and the Association's notice of termination includes evidence of such compliance with the Charter in a form deemed reasonably acceptable to Wylie. In addition, this Agreement shall automatically terminate on any of the following dates: (a) the date the Association is dissolved or terminated; (b) the date the Association's Charter is terminated; or (c) Section 10.3 of Article 10 of the Association's Charter is amended without the prior approval of Wylie, as evidenced by its execution of such amendment or a resolution attached thereto consenting to the same. In the event of termination by either party, Wylie shall be compensated pro rata for all services performed up to and including the termination date.

VIII.
DEFAULT

Either party is entitled to declare a default hereunder if the other party fails, refuses or neglects to comply with any of the terms of this Agreement. If a party declares a default of this Agreement, this Agreement shall terminate after notice and opportunity to cure as provided for herein. The party declaring a default shall notify the other party of any default in writing in the manner prescribed herein. The notice shall specify the basis for the declaration of default, and the party shall have ten (10) days from the receipt of such notice to cure any default.

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IX.
LIABILITY AND INSURANCE

- (a) Liability. Wylie shall not be liable to the Association or any other person or entity for its decisions in the manner or method of providing Fire Protection Services or Emergency Medical Services. This Agreement is not intended to waive or alter any defense or immunity Wylie has under state law for claims arising out of the performance of this Agreement, including the manner or method of providing Fire Protection Services or Emergency Medical Services.
- (b) Insurance. The Association shall procure and keep in full force and effect throughout the term of this Agreement, at its sole cost and expense, all of the insurance policies specified in, and required by the Insurance Requirements, attached hereto as Exhibit B and incorporated herein for all purposes. The Association also shall comply with all other requirements set forth in Exhibit B.

X.
TERMINATION OF 2016 AGREEMENT

- (a) Termination. Effective as of the Effective Date of this Agreement, (a) the 2016 Agreement is hereby terminated and the Association and Wylie for themselves and their respective successors and assigns acknowledge and agree that all obligations, duties, rights and benefits under the 2016 Agreement are hereby released and shall be of no further force or effect, except for the Association's obligation to pay any remaining and unpaid amounts due under the 2016 Agreement, which such obligations shall survive the termination of the 2016 Agreement; and (b) each party hereby releases the other party and their respective successors and assigns from any performance or any obligations, duties, rights or benefits, if any, that might have been required in the future under the 2016 Agreement.
- (b) Mutual General Release. Effective as of the Effective Date of this Agreement, the parties and their respective successors, assigns, heirs, affiliates, agents, servants, directors, officers, employees, and representatives fully and forever release and discharge each other and their respective successors, assigns, heirs, affiliates, agents, servants, directors, officers, employees and representatives (collectively, "Releasees" in their capacities as released parties hereunder), and all other persons acting for, under or in concert with Releasees, past or present, hereby release one another of or from any and all claims, demands, actions, causes of actions, suits, lawsuits, debts, liens, contracts, agreements, promises, obligations, damages, liabilities, losses, costs or expenses, including attorneys' fees, past or present, ascertained or unascertained, whether or not known, suspected or claimed to exist or which can hereinafter ever arise out of or result from or in connection with any act, omission, failure to act, breach or conduct suffered to be done or omitted to be done by Releasees, relating to any claims or issues arising from, in connection with, or surrounding the 2016 Agreement, except as set forth in subsection (a) above.

XI.
MISCELLANEOUS

- (c) Assignment. This Agreement may not be assigned by any party without the prior written consent of the other party.
- (d) Entire Agreement. This Agreement represents the entire and integrated Agreement between the parties with respect to the matters contained herein and supersedes all prior negotiations, representations and agreements regarding these matters, either written or oral.
- (e) Amendment. This Agreement may be amended only by the mutual written agreement of the parties.
- (f) Governing Law; Venue. The laws of the State of Texas shall govern the interpretation, validity, performance and enforcement of this Agreement, without regard to conflict of law principles. This Agreement is performable in Collin County, Texas, and the exclusive venue for any action arising out of this Agreement shall be a court of appropriate jurisdiction in Collin County, Texas.
- (g) Independent Contractor. Each party represents and agrees that it is an independent contractor and not an officer, agent, servant or employee of the other party; that each party shall have exclusive control of the details of the services performed hereunder and all persons performing the same; and that nothing in this Agreement shall be construed as creating a partnership or joint enterprise between the parties.
- (h) Binding Effect. This Agreement shall be binding on and inure to the benefit of the parties and their respective heirs, executors, administrators, legal representatives, successors and assigns.
- (i) Notice. Any notice provided or permitted to be given under this Agreement must be in writing and may be served by depositing same in the United States Mail, addressed to the party to be notified, postage pre-paid and registered or certified with return receipt requested; or by delivering the same in person to such party a via hand-delivery service, or any courier service that provides a return receipt showing the date of actual delivery of same to the addressee thereof. Notice given in accordance herewith shall be effective upon receipt at the address of the addressee. For purposes of notification, the addresses of the parties shall be as follows:

If to the Association, addressed to it at:

Inspiration Residential Association, Inc.
Attn: Sheryl Porter
The Addison
14951 N. Dallas Pkwy, Sixth Floor
Dallas, TX 75254T

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Telephone: (214) 451-5401
Email: Sheryl.porter@fsresidential.com [RPT]

and

Inspiration Residential Association, Inc.
8200 Douglas, Avenue, Suite 300
Dallas, Texas 75225
Telephone: 214-750-1800
Email: tbascher@huffinescommunities.com

If to Wylie, addressed to it at:

City of Wylie
Attn.: Chris Holsted, City Manager
300 Country Club Road
Wylie, Texas 75098
Telephone: (972) 516-6010
Email: chris.holsted@wylietexas.gov

and

Wylie Fire Department
Attn.: Brandon Blythe, Wylie Fire Chief
2000 N. Hwy 78
Wylie, Texas 75098
Telephone: (972) 429-8111
Email: brandon.blythe@wylietexas.gov

With a copy to:

Abernathy, Roeder, Boyd & Hullett, P.C.
Attention: Ryan D. Pittman
1700 Redbud Blvd., Suite 300
McKinney, Texas 75069
Telephone: (214) 544-4000
Email: rpittman@abernathy-law.com

- (j) Immunity. It is expressly understood and agreed that, in the execution and performance of this Agreement, Wylie has not waived, nor shall be deemed hereby to have waived, any immunity (governmental, sovereign or official) or defense that would otherwise be available to it against claims arising in the exercise of governmental powers and functions. By entering into this Agreement, the parties do not create any obligations, express or implied, other than those set forth herein.

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- (k) Severability. In the event any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect the other provisions, and the Agreement shall be construed as if such invalid, illegal or unenforceable provision had never been contained in this Agreement.
- (l) Waiver. Waiver by either party of any breach of this Agreement, or the failure of either party to enforce any of the provisions of this Agreement, at any time, shall not in any way affect, limit or waive such party's right thereafter to enforce and compel strict compliance.
- (m) Incorporation of Recitals. The representations, covenants and recitations set forth in the foregoing recitals of this Agreement are true and correct and are hereby incorporated into the body of this Agreement and adopted as findings of Wylie and the Association.
- (n) Miscellaneous Drafting Provisions. This Agreement shall be deemed drafted equally by the parties. The language of all parts of this Agreement shall be construed as a whole according to its fair meaning, and any presumption or principle that the language is to be construed against either party shall not apply. Headings in this Agreement are for the convenience of the parties and are not intended to be used in construing this document.
- (o) No Third Party Beneficiaries. Nothing in this Agreement shall be construed to create any right in any third party not a signatory to this Agreement, and the parties do not intend to create any third party beneficiaries by entering into this Agreement.
- (p) Multiple Counterparts. This Agreement may be executed in a number of identical counterparts, each of which shall be deemed an original for all purposes. An electronic mail and/or facsimile signature will also be deemed to constitute an original if properly executed and delivered to the other party.
- (q) Authority. The undersigned officers or agents are the properly authorized officials and have the necessary authority to execute this Agreement on behalf of Wylie and the Association.

[Signature page follows.]

IN WITNESS WHEREOF, the parties have executed this Agreement and caused this Agreement to be effective as of the Effective Date.

City of Wylie, Texas

By: Chris Holsted
Chris Holsted, City Manager
Date: 6-7-21

ATTEST:

Stephanie Storm
Stephanie Storm, City Secretary

Inspiration Residential Association, Inc.

By: Larry Buscher
Board, President
Date: 6/8/21

Fire Protection Agreement

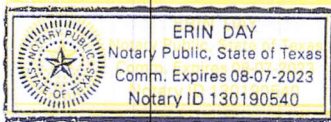
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STATE OF TEXAS §
 §
COUNTY OF COLLIN §

BEFORE ME, the undersigned authority, on this day personally appeared **Chris Holsted**, known to me to be one of the persons whose names are subscribed to the foregoing instrument; he acknowledged to me that he is the City Manager and duly authorized representative for the **City of Wylie, Texas** and that he executed said instrument for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 7th day of June, 2021.



Erin Day
Notary Public in and for the State of Texas
My Commission Expires: 8/7/2023

STATE OF TEXAS §
 §
COUNTY OF COLLIN §

BEFORE ME, the undersigned authority, on this day personally appeared Terry Bascher, known to me to be one of the persons whose names are subscribed to the foregoing instrument; he acknowledged to me that he is the Board President and duly authorized representative for the **Inspiration Residential Association, Inc.** and that he executed said instrument for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 18th day of June, 2021.

Samuel Mota
Notary Public in and for the State of Texas
My Commission Expires: 09/11/2023

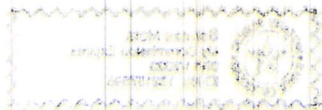


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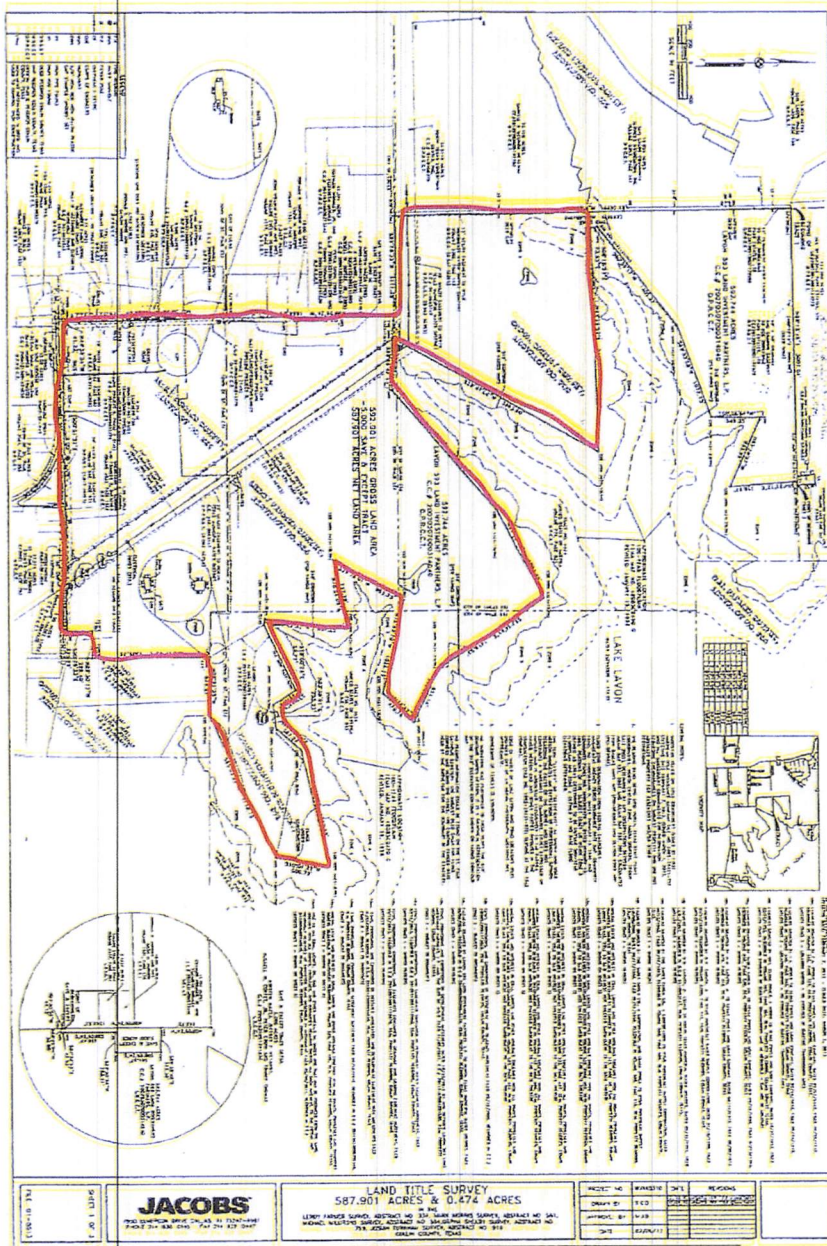
Exhibit A
Service Area



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Exhibit B
Insurance Requirements

- I. GENERAL INSURANCE REQUIREMENTS** – The Association shall, during the term of the Agreement, or any renewal or extension thereof, provide and maintain the types and amounts of insurance as set forth herein at the Association’s sole cost and expense. The Association is not relieved of any liability or other obligations arising under this Agreement by reason of its failure to obtain or maintain insurance in sufficient amounts, duration or types. All insurance and certificate(s) of insurance shall contain the following provisions:
- A. Name Wylie and its City Council members, officers, agents, representatives and employees as additional insureds as to all applicable coverage with the exception of workers compensation insurance.
 - B. Provide for at least thirty (30) days prior written notice of cancellation, non-renewal or material change or modification of any policies, evidenced by return receipt or United States Certified Mail. The words “endeavor to” and “but failure” (to end of sentence) are to be eliminated from the Notice of Cancellation provision on standard ACORD certificates.
 - C. Provide for a waiver of subrogation against Wylie for injuries, including death, property damage or any other loss to the extent the same is covered by the proceeds of the insurance.
 - D. Provide an endorsement applicable to each policy.
- II. INSURANCE COMPANY QUALIFICATION** – All insurance companies providing the required insurance shall be authorized to transact business in the State of Texas and shall have a minimum rating of “A” by A.M. Best’s Key Rating Guide, or other equivalent rating service.
- III. CERTIFICATE OF INSURANCE** – A Certificate of Insurance and accompanying endorsement evidencing the required insurance shall be submitted with the Association’s execution of the Agreement. If the Agreement is renewed or extended, a Certificate of Insurance and accompanying endorsement shall also be provided to Wylie prior to the date the Agreement is renewed or extended.
- IV. INSURANCE CHECKLIST** – “X” means that the following coverage is required for the Agreement:

	Coverage Required	Limits
___	1. Worker’s Compensation & Employer’s Liability	<ul style="list-style-type: none"> ▪ Statutory Limits of the State of Texas
<u>X</u>	2. Commercial General Liability	<ul style="list-style-type: none"> ▪ Minimum \$1,000,000.00 each occurrence; ▪ Minimum \$2,000,000.00 in the aggregate.
<u>X</u>	3. Coverage under the General Liability Insurance is primary to all other coverage City may possess.	
___	4. Other Insurance Requirements (state below):	

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Exhibit C
Compensation Calculation Example

Annual Inspiration Rate Calculation Worksheet (2021)

A	\$375,816.00	Average Home Market Value of Inspiration per County Tax Assessor - July 25th
B	x 0.671979	Current City of Wylie Tax Rate per \$100.00 in Value (Determined October 1st)
C	= \$2,525.40	Total Taxable Amount
D	x 20.86%	Fire Department Expenditure Budget as Percentage of the Overall City of Wylie General Fund Budget
E	= \$526.80	Base Annual Cost Per Household
F	x 10.00%	Out of City Service Charge
G	= \$579.48	Total Amount Due Per Service Connection
H	x 1,102	Total Number of Service Connections (November 1st of Each Year)
I	= \$638,586.23	Total Annual Amount Due
J	x 4	Quarters
K	= \$159,646.56	Quarterly Amount Due (Final Due Date = January 30th, April 30th, July 30th, October 30th)

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ORDEN PARA CONVOCAR UNA ELECCIÓN DE
PLAN DE PROTECCIÓN CONTRA INCENDIOS

EL ESTADO DE TEXAS §

CONDADO DE COLLIN §

DISTRITO NO. 3 DE CONTROL Y MEJORAMIENTO DEL AGUA DEL CONDADO DE COLLIN

EN VISTA DE QUE, el DISTRITO NO. 3 DE CONTROL Y MEJORAMIENTO DEL AGUA DEL CONDADO DE COLLIN (el "Distrito") fue hasta ahora debidamente creado creado por orden de la Comisión de Calidad Ambiental de Texas del 15 de marzo de 2011, como un distrito de conservación y recuperación creado bajo y esencial para lograr los propósitos dela Sección 59, Artículo XVI, de la Constitución de Texas y que opera de conformidad con los Capítulos 49 y 51 del Código de Agua de Texas; y

EN VISTA DE QUE, en virtud de la Sección 49.351 del Código de Agua de Texas, el Distrito tiene la autoridad de contratar a cualquier otra persona para realizar servicios de extinción de incendios dentro del Distrito y puede cobrar una tarifa obligatoria, sujeta a la aprobación previa de la Comisión de Calidad Ambiental de Texas (la "Comisión") y la aprobación de los votantes en el distrito; y

EN VISTA DE QUE, Inspiration Residential Association, Inc., una corporación de Texas ("Inspiration"), celebró un Acuerdo de Protección contra Incendios con la Ciudad de Wylie, Texas (la "Ciudad"), con fecha 18 de junio de 2021, una copia del cual se adjunta como Anexo "A" (el "Acuerdo"), para proporcionar servicios de protección contra incendios a la propiedad ubicada dentro del Distrito; y

EN VISTA DE QUE, el Distrito e Inspiration tienen la intención de celebrar un Acuerdo de Cesión y Asunción de Protección contra Incendios con Inspiration en el que Inspiration cedería, y el Distrito asumiría, todos los derechos y obligaciones de Inspiration en virtud del Acuerdo; y

EN VISTA DE QUE, el 9 de julio de 2024, la Junta Directiva del Distrito (la "Junta") adoptó una Resolución que autoriza la presentación de un plan contra incendios (el "Plan") a la Comisión. La Comisión aún no ha emitido una orden aprobando el Plan para el Distrito a la fecha de esta Orden; y

EN VISTA DE QUE, una copia del Plan está archivada y disponible para inspección pública en la oficina del Distrito, c/o Coats Rose, P.C., 16000 North Dallas Parkway, Suite 350, Dallas, Texas 75248; y

EN VISTA DE QUE, la Sección 49.351(i), Código de Agua de Texas, requiere que el Distrito presente a los electores del Distrito la propuesta sobre si el Distrito debe implementar o no el Plan; y

EN VISTA DE QUE, la Junta de dicho Distrito encuentra y determina que se han cumplido todos los requisitos para ordenar una elección sobre la propuesta de implementación del Plan, y la Junta es de la opinión de que dicha elección debe convocarse con el propósito de someter a los electores residentes del Distrito debidamente calificados la propuesta de un Plan, incluida una tarifa obligatoria, como se establece más particularmente a continuación; y

EN VISTA DE QUE, la Junta desea proceder con el ordenamiento de dicha elección.

POR TANTO, LA JUNTA DIRECTIVA DEL DISTRITO NO. 3 DE CONTROL Y MEJORAMIENTO DEL AGUA DEL CONDADO DE COLLIN ORDENA QUE:

Sección 1: Por la presente, los asuntos y hechos establecidos en el preámbulo de esta Orden son hallados y declarados verdaderos y completos.

Sección 2: Se celebrará una elección dentro del Distrito el 3 de mayo de 2025, entre las 7:00 a.m. y las 7:00 p.m. (a menos que esté autorizado a cerrar antes de conformidad con la Sección 41.033, Código Electoral de Texas, según enmendado) en 1715 Inspiration Boulevard, St. Paul, Texas 75098, que la Junta Directiva del Distrito, después de considerar debidamente los requisitos de la Sección 43.004 del El Código Electoral de Texas, considera un lugar adecuado para llevar a cabo dicha elección, en el cual se presentará la siguiente proposición a los electores residentes del Distrito debidamente calificados para que tomen medidas al respecto:

PROPOSICIÓN A

¿SE DEBERÁ AUTORIZARSE LA JUNTA DIRECTIVA DISTRITO NO. 3 DE CONTROL Y MEJORAMIENTO DEL AGUA DEL CONDADO DE COLLIN (EL "DISTRITO") PARA IMPLEMENTAR UN PLAN DE PROTECCIÓN CONTRA INCENDIOS DE CONFORMIDAD CON UN ACUERDO DE PROTECCIÓN CONTRA INCENDIOS, DE FECHA 18 DE JUNIO DE 2021 ENTRE INSPIRATION RESIDENTIAL ASSOCIATION, INC., UNA CORPORACIÓN DE TEXAS ("INSPIRACIÓN"), Y LA CIUDAD DE WYLIE, TEXAS, SEGÚN SE ASIGNE O SE ASIGNE AL DISTRITO DE CONFORMIDAD CON ESE ACUERDO DE ASIGNACIÓN Y ASUNCIÓN DE PROTECCIÓN CONTRA INCENDIOS ENTRE INSPIRATION Y EL DISTRITO; ¿Y DEBE ESTAR AUTORIZADO EL DISTRITO A EVALUAR, IMPONER Y COBRAR CARGOS OBLIGATORIOS CON EL FIN DE PROPORCIONAR TALES SERVICIOS DE EXTINCIÓN DE INCENDIOS DE ACUERDO CON LA CONSTITUCIÓN Y LAS LEYES DEL ESTADO DE TEXAS?

Sección 3: La votación en dicha elección se realizará mediante el uso de un sistema de votación electrónica o boletas en papel que ofrecerán boletas tanto en inglés como en español y que se ajustarán a los requisitos del Código Electoral de Texas. La siguiente propuesta se presentará a los electores residentes del Distrito en las elecciones del 3 de mayo de 2025:

BOLETA OFICIAL DE VOTACIÓN

Nota de instrucción: coloque una "X" en el cuadrado al lado de la declaración que indica la forma en que desea votar.

PROPOSICIÓN A

A FAVOR

EL PLAN DE PROTECCIÓN CONTRA INCENDIOS Y EL CONTRATO PARA PRESTAR SERVICIOS DE EXTINCIÓN DE INCENDIOS PARA EL DISTRITO

EN CONTRA

Sección 4: Los límites del Distrito se establecen por la presente como y constituirán un recinto electoral y por la presente se nombra al siguiente funcionario de dicha elección:

Juez presidente: Kathryn Lynn McCord

El Juez Presidente podrá nombrar dos (2) secretarios para ayudar en la realización de la elección y podrá nombrar los secretarios adicionales que considere necesarios para la adecuada realización de la elección, sin exceder el número máximo de tres (3). La votación anticipada en la elección en persona comenzará el 22 de abril y continuará hasta el 29 de abril. El secretario para la votación anticipada será Kathryn Lynn McCord y el lugar en el que se llevará a cabo dicha votación anticipada es 1715 Inspiration Boulevard, St. Paul, Texas 75098, dentro de los límites del Distrito.

La dirección postal del secretario de votación anticipada a la que se pueden enviar las solicitudes de boleta y las boletas para votar por correo es la misma que la anterior. Dicho secretario de votación anticipada mantendrá dicho lugar de votación anticipada abierto para la votación anticipada en persona de 10:00 a.m. a 7:00 p.m., todos los días para la votación anticipada que no sean sábado, domingo o feriado oficial del Estado. Las boletas de votación anticipada se entregarán al juez que preside el día de las elecciones, y el juez que preside y cualquier secretario actuarán como junta de boletas de votación anticipada y contarán las boletas de votación anticipada.

Sección 5: La elección se llevará a cabo y se llevará a cabo y las declaraciones se harán a esta Junta Directiva de acuerdo con el Código Electoral de Texas modificado por el Capítulo 49 del Código de Agua de Texas.

Sección 6: La Junta Directiva del Distrito por la presente nombra a Coats Rose, P.C., como agente del Distrito para la elección.

Sección 7: Todos los electores residentes calificados del Distrito tendrán derecho a votar en la elección.

Sección 8: Por la presente se ordena al Presidente y al Secretario de la Junta o al agente del Distrito que hagan que se publique un aviso de esta elección (i) el día de las elecciones y durante la votación anticipada mediante presentación personal en un lugar destacado de cada lugar de votación, (ii) en tres lugares públicos dentro de los límites de la subdivisión política al menos 21 días antes de la elección, (iii) durante los 21 días antes de la elección se publicarán en el sitio web de la subdivisión política, si el Distrito mantiene un sitio web en Internet, y (iv) en Se requiere que se publiquen en otros lugares tales como avisos de las reuniones de la Junta Directiva del Distrito.

Sección 9: Si corresponde, la tasa de pago de los jueces y secretarios electorales será determinada por la Junta Directiva del Distrito, de conformidad con el Código Electoral de Texas.

Sección 10: El Presidente o Vicepresidente y el Secretario o Subsecretario están autorizados y ordenados a tomar cualquier acción necesaria para llevar a cabo las disposiciones de esta orden.

Adoptada el 11 de febrero de 2025.

/s/ Tommy Thomas
Presidente de la Junta Directiva

ATESTIGUA:

/s/ Traci Miller
Secretario de la Junta Directiva

ANEXO "A"
El Acuerdo

FIRE PROTECTION AGREEMENT

This Fire Protection Agreement ("Agreement") is made by and between **Inspiration Residential Association, Inc.**, a Texas nonprofit corporation ("Association"), and the **City of Wylie, Texas**, a home-rule municipality ("Wylie"). The Association and Wylie are sometimes referred to collectively as the "parties" or individually as a "party."

RECITALS

WHEREAS, the Association was formed to further the interests of the owners of the real property located within the planned development community located in Collin County, Texas commonly known as "Inspiration," the Community (hereinafter defined); and

WHEREAS, the Community is located in close proximity to Wylie, outside of the corporate limits of Wylie; and

WHEREAS, pursuant to the Charter, each person who owns a Unit (hereinafter defined) within the Community is a member of the Association and must pay certain assessments to the Association; and

WHEREAS, the District (hereinafter defined) provides certain services and facilities, including water supply and distribution services and facilities, to the Community; and

WHEREAS, Wylie is engaged in providing Fire Protection Services (hereinafter defined) and Emergency Medical Services (hereinafter defined) for the benefit of the citizens of Wylie; and

WHEREAS, pursuant to the Charter, the Association is authorized to contract with and pay Wylie to provide Fire Protection Services and Emergency Medical Services within the Community; and

WHEREAS, the Association and Wylie entered into that certain Fire Protection Agreement dated August 15, 2016 (the "2016 Agreement"), whereby Wylie agreed to provide, and the Association agreed to pay for, Fire Protection Services and Emergency Medical Services within the Community; and

WHEREAS, the parties desire to terminate the 2016 Agreement and reach a new agreement for Fire Protection Services and Emergency Medical Services on different terms and conditions than set forth in the 2016 Agreement; and

WHEREAS, the Association continues to desire to obtain Fire Protection Services and Emergency Medical Services from Wylie for the benefit of the Association; and

WHEREAS, the provision of Fire Protection Services and Emergency Medical Services by Wylie is a governmental function that serves the public health and welfare and is of mutual concern to the parties; and

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WHEREAS, the Association desires to pay Wylie for providing the Fire Protection Services and Emergency Medical Services to the Association under the terms and conditions of this Agreement.

NOW, THEREFORE, in consideration of the foregoing and on the terms and conditions hereinafter set forth, and for other valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

I.
DEFINITIONS

As used in this Agreement, the following words and phrases have the following meanings:

Association means the Inspiration Residential Association, Inc., a Texas nonprofit corporation.

Charter means the Association's Community Charter for Inspiration, filed of record on January 9, 2015 in the Collin County Land Records under Instrument No. 20150109000028030, and all amendments and supplements thereto.

Community means the real property that is made subject to the terms of the Association's Charter, as it exists or may be amended.

District means the Collin County Water Control and Improvement District No. 3, a water control and improvement district created under Section 59 of Article XVI of the Texas Constitution and operating under Chapters 49 and 51 of the Texas Water Code.

Effective Date means the date this Agreement is signed by the last party to sign it, as indicated by the date associated with that party's signature below.

Emergency Medical Services means services regularly provided by Wylie to persons located within its corporate limits, and outside its corporate limits pursuant to contracts similar in nature to this Agreement, which services are used to respond to an individual's perceived need for immediate medical care and to prevent death or aggravation of physiological or psychological illness or injury.

Fire Protection Services means all fire suppression and rescue services regularly provided by Wylie to persons and property located within its corporate limits, and outside its corporate limits pursuant to contracts similar in nature to this Agreement, except for Emergency Medical Services, fire inspections of buildings and properties, public education services, code enforcement services and arson investigations.

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Full Cost of Service means Wylie's annual cost of providing all of the Fire Protection Services and Emergency Medical Services. Full Cost of Service shall be calculated annually as part of Wylie's budget process in the following manner and shall be equal to the aggregate of:

- (a) Direct recurring costs of Wylie's Fire Department as reflected in Wylie's current annual budget, exclusive of direct costs for fire inspections of buildings and properties, public education services, code enforcement services and arson investigations;
[Ex. If Wylie's fiscal year is FY20, Wylie's FY20 budget is the current annual budget, and the direct recurring costs of the Fire Department, as provided in this subsection, will be reflected in the FY20 budget for the Association's 2021 calendar year payments];
- (b) Direct recurring costs of Wylie's dispatch operations as reflected in Wylie's current annual budget, prorated to reflect the percentage of all dispatch calls, as reported by Wylie's public safety dispatch system, that are attributable to Fire Protection Services and Emergency Medical Services;
[Ex. If Wylie's fiscal year is FY20, Wylie's FY20 budget is the current annual budget, and the direct recurring costs of Wylie's dispatch operations, as provided in this subsection, will be reflected in the FY20 budget for the Association's 2021 calendar year payments];
- (c) Indirect and overhead costs attributed to the Fire Department, which shall be comprised of prorated costs for management oversight, human resource services, accounting services, building use fees and legal services. Such indirect costs shall be calculated and prorated in the manner customarily used by Wylie for such purposes; and
- (d) Indirect and overhead costs attributed to dispatch services, as reported by Wylie's public safety dispatch system, which shall be calculated and prorated in the same manner as described above relative to indirect and overhead costs of the Fire Department, and further prorated to reflect the percentage of all dispatch calls that are attributable to Fire Protection Services and Emergency Medical Services.

Out-of-City Service Charge means an additional charge to be paid by the Association to Wylie in an amount equal to ten percent (10%) of the Full Cost of Service Per Service Connection.

Residential Unit means any building or part of a building designed for permanent occupancy by one family. A detached single-family residential unit is one residential unit; a duplex is two residential units; and each living unit in an apartment complex is one residential unit.

Service Connection means either a Residential Unit or nonresidential unit that is connected to a potable water supply system servicing residents within Wylie or the potable water supply

systems servicing Residential Units or nonresidential units within the Service Area or any other area for which Wylie provides Fire Protection Services.

Service Area means the area of land within the boundaries of the Community, as depicted in Exhibit A, attached hereto and incorporated herein by reference for all purposes.

Water Distribution System means the fire hydrants, connections and water supply and distribution systems within the Service Area.

Wylie means the City of Wylie, Texas, a home-rule municipality.

II. **SERVICES**

- (a) During the term of this Agreement, Wylie will provide Fire Protection Services and Emergency Medical Services to persons, buildings and property located within the Service Area.
- (b) In providing Fire Protection Services and Emergency Medical Services within the Service Area, Wylie will follow its adopted standard operating procedures regularly used for all residents of Wylie; provided, however, that Wylie shall have the right and discretion, without being in breach of this Agreement and without liability to the Association or its members or any other person, to determine:
 - (1) the Fire Protection Services or Emergency Medical Services that are needed in a particular case;
 - (2) whether and when personnel or equipment are available to respond to a request for Fire Protection Services or Emergency Medical Services;
 - (3) the order in which to respond to requests for Fire Protection Services or Emergency Medical Services; and
 - (4) the time in which to respond to a request for Fire Protection Services or Emergency Medical Services.
- (c) The parties acknowledge that Wylie also must respond to requests for Fire Protection Services and Emergency Medical Services in the corporate limits of Wylie and that Wylie has contracts to provide Fire Protection Services and Emergency Medical Services to other entities. Nothing in this Agreement shall prohibit Wylie from performing Fire Protection Services and Emergency Medical Services in the corporate limits of Wylie or to other entities.

III. **FACILITIES AND EQUIPMENT**

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- (a) As of the date of this Agreement, Wylie owns and/or operates certain facilities and equipment used to perform Fire Protection Services and Emergency Medical Services, including fire stations, pumpers, booster trucks, squad trucks, command vehicles, ambulances and other necessary equipment. In providing Fire Protection Services and Emergency Medical Services to the Association, Wylie shall be solely responsible for the operation and maintenance of its facilities and equipment, subject to its right and discretion, without being in breach of this Agreement and without liability to the Association or its members or residents, to determine the amount and quality of facilities and equipment used in providing the Fire Protection Services and Emergency Medical Services under this Agreement.
- (b) This Agreement shall not obligate Wylie to construct or keep any facilities, equipment or personnel within the Service Area or to designate, reserve or devote all or part of Wylie's facilities, equipment or personnel exclusively to or for the use of the Association in carrying out this Agreement.
- (c) The parties acknowledge that in performing Fire Protection Services in the Service Area, Wylie will use the Water Distribution System and water supply available in the Service Area, but Wylie shall not be responsible for providing for, constructing, inspecting, maintaining or repairing any part of the Water Distribution System or water supply in or near the Service Area. Wylie shall not be liable to the Association, any Association member or any other person for any deficiency or malfunction of the Water Distribution System or water supply located in or near the Service Area. Wylie, however, agrees to use reasonable commercial efforts to notify the Association of any deficiencies in the Water Distribution System of which Wylie becomes aware.

**IV.
DESIGNATED REPRESENTATIVE**

Each party shall designate, in writing or by email, one individual to serve as the contact person between the Association and Wylie ("Representative"). Each Representative will be responsible for communicating any concerns or complaints regarding policies, procedures and/or practices. The Association acknowledges and agrees that laws governing patient privacy may prevent Wylie from disclosing information to the Association or the Association's Representative.

**V.
COMPENSATION**

In consideration of Wylie providing the Fire Protection Services and Emergency Medical Services under this Agreement, the Association shall compensate Wylie as follows:

- (a) Quarterly Payments. The Association shall make quarterly payments to Wylie equal to the sum of the following calculation:

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- (1) The result of (A) then-current average market value of homes within the District, as determined by the Collin County Appraisal District and set forth in the annual certified taxable value table provided by the Collin County Appraisal District to Wylie¹ multiplied by (B) the then-current Wylie tax rate per \$100 in assessed value²;
 - (2) The product of subsection (1) multiplied by the current amount of the Full Cost of Service of the Fire Department as a percentage of the overall general fund expenditures.
 - (3) The product of subsection (2) plus an amount equal to ten percent of the result of (2);
 - (4) The product of subsection (3) multiplied by the number of actual Service Connections within the Service Area for the calendar quarter immediately preceding the Service Connection Audit Date. The "Service Connection Audit Date" shall be the first day of the third month of the applicable calendar quarter. On or before March 15, June 15, September 15 and December 15 of each year, the Association must submit a report to Wylie showing the number of actual Service Connections within the Service Area for the Service Connection Audit Date for the applicable calendar quarter³;
 - (5) The product of subsection (4) divided by 4.⁴
- (b) Increases to the Full Cost of Service shall be effective as of January 1 of each year and shall be based on the budget for the fiscal year in which the increase to the Full Cost of Service occurs. [For example, the Full Cost of Service commencing on January 1, 2021 shall be based on the budget for the 2020-2021 fiscal year effective October 1, 2020.] Wylie shall provide the Association with sixty (60) days prior written notice of any annual increase in the Full Cost of Service.
- (c) Notwithstanding anything to the contrary herein, the first quarterly payment required under this Subsection (a) shall be prorated to reflect the percentage of the then-current calendar quarter remaining. Wylie will send an invoice to the Association for each quarterly payment due under this Agreement within five (5) days of the Effective Date and on or before the first day of each calendar quarter thereafter (e.g., January 1, April 1, July 1, October 1). Except for the first payment required under this Subsection (a) (which such

¹ The parties agree that \$375,816 is the current average homestead market value of homes within the District, according to certified data dated as of September 16, 2020 and provided by the Collin County Appraisal District, as of the Effective Date.

² The parties agree that 0.671979 is the current Wylie tax rate per \$100 in assessed value as of the Effective Date.

³ The parties agree that 1,102 is the current number of Service Connections as of the Service Connection Audit Date immediately preceding the Effective Date.

⁴ The parties agree that the amount of \$159,683.11 is the total amount due under this Section for the calendar quarter immediately preceding the Effective Date.

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payment is due within five (5) days of the Effective Date), the Association's payment shall be due on the thirtieth (30th) day after Wylie sends the invoice. For illustration purposes only, an example of the compensation rate calculation is set forth in Exhibit C.

VI.
SERVICE BILLING

Nothing in this Agreement shall prohibit or limit Wylie from separately billing and collecting charges and fees from persons or other entities to whom Fire Protection Services or Emergency Medical Services are provided under this Agreement ("Service Recipients"); provided, however, that such charges and fees are the same types of charges and fees and are calculated at the same rates that Wylie applies to residents within its corporate limits. The Association shall have no authority over, or responsibility for, any Service Recipient billing or collection activities for services provided by Wylie under this Agreement. The Service Recipient charges and fees billed or collected by Wylie under this Article shall be in addition to, and shall not affect, the Association's payment of any fees or other compensation under Article V (Compensation).

VII.
TERM AND TERMINATION

The term of this Agreement shall be for a period of one (1) year beginning on the Effective Date (hereinafter defined) and shall automatically renew for twenty-four (24) successive one (1) year terms, unless terminated by either party in accordance with this Agreement. Notwithstanding anything to the contrary herein, either party is entitled to terminate this Agreement at any time and for any reason by giving ninety (90) days prior written notice to the other party, provided that any such termination by the Association shall comply with applicable provisions of the Charter and the Association's notice of termination includes evidence of such compliance with the Charter in a form deemed reasonably acceptable to Wylie. In addition, this Agreement shall automatically terminate on any of the following dates: (a) the date the Association is dissolved or terminated; (b) the date the Association's Charter is terminated; or (c) Section 10.3 of Article 10 of the Association's Charter is amended without the prior approval of Wylie, as evidenced by its execution of such amendment or a resolution attached thereto consenting to the same. In the event of termination by either party, Wylie shall be compensated pro rata for all services performed up to and including the termination date.

VIII.
DEFAULT

Either party is entitled to declare a default hereunder if the other party fails, refuses or neglects to comply with any of the terms of this Agreement. If a party declares a default of this Agreement, this Agreement shall terminate after notice and opportunity to cure as provided for herein. The party declaring a default shall notify the other party of any default in writing in the manner prescribed herein. The notice shall specify the basis for the declaration of default, and the party shall have ten (10) days from the receipt of such notice to cure any default.

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IX.
LIABILITY AND INSURANCE

- (a) Liability. Wylie shall not be liable to the Association or any other person or entity for its decisions in the manner or method of providing Fire Protection Services or Emergency Medical Services. This Agreement is not intended to waive or alter any defense or immunity Wylie has under state law for claims arising out of the performance of this Agreement, including the manner or method of providing Fire Protection Services or Emergency Medical Services.
- (b) Insurance. The Association shall procure and keep in full force and effect throughout the term of this Agreement, at its sole cost and expense, all of the insurance policies specified in, and required by the Insurance Requirements, attached hereto as Exhibit B and incorporated herein for all purposes. The Association also shall comply with all other requirements set forth in Exhibit B.

X.
TERMINATION OF 2016 AGREEMENT

- (a) Termination. Effective as of the Effective Date of this Agreement, (a) the 2016 Agreement is hereby terminated and the Association and Wylie for themselves and their respective successors and assigns acknowledge and agree that all obligations, duties, rights and benefits under the 2016 Agreement are hereby released and shall be of no further force or effect, except for the Association's obligation to pay any remaining and unpaid amounts due under the 2016 Agreement, which such obligations shall survive the termination of the 2016 Agreement; and (b) each party hereby releases the other party and their respective successors and assigns from any performance or any obligations, duties, rights or benefits, if any, that might have been required in the future under the 2016 Agreement.
- (b) Mutual General Release. Effective as of the Effective Date of this Agreement, the parties and their respective successors, assigns, heirs, affiliates, agents, servants, directors, officers, employees, and representatives fully and forever release and discharge each other and their respective successors, assigns, heirs, affiliates, agents, servants, directors, officers, employees and representatives (collectively, "Releasees" in their capacities as released parties hereunder), and all other persons acting for, under or in concert with Releasees, past or present, hereby release one another of or from any and all claims, demands, actions, causes of actions, suits, lawsuits, debts, liens, contracts, agreements, promises, obligations, damages, liabilities, losses, costs or expenses, including attorneys' fees, past or present, ascertained or unascertained, whether or not known, suspected or claimed to exist or which can hereinafter ever arise out of or result from or in connection with any act, omission, failure to act, breach or conduct suffered to be done or omitted to be done by Releasees, relating to any claims or issues arising from, in connection with, or surrounding the 2016 Agreement, except as set forth in subsection (a) above.

XI.
MISCELLANEOUS

- (c) Assignment. This Agreement may not be assigned by any party without the prior written consent of the other party.
- (d) Entire Agreement. This Agreement represents the entire and integrated Agreement between the parties with respect to the matters contained herein and supersedes all prior negotiations, representations and agreements regarding these matters, either written or oral.
- (e) Amendment. This Agreement may be amended only by the mutual written agreement of the parties.
- (f) Governing Law; Venue. The laws of the State of Texas shall govern the interpretation, validity, performance and enforcement of this Agreement, without regard to conflict of law principles. This Agreement is performable in Collin County, Texas, and the exclusive venue for any action arising out of this Agreement shall be a court of appropriate jurisdiction in Collin County, Texas.
- (g) Independent Contractor. Each party represents and agrees that it is an independent contractor and not an officer, agent, servant or employee of the other party; that each party shall have exclusive control of the details of the services performed hereunder and all persons performing the same; and that nothing in this Agreement shall be construed as creating a partnership or joint enterprise between the parties.
- (h) Binding Effect. This Agreement shall be binding on and inure to the benefit of the parties and their respective heirs, executors, administrators, legal representatives, successors and assigns.
- (i) Notice. Any notice provided or permitted to be given under this Agreement must be in writing and may be served by depositing same in the United States Mail, addressed to the party to be notified, postage pre-paid and registered or certified with return receipt requested; or by delivering the same in person to such party a via hand-delivery service, or any courier service that provides a return receipt showing the date of actual delivery of same to the addressee thereof. Notice given in accordance herewith shall be effective upon receipt at the address of the addressee. For purposes of notification, the addresses of the parties shall be as follows:

If to the Association, addressed to it at:

Inspiration Residential Association, Inc.
Attn: Sheryl Porter
The Addison
14951 N. Dallas Pkwy, Sixth Floor
Dallas, TX 75254T

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Telephone: (214) 451-5401
Email: Sheryl.porter@fsresidential.com [RPI]

and

Inspiration Residential Association, Inc.
8200 Douglas, Avenue, Suite 300
Dallas, Texas 75225
Telephone: 214-750-1800
Email: tbascher@huffinescommunities.com

If to Wylie, addressed to it at:

City of Wylie
Attn.: Chris Holsted, City Manager
300 Country Club Road
Wylie, Texas 75098
Telephone: (972) 516-6010
Email: chris.holsted@wylitexas.gov

and

Wylie Fire Department
Attn.: Brandon Blythe, Wylie Fire Chief
2000 N. Hwy 78
Wylie, Texas 75098
Telephone: (972) 429-8111
Email: brandon.blythe@wylitexas.gov

With a copy to:

Abernathy, Roeder, Boyd & Hullett, P.C.
Attention: Ryan D. Pittman
1700 Redbud Blvd., Suite 300
McKinney, Texas 75069
Telephone: (214) 544-4000
Email: rpittman@abernathy-law.com

- (j) Immunity. It is expressly understood and agreed that, in the execution and performance of this Agreement, Wylie has not waived, nor shall be deemed hereby to have waived, any immunity (governmental, sovereign or official) or defense that would otherwise be available to it against claims arising in the exercise of governmental powers and functions. By entering into this Agreement, the parties do not create any obligations, express or implied, other than those set forth herein.

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- (k) Severability. In the event any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect the other provisions, and the Agreement shall be construed as if such invalid, illegal or unenforceable provision had never been contained in this Agreement.
- (l) Waiver. Waiver by either party of any breach of this Agreement, or the failure of either party to enforce any of the provisions of this Agreement, at any time, shall not in any way affect, limit or waive such party's right thereafter to enforce and compel strict compliance.
- (m) Incorporation of Recitals. The representations, covenants and recitations set forth in the foregoing recitals of this Agreement are true and correct and are hereby incorporated into the body of this Agreement and adopted as findings of Wylie and the Association.
- (n) Miscellaneous Drafting Provisions. This Agreement shall be deemed drafted equally by the parties. The language of all parts of this Agreement shall be construed as a whole according to its fair meaning, and any presumption or principle that the language is to be construed against either party shall not apply. Headings in this Agreement are for the convenience of the parties and are not intended to be used in construing this document.
- (o) No Third Party Beneficiaries. Nothing in this Agreement shall be construed to create any right in any third party not a signatory to this Agreement, and the parties do not intend to create any third party beneficiaries by entering into this Agreement.
- (p) Multiple Counterparts. This Agreement may be executed in a number of identical counterparts, each of which shall be deemed an original for all purposes. An electronic mail and/or facsimile signature will also be deemed to constitute an original if properly executed and delivered to the other party.
- (q) Authority. The undersigned officers or agents are the properly authorized officials and have the necessary authority to execute this Agreement on behalf of Wylie and the Association.

[Signature page follows.]

IN WITNESS WHEREOF, the parties have executed this Agreement and caused this Agreement to be effective as of the Effective Date.

City of Wylie, Texas

By: Chris Holsted
Chris Holsted, City Manager
Date: 6-7-21

ATTEST:

Stephanie Storm
Stephanie Storm, City Secretary

Inspiration Residential Association, Inc.

By: Larry Buscher
BOARD, President
Date: 6/8/21

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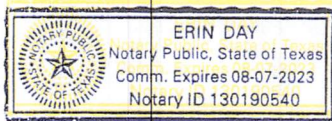
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STATE OF TEXAS §
COUNTY OF COLLIN §

BEFORE ME, the undersigned authority, on this day personally appeared **Chris Holsted**, known to me to be one of the persons whose names are subscribed to the foregoing instrument; he acknowledged to me that he is the City Manager and duly authorized representative for the **City of Wylie, Texas** and that he executed said instrument for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 7th day of June, 2021.



Erin Day
Notary Public in and for the State of Texas
My Commission Expires: 8/7/2023

STATE OF TEXAS §
COUNTY OF COLLIN §

BEFORE ME, the undersigned authority, on this day personally appeared Terry Bascher, known to me to be one of the persons whose names are subscribed to the foregoing instrument; he acknowledged to me that he is the Board President and duly authorized representative for the **Inspiration Residential Association, Inc.** and that he executed said instrument for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 18th day of June, 2021.

Samuel Mota
Notary Public in and for the State of Texas
My Commission Expires: 09/11/2023

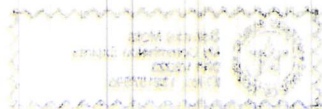


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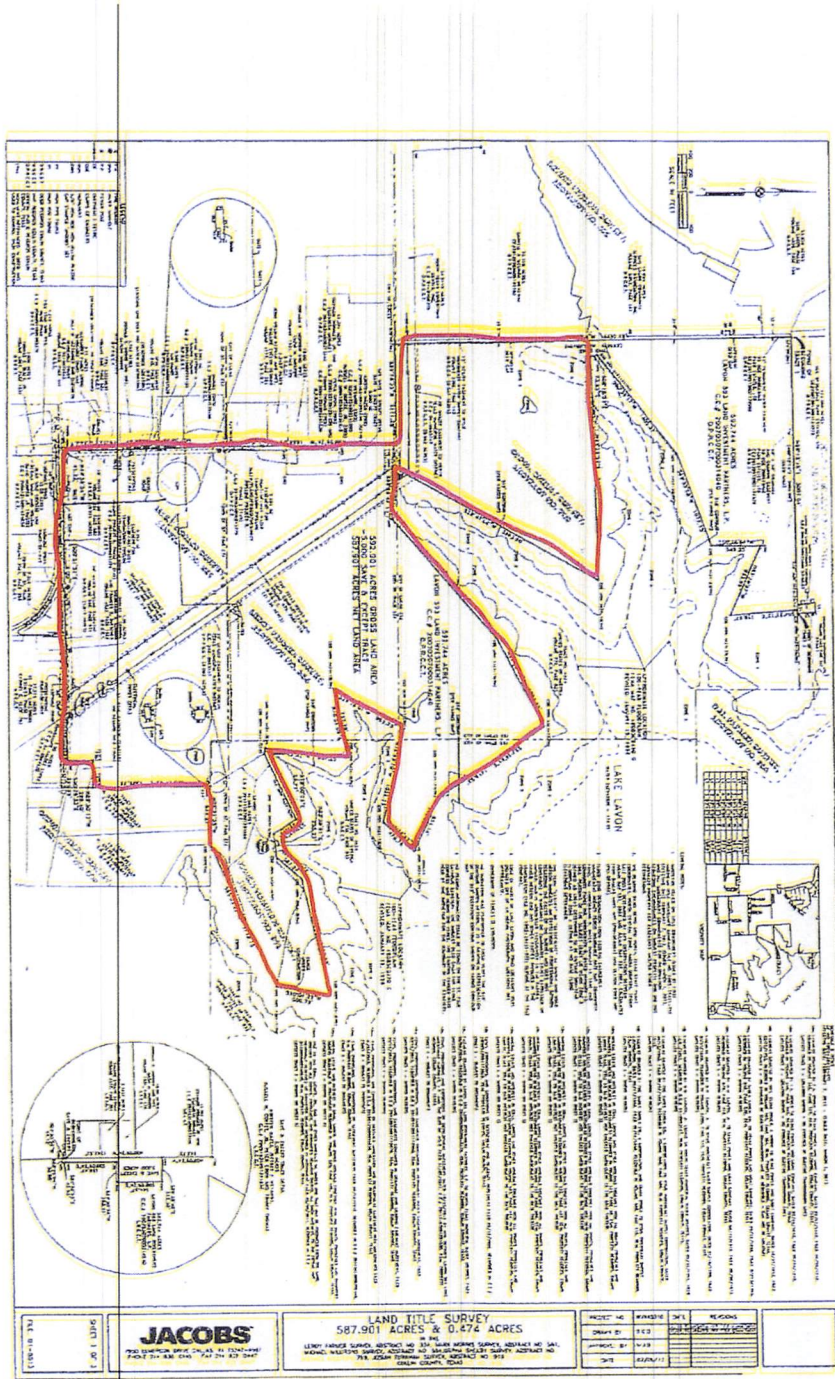
Exhibit A
Service Area



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Exhibit B
Insurance Requirements

- I. GENERAL INSURANCE REQUIREMENTS** – The Association shall, during the term of the Agreement, or any renewal or extension thereof, provide and maintain the types and amounts of insurance as set forth herein at the Association’s sole cost and expense. The Association is not relieved of any liability or other obligations arising under this Agreement by reason of its failure to obtain or maintain insurance in sufficient amounts, duration or types. All insurance and certificate(s) of insurance shall contain the following provisions:
- A. Name Wylie and its City Council members, officers, agents, representatives and employees as additional insureds as to all applicable coverage with the exception of workers compensation insurance.
 - B. Provide for at least thirty (30) days prior written notice of cancellation, non-renewal or material change or modification of any policies, evidenced by return receipt or United States Certified Mail. The words “endeavor to” and “but failure” (to end of sentence) are to be eliminated from the Notice of Cancellation provision on standard ACORD certificates.
 - C. Provide for a waiver of subrogation against Wylie for injuries, including death, property damage or any other loss to the extent the same is covered by the proceeds of the insurance.
 - D. Provide an endorsement applicable to each policy.
- II. INSURANCE COMPANY QUALIFICATION** – All insurance companies providing the required insurance shall be authorized to transact business in the State of Texas and shall have a minimum rating of “A” by A.M. Best’s Key Rating Guide, or other equivalent rating service.
- III. CERTIFICATE OF INSURANCE** – A Certificate of Insurance and accompanying endorsement evidencing the required insurance shall be submitted with the Association’s execution of the Agreement. If the Agreement is renewed or extended, a Certificate of Insurance and accompanying endorsement shall also be provided to Wylie prior to the date the Agreement is renewed or extended.
- IV. INSURANCE CHECKLIST** – “X” means that the following coverage is required for the Agreement:

	Coverage Required	Limits
___	1. Worker’s Compensation & Employer’s Liability	▪ Statutory Limits of the State of Texas
<u>X</u>	2. Commercial General Liability	▪ Minimum \$1,000,000.00 each occurrence; ▪ Minimum \$2,000,000.00 in the aggregate.
<u>X</u>	3. Coverage under the General Liability Insurance is primary to all other coverage City may possess.	
___	4. Other Insurance Requirements (state below):	

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Exhibit C
Compensation Calculation Example

Annual Inspiration Rate Calculation Worksheet (2021)

A	\$375,816.00	Average Home Market Value of Inspiration per County Tax Assessor - July 25th
B	x 0.671979	Current City of Wylie Tax Rate per \$100.00 in Value (Determined October 1st)
C	= \$2,525.40	Total Taxable Amount
D	x 20.86%	Fire Department Expenditure Budget as Percentage of the Overall City of Wylie General Fund Budget
E	= \$526.80	Base Annual Cost Per Household
F	x 10.00%	Out of City Service Charge
G	= \$579.48	Total Amount Due Per Service Connection
H	x 1,102	Total Number of Service Connections (November 1st of Each Year)
I	= \$638,586.23	Total Annual Amount Due
J	x 4	Quarters
K	= \$159,646.56	Quarterly Amount Due (Final Due Date = January 30th, April 30th, July 30th, October 30th)

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