



Agreement Between CareFlite and the Gastonia Scurry Special Utility District

An agreement providing the terms and conditions through which CareFlite (“CareFlite”) will provide optional enrollments in their membership program to the utility customers of the Gastonia Scurry Special Utility District (“District”) through a fee added to the utility bills.

Whereas, CareFlite provides reliable air and ground ambulance service in emergency situations to the citizens of Kaufman County and surrounding areas and has an exceptional record of emergency response time and preparedness; and

Whereas, CareFlite employs state of the art emergency medical equipment in its mission to help save lives; and

Whereas, CareFlite offers a membership program approved by the State of Texas to patients with private insurance or government programs including but not limited to Medicare, Tricare, and VA to help defray the costs associated with transports on its air and/or ground ambulance during an emergency or non-emergency situation; and

Whereas, the District recognizes the important benefit that the CareFlite membership program can provide to the citizens of the District; and

Whereas, the District desires to make this important program available to all of its utility customers; and

Whereas, this enrollment in the CareFlite membership program shall be completely optional and any customer desiring to opt-out of the program shall maintain all rights to do so;

NOW THEREFORE, for the good and valuable consideration of the mutual promises made herein, the acceptance of which is hereby acknowledged by the parties, CareFlite and the District agree as follows:

1. This agreement shall commence on May 1, 2021 and be in full force and effect through December 31, 2026, unless otherwise terminated as herein. Upon expiration, absent notice by either party as outlined below, this agreement shall automatically renew for a subsequent term of five (5) years.
2. CareFlite agrees to provide an optional enrollment in its membership program for every member of each household served by the District’s utility system. This optional membership shall be at a cost to the utility customers of one dollar (\$1.00) per month per household. The membership shall apply to all transports on board a CareFlite operated ambulance, whether that vehicle be a ground or an air ambulance (“Ambulance Services”). The program shall be CareFlite’s standard, state approved Membership Program wherever available (which includes all members of the household except those excluded by law) and includes benefits provided at no additional cost by a certain other air transport entity within Texas. The price of this program shall not change during the initial term of this agreement. CareFlite shall have the right but not the obligation to raise the cost of each membership by a maximum of \$1 per month at the start of each subsequent renewal term.

3. The District agrees, beginning May 1, 2021, to add an optional one dollar (\$1.00) fee to all of its utility bills for single family residences. For multi-family residences, the fee shall be \$1 per residential unit. This one dollar fee shall be completely optional with each customer retaining the right to opt-out of the membership program and the one dollar fee simply by contacting the District's utility billing department and completing a one page opt out form (which CareFlite shall provide to the District). If a customer chooses to opt-out of the membership program, said opt-out shall take effect on the first day of the following month. District shall provide CareFlite a list of those households or multifamily complexes that paid the voluntary fee in the prior month. The payment shall not be rendered until the District has completed its normal billing cycle and confirmed its receipt of the funds from its customers. Customers not paying the fee as reflected in the District's payment of the funds to CareFlite shall not have a membership and not be entitled to the benefits thereof. CareFlite shall bear the cost of mailing a joint notice to all District water customers one month prior to the beginning date of the program. District agrees to provide CareFlite with mailing labels or an electronic list of its customers to facilitate the aforementioned notice.

4. Any households within the District not receiving utilities from the District (if any) shall have the option to join this program. CareFlite shall provide District a form for this purpose. The District shall buy memberships for its employees and officials on an annual basis at the rate of \$12 per year per employee or official. Employees or officials who join the District after the start of the plan year shall also be covered provided the District provides a completed form and payment of \$12. The plan year for the District's employees and officials will be April 1st to March 31st of the following year. Should the parties terminate this agreement early under the provisions of Articles 9 and 10 below, this provision shall survive such termination until the end of the then current plan year. (Required by state law.)

5. IN THE EVENT THAT CAREFLITE IS UNABLE, AT ANY TIME, TO PROVIDE AMBULANCE SERVICES TO THE UTILITY CUSTOMERS OF THE DISTRICT DUE TO INSOLVENCY, BANKRUPTCY OR OTHER BUSINESS SHUT DOWN, BUT NOT DUE TO THE UNAVAILABILITY OF AN AMBULANCE DUE TO ALL OF THE AMBULANCES WITHIN A REASONABLE DISTANCE BEING CURRENTLY IN USE, UNAVAILABILITY DUE TO MAINTENANCE, WEATHER OR ANY SAFETY SITUATION IN CAREFLITE'S SOLE AND ABSOLUTE DISCRETION, OR THE FAILURE OF ANY LOCAL FIRST RESPONDER AGENCY OR HOSPITAL TO CALL CAREFLITE, CAREFLITE AGREES THAT IT WILL BE SOLELY RESPONSIBLE AND LIABLE TO THE DISTRICT AND/OR THE DISTRICT'S UTILITY CUSTOMERS FOR THE FULL REIMBURSEMENT OF ALL FEES, THEN UNEARNED AND COLLECTED IN FURTHERANCE OF THIS AGREEMENT. FURTHER, CAREFLITE AGREES TO INDEMNIFY AND HOLD HARMLESS THE DISTRICT FOR ANY AND ALL COSTS ASSOCIATED WITH ANY LITIGATION ARISING OUT CAREFLITE BEING UNABLE TO PROVIDE AMBULANCE SERVICES TO THE DISTRICT'S UTILITY CUSTOMERS DUE TO INSOLVENCY, BANKRUPTCY OR OTHER BUSINESS SHUTDOWN; INCLUDING BUT NOT LIMITED TO ATTORNEY'S FEES, EXPERT WITNESS FEES (IF ANY), AND ANY OTHER MONETARY DAMAGES SUFFERED OR CAUSED TO BE PAID BY THE DISTRICT. THE DISTRICT ACKNOWLEDGES CAREFLITE'S SERVICE AREAS AS SHOWN ON THE ATTACHED MAPS. ANY ADDITIONAL AREAS SERVED SUBSEQUENTLY BY CAREFLITE WILL BE AUTOMATICALLY INCLUDED IN THIS AGREEMENT.

6. Each party agrees that if legal action is brought under this Agreement exclusive venue shall lie in a court of competent jurisdiction in ~~Tarrant County, Texas~~ Kaufman *ja* *KS*
7. In case one or more of the provisions contained in this Agreement shall be for any reason held to be invalid, illegal or unenforceable, said provision shall be severed from this Agreement and all other provisions of this Agreement shall be construed as if the invalid, illegal or unenforceable provision had never been contained in this Agreement.
8. All notices under this Agreement shall be addressed to the parties as follows:

Gastonia Scurry Special Utility District
Attn: General Manager
8560 Page La., PO Box 68
Scurry, Texas 75158
(972) 452-3388 Voice
(972) 452-3328 Fax

CareFlite
Attn: President & CEO
3110 S. Great Southwest Pkwy
Grand Prairie, Texas 75052
(972) 339-4201
(972) 602-7182 Fax
jswartz@careflite.org

9. The District may terminate this Agreement upon a thirty (30) day written notice for cause after the occurrence of any of the following:
- A. CareFlite files for bankruptcy protection or reorganization under any section or chapter of the United States Bankruptcy Code; or
 - B. CareFlite materially fails to honor any other provision of this Agreement. Materiality shall be based on a reasonable standard recognizing that the primary purpose of this agreement is to protect citizens transported by CareFlite from the financial burden that ambulance transports can create for under or uninsured patients.
10. Either party may prevent this Agreement from automatically renewing by providing written notice to the other party no later than one hundred eighty (180) days prior to the expiration of the then applicable contract term.

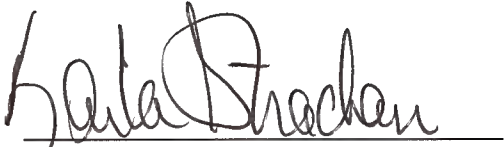
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11. By their signatures below, the individuals signing represent that they have the authority to enter this agreement and that their respective organizations intend to be bound by the terms herein. A fax or PDF copy shall have the same force and effect as an original document.

Approved by the District's Board at its meeting on March 16, 2021.

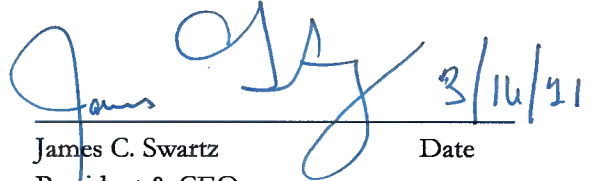
GASTONIA SCURRY SPECIAL UTILITY DISTRICT

CAREFLITE



Karla Strachan
President

Date
3/16/21



James C. Swartz
President & CEO

Date

Rev: Original
Date: 3/16/21