

NAVARRO COUNTY COMMISSIONER'S COURT

A SPECIAL MEETING OF THE NAVARRO COUNTY COMMISSIONER'S COURT WAS HELD ON MONDAY, 25th DAY OF FEBRUARY, 2008 AT 10:00 A.M., IN THE COMMISSIONERS' CONFERENCE ROOM IN THE BASEMENT OF THE NAVARRO COUNTY COURTHOUSE, CORSICANA, TEXAS. PRESIDING JUDGE H.M. DAVENPORT, COMMISSIONER'S PRESENT KIT HERRINGTON, FAITH HOLT, WILLIAM BALDWIN, AND JAMES OLSEN.

1. 10:05 MOTION TO CONVENE BY BALDWIN SEC BY HOLT  
ALL VOTED AYE
2. PRAYER BY COMMISSIONER HOLT
3. PLEDGE OF ALLEGIANCE
4. PUBLIC COMMENTS- EDDIE PEVEHOUSE-TAX ABATEMENT POLICY, PATRICK PATTERSON- SOUR GAS WELL & POWER PLANT, TED TAYLOR-SOUR GAS WELL, LAURIE TIGUE-POWER PLANT, MARGIE TAYLOR- SOUR GAS WELL, JACKIE KING-SOUR GAS WELL, PHIL KREJEL-SOUR GAS WELL, & DIANA RAWLINGS-SOUR GAS WELL, GROVER PEARSON-POWER PLANT

**CONSENT AGENDA**

- ITEMS 5-8 MOTION TO APPROVE BY OLSEN SEC BY BALDWIN  
ALL VOTED AYE
5. MOTION TO APPROVE THE MINUTES FROM THE PREVIOUS MEETING OF FEBRUARY 11, 2008 AND FEBRUARY 21, 2008
  6. MOTION TO APPROVE AND PAY BILLS AS SUBMITTED BY THE COUNTY AUDITOR
  7. MOTION TO APPROVE TREASURER'S REPORT FROM RUBY COKER  
**TO WIT PG 659**
  8. MOTION TO APPROVE SERVICE AGREEMENT WITH INTER-TEL NGEA FOR THE NORTH TEXAS H.I.D.T.A **TO WIT PG 660-666**

**REGULAR AGENDA ITEMS**

9. MOTION TO APPROVE CONTINUE OF BURN BAN BY HERRINGTON  
SEC BY HOLT  
ALL VOTED AYE
10. MOTION TO APPROVE AMENDMENT TO DATA PROCESSING SERVICE  
AGREEMENT FOR MEDICAID POWER SEARCH WITH INDIGENT  
HEALTH CARE BY HERRINGTON SEC BY OLSEN  
**TO WIT PG 667-671**  
ALL VOTED AYE
11. MOTION TO APPROVE AN AMENDMENT TO THE NAVARRO COUNTY  
LAKESHORE AREA OIL AND GAS ORDINANCE REGARDING WELLS  
SUBJECT TO STATEWIDE RULE 36 (HYDROGEN SULFIDE AREA).  
BY HERRINGTON SEC BY JUDGE DAVENPORT  
VOTED:  
BALDWIN-NO    OLSEN-AYE            JUDGE DAVENPORT-AYE  
HOLT-NO        HERRINGTON-AYE  
CARRIES WITH A 3-2 VOTE  
**TO WIT PG 672-677**
- MOTION FOR RECESS UNTIL 1:30 P.M. THIS SESSION WILL TAKE  
PLACE IN THE OFFICE OF THE NAVARRO COUNTY COMMISSIONERS,  
IN THE BASEMENT OF THE COURTHOUSE, ROOM 14 BY HOLT SEC BY  
HERRINGTON  
ALL VOTED AYE
12. MOTION TO GO INTO EXECUTIVE SESSION PURSUANT TO THE TEXAS  
GOVERNMENT CODE SECTION 551.074 TO DISCUSS PERSONNEL  
BY BALDWIN SEC BY HERRINGTON  
ALL VOTED AYE
- MOTION TO COME OUT OF EXECUTIVE SESSION BY BALDWIN SEC  
BY OLSEN  
ALL VOTED AYE
- NO ACTION TAKEN
13. MOTION TO ADJOURN BY HERRINGTON SEC BY HOLT  
ALL VOTED AYE

THESE MINUTES ARE HEREBY APPROVED THIS 10<sup>th</sup> DAY OF MARCH 2008.

JUDGE HM DAVENPORT *HM Davenport*

COMR.PCT.1 KIT HERRINGTON *Kit Herrington*

COMR.PCT.2 FAITH HOLT *Faith D. Holt*

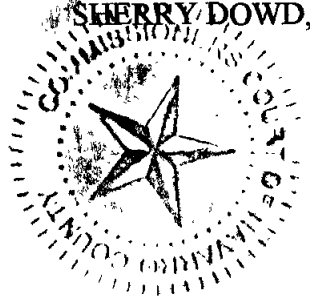
COMR.PCT.3 WILLIAM BALDWIN *William Baldwin*

COMR.PCT.4 JAMES OLSEN *James Olsen*

I, SHERRY DOWD, NAVARRO COUNTY CLERK, ATTEST THAT THE FOREGOING IS A TRUE AND ACCURATE ACCOUNTING OF THE COMMISSIONERS COURT'S AUTHORIZED PROCEEDING FOR FEBRUARY 25TH, 2008.

SIGNED 10 DAY OF MARCH 2008.

*Sherry Dowd*  
SHERRY DOWD, COUNTY CLERK



AFFIDAVIT SUBMITTED BY  
RUBY COKER  
NAVARRO COUNTY TREASURER

STATE OF TEXAS

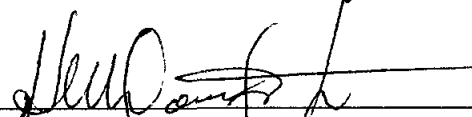
COUNTY OF NAVARRO

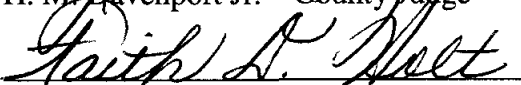
Before me, the undersigned authority, on this day personally appeared the following named persons, and after being duly sworn, deposes and says: Honorable H. M. Davenport, Jr., County Judge, Honorable Kit Herrington, Commissioner Pct. #1, Honorable Faith Holt, Commissioner Pct. #2, Honorable William Baldwin, Commissioner Pct. #3, and Honorable James Olsen, Commissioner Pct. 4.

I, Ruby Coker, the Navarro County Treasurer, on this 25th day of February, 2008 present to the Navarro County Commissioners Court the Monthly Financial Report for the month ending on January 31, 2008 for the court to review and approve. According to the report, Navarro County had cash on hand in the amount of \$1,023,578.07. Also, other assets totaling \$6,028,667.59 are being held by the Treasurer's office. The total interest for all accounts for the month of January, 2008 was \$25,248.14. The total disbursements for the month of January, 2008 were \$2,825,302.99. This report is in compliance with section 114.026 of the Local Government Code, so therefore we hereby execute this affidavit for publication.

With this signed affidavit, We the Commissioners Court, state that the requirements of Subsection (C) have been met with the examination of this report.

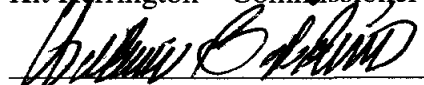
Signed and executed this 25th day of February, 2008.

  
\_\_\_\_\_  
H. M. Davenport Jr. - County Judge

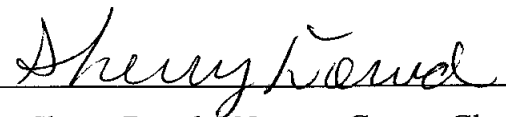
  
\_\_\_\_\_  
Faith Holt - Commissioner Pct 2

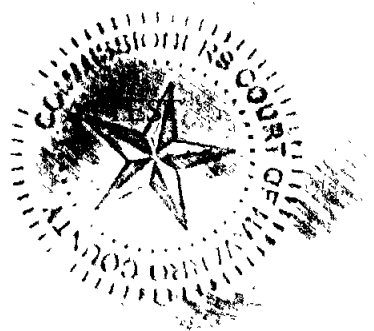
  
\_\_\_\_\_  
James Olsen - Commissioner Pct 4

  
\_\_\_\_\_  
Kit Herrington - Commissioner Pct 1

  
\_\_\_\_\_  
William Baldwin - Commissioner Pct 3

SWORN AND SUBSCRIBED TO BEFORE ME, this 25th day of February, 2008 by H. M. Davenport, Jr., Kit Herrington, Faith Holt, William Baldwin, and James Olsen, in their official capacities as the members of the Navarro County Commissioners Court.

  
\_\_\_\_\_  
Sherry Dowd - Navarro County Clerk



# INTER-TEL TOTAL SOLUTION PROGRAM

CUSTOMER NO \_\_\_\_\_

660

## TOTAL SOLUTION PROGRAM SERVICE AGREEMENT

This Agreement is entered into by and between Inter-Tel Business Information, Systems Inc. ("Inter-Tel") and the Customer listed below ("Customer"). Inter-Tel agrees to sell to Inter-Tel Leasing Inc. ("Lessor") and Customer agree to execute this agreement for the Installation, Maintenance and Warranty of the Equipment, Axxess System Software and/or Related Software ("System(s)") listed on all Schedule 1s executed by Customer and attached hereto in accordance with the following terms and conditions.

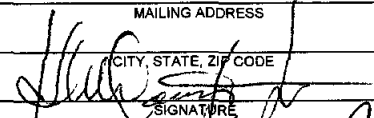
### TERMS AND CONDITIONS

- 1. SALE AND LEASE OF SYSTEM(S):** Inter-Tel agrees to transfer title to the System(s) to the Lessor and install, maintain and warrant the System(s) for Customer upon the following conditions and terms of this Agreement. Customer agrees to deposit with Inter-Tel, on the date of execution of this Agreement, an amount equal to one monthly rental payment as set forth in the agreement between Customer and Lessor. Customer agrees to provide all requested financial information to Lessor and within 24 hours of receipt, to execute any required lease agreements, personal guaranties, corporate resolutions and acceptance and delivery certificates. Inter-Tel agrees, that upon the completion of the promises herein, Inter-Tel will apply to the Customer's account all deposits paid, less amounts due to Inter-Tel by Customer through any change or addition to this Agreement not incorporated in the lease.
- 2. BINDING AGREEMENT:** When the Customer and Inter-Tel have executed this Agreement, and Inter-Tel has sent a copy to Customer, this Agreement will be fully binding between Customer and Inter-Tel. Customer and Inter-Tel agree that this Agreement contains the entire agreement, and supersedes all prior discussions or written or oral agreements between the parties. Neither Customer nor Inter-Tel is bound by any representation or inducement not set forth herein. Specifically, Customer agrees that Inter-Tel is not responsible for any term or provision of any lease agreement, nor is the Lessor responsible for any term or provision of this Agreement.
- 3. OWNERSHIP OF SYSTEM(S):** Customer agrees that Inter-Tel retains all right, title and ownership of the System(s) until Customer has fully executed all lease documents including any lease agreement, accompanying documentation and the Delivery and Acceptance Certificate. Customer agrees that Inter-Tel shall transfer title to the Lessor upon notice from the Lessor to Inter-Tel that all such documentation has been executed. In the event that Customer fails to execute any documentation of Lessor, then Inter-Tel shall have all of the rights and remedies set forth in Paragraph 15 hereof.
- 4. TERMS AND OPTIONS:** Schedule 1, in singular or multiples, shall (a) be attached hereto and made a part hereof for all purposes, (b) set forth the term of this agreement beginning with the Lease Commencement Date which is defined to be the Cutover date and/or first day of operation of System(s), and (c) contain material terms and provisions to this agreement in addition to the description of the System(s) to be installed, maintained and warranted during the term of this agreement. Renewal options, if any, are attached hereto in Schedule 2.
- 5. TAXES:** Customer shall be responsible for the payment of all local, excise, sales, use, property and other taxes or charges levied with respect to the System(s) leased to Customer.
- 6. RISK OF LOSS; INSURANCE:** Inter-Tel shall bear all risks of direct physical loss or damage to the Equipment, Axxess System Software and/or Related Software, except as provided herein. In the event of covered loss or damage Inter-Tel's sole obligation will be to repair or replace the damaged or lost System(s), and in no event shall Inter-Tel be liable for interruption of Customer's business, loss or damage to Customer's property, or any other loss, including but not limited to injury to any of Customer's employees, agents, or any other person on Customer's premises, or damage extending beyond the direct physical loss of, or damage to, the System(s). Inter-Tel shall not be responsible for any loss resulting from: (i) acts, including actions hindering, combating or defending against war or riot; (ii) unauthorized tampering or interference with the System(s) by Customer or its agents; (iii) neglect or abandonment of all or part of the System(s) by Customer or; (iv) stolen or misplaced wireless equipment, (v) any loss or damage that reasonably could have been prevented by Customer or resulted from Customer's negligence in maintaining adequate protection for the System(s). In the event of a loss of or damage to, all or any part of, the Equipment, Axxess System Software or Related Software under any of these circumstances stated in this paragraph, Customer will incur the expense for repair or replacement of the damaged or lost Equipment, Axxess System Software and/or Related Software. Customer will also maintain adequate public liability insurance, copies of which shall be furnished to Inter-Tel on request.  
THE OCCURRENCE OF ANY LOSS OF OR DAMAGE TO, ALL OR ANY PART OF, THE EQUIPMENT, AXCESS SYSTEM SOFTWARE AND/OR RELATED SOFTWARE SHALL NOT, HOWEVER, RELIEVE OR REDUCE ANY OTHER COVENANT, CONDITION OR PROVISION CONTAINED IN THIS AGREEMENT.
- 7. CARE, USE AND LOCATION OF SYSTEM(S):** Customer shall not abuse the System(s) or permit it to be serviced by anyone other than Inter-Tel. Neither Customer nor Customer's agent shall connect accessories or software supplied by anyone other than Inter-Tel to the System(s) without Inter-Tel's written consent, which shall not be unreasonably withheld. Customer shall use the Equipment, Axxess System Software and/or Related Software only in the manner contemplated by the manufacturer and in accordance with law. Customers shall not allow anyone other than Inter-Tel to disconnect or move the System(s) from the Location.
- 8. SECURITY INTEREST; TITLE:** Customer agrees to execute any documentation, which may be necessary or appropriate to perfect Inter-Tel's or Lessor's security interest in the System(s). Customer hereby appoints Inter-Tel as Customer's attorney-in-fact to execute on behalf of Customer any financing statement or other documents required by Inter-Tel or Lessor to perfect or enforce its security interest. In the event of default by Customer of any of its obligations to Inter-Tel, Inter-Tel shall have the rights of a secured party as set forth under the Uniform Commercial Code, including, but not limited to, the right to retake possession of the System(s), with or without notice.
- 9. RIGHT TO ACT AS AGENT AND SITE PREPARATION:** Customer agrees to provide an "agency letter" authorizing Inter-Tel to act as agent for Customer in ordering necessary services from the telephone utility company and any long distance carriers, equal access carriers and specialized carriers, whenever applicable. Inter-Tel agrees to furnish the above described Equipment, Axxess System Software and/or Related Software and all necessary cable, wire, hardware and labor for the installation of the Equipment, Axxess System Software and/or Related Software as may be necessary to create a functioning system. Customer agrees to: (a) furnish and install all conduit, raceway or lowsmoke cable and to create all holes and wireways through concrete, plaster, metal floors, walls or ceiling which may be required for the installation of said System(s); (b) provide all separate commercial AC power circuits required for the operation of the System(s) and associated apparatus; (c) pay for all electrical current necessary for the operation of the System(s); and (d) provide suitable space which is environmentally controlled pursuant to the recommendation of the manufacturer of the System(s), including, but not limited to providing a dry and dust-free environment during and subsequent to installation. Inter-Tel shall have no duty, responsibility, or obligation to make any structural alteration(s) or adjustment(s) to the premises to install the System(s). Customer shall provide Inter-Tel with reasonable access to the premises during Inter-Tel's working hours and shall furnish elevator service when necessary as well as heat, light, sanitary facilities, electrical power and protection of the System(s) from theft during the installation. Inter-Tel is not responsible for restoring Customer's premises to its original condition upon removal or relocation of any or all of the System(s).

CUSTOMER ACKNOWLEDGES, UNDERSTANDS, AND AGREES TO THE TERMS ON THIS PAGE AND THE SECOND PAGE HEREOF AND ANY ATTACHMENTS HERETO.

Navarro County for the Benefit of North Texas...

CUSTOMER NAME  
...High Intensity Drug Trafficking Area  
MAILING ADDRESS  
8404 Esters Blvd, Ste 100, Irving, TX 75063  
CITY, STATE, ZIP CODE  
BY \_\_\_\_\_  
SIGNATURE  
TYPED NAME & TITLE  
DATE:

MAILING ADDRESS  
CITY, STATE, ZIP CODE  
BY:   
SIGNATURE  
H.M. Davenport Jr County Judge  
TYPED NAME & TITLE  
DATE: 02-25-08  
TYPED NAME—SALES REPRESENTATIVE



TotalSolution Program  
Schedule 1

<b>INSTALLING COMPANY</b> Inter-Tel	
CITY Phoenix	
COUNTY Maricopa	
STATE AZ	ZIP 85040
<b>LOCATION OF EQUIPMENT</b> same as below	
CITY	
STATE	ZIP

TOTALLEASE NUMBER	SUBLEASE ACCOUNT NO.
RENT COMMENCEMENT DATE _____	
<b>SCHEDULE OF PAYMENTS</b>	
<b>36</b>	MONTHLY PAYMENTS OF \$ <b>711.64</b> <small>(applicable taxes to be billed)</small>
EXCEPT AS OTHERWISE INDICATED BELOW:	
<input type="checkbox"/> OTHER _____	
PAYABLE AT SIGNING OF THE LEASE (Check one)	
<input type="checkbox"/> FIRST _____ TOTAL PAYMENT\$ _____	
<input type="checkbox"/> OTHER _____	

LIST OF EQUIPMENT ATTACHED

<b>LESSEE (FULL LEGAL NAME)</b> Navarro County for the Benefit of North Texas..			
BILLING ADDRESS ...High Intensity Drug Trafficking Area			
CITY	COUNTY	STATE	ZIP
8404 Esters Blvd Suite 100, Irving TX 75063			
PHONE	DATED		
972-915-9400			
BY <input checked="" type="checkbox"/>	 (AUTHORIZED SIGNER)		
PRINT NAME	H.M. Davenport Jr		TITLE
			Co. Judge

<b>DELIVERY AND ACCEPTANCE OF EQUIPMENT</b>	
I AM AUTHORIZED AND HEREBY CERTIFY, ON BEHALF OF THE LESSEE, THAT ALL OF THE EQUIPMENT TO BE LEASED HAS BEEN DELIVERED AND INSTALLED. THE INSTALLATION AND ALL OTHER WORK NECESSARY FOR THE EQUIPMENT'S USE HAS BEEN SATISFACTORILY COMPLETED THE DELIVERY DATE IS THE DATE THIS ACCEPTANCE IS SIGNED.	
SIGNATURE <input checked="" type="checkbox"/>	
DATE	_____
PRINT NAME	H.M. Davenport, Jr
TITLE	County Judge

ACCEPTED: INTER-TEL LEASING, INC., LESSOR 1140 WEST LOOP NORTH, HOUSTON, TEXAS	
BY <input checked="" type="checkbox"/>	
TITLE	DATE

**INTER-TEL** TotalSolution Program Lease Agreement  
**LEASING, INC.**

Account No. \_\_\_\_\_

This lease is written in plain language because we want you to fully understand its terms. Please read your copy of this lease carefully and feel free to ask us any questions you may have about it. We use the words you and your to mean the lessee indicated below. The words we, us, and our refer to the lessor indicated below. The words the Branch as used throughout refers to the Branch Office of Inter-Tel Business Information Systems, Inc., a third party which will transfer ownership of the equipment to us upon your execution of this lease and acceptance and delivery of the equipment. Therefore, your agreement concerning the lease of the equipment is with us and is set forth in this Agreement. You fully understand and agree that you have or will have entered into a separate agreement titled TotalSolution Program Service Agreement (hereafter called the "TSP Service Agreement") with the Branch.

**1. AGREEMENT:** You agree to lease from us and we agree to lease to you the equipment and/or software listed on all Schedule 1's, and that all equipment will be used for business purposes only. You promise to pay us the sum of the rental payments indicated on Schedule 1 attached. You may request, periodically, that additional equipment be added to an existing location, which equipment will be listed on a Supplement to Lease Agreement which when executed by you and us, will be attached to the specific Schedule 1 of this agreement and made a part hereof for all purposes. Payments for equipment added by Supplement to Lease Agreement will be computed to terminate the same time as the applicable Schedule 1. You may also request that additional equipment and/or software be added at separate locations, the equipment and/or software will be described on a separate Schedule 1, which when executed by you and us, and the appropriate deposit paid, will be attached to this agreement and made a part hereof for all purposes. You promise to pay us the sum of all rental payments listed on all Schedule 1's and Supplements to Lease Agreements.

**2. ORDERING EQUIPMENT:** If you have entered into a purchase contract for the equipment, you agree to waive your rights of ownership by execution and acceptance of this Agreement and any Schedule 1 or Supplements to Lease Agreement.

**3. NO WARRANTIES: We are leasing the equipment to you "AS IS." WE MAKE NO WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WARRANTIES OF FITNESS FOR A PARTICULAR PURPOSE OR ORDINARY USE IN CONNECTION WITH THIS LEASE.** If the Branch or anyone else has made a representation or warranty to you as to the equipment or any other matter, you agree that any such representation or warranty shall not be binding on us, nor shall the breach of such relieve you of, or in any way affect, any of your obligations to us under this lease. If the equipment is not satisfactory for any reason, you shall make your claim only against the Branch and you shall nevertheless pay us all rent payable under this lease. So long as you are not in default under any of the terms of this lease, we transfer to you any warranties inherent with ownership made to us by the Branch, or the manufacturer, or supplier. You understand and agree that only an authorized officer of Inter-Tel Leasing, Inc. is authorized to waive or change any term or condition of this lease and no change is valid until and unless it is reduced to writing and signed by both parties. **YOU AGREE THAT, REGARDLESS OF CAUSE, YOU WILL NOT ASSERT ANY CLAIM WHATSOEVER AGAINST US AND WE SHALL NOT BE LIABLE FOR ANY SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES OR FOR LOSS, DAMAGE OR EXPENSE, DIRECTLY OR INDIRECTLY ARISING FROM YOUR USE OF OR INABILITY TO USE THE EQUIPMENT, INCLUDING BUT NOT LIMITED TO LOST PROFITS OR BUSINESS, EITHER SEPARATELY OR IN COMBINATION WITH ANY OTHER EQUIPMENT; OR FOR REMOVAL OF EXISTING EQUIPMENT; FROM ROUTING AND PROGRAMMING ERRORS; AND UNAUTHORIZED TRESPASS OF PROGRAMMING, SOFTWARE AND/OR EQUIPMENT, MODEM LINES AND LONG DISTANCE CARRIER SERVICES, NOR SHALL WE BE RESPONSIBLE FOR THE PROCUREMENT OF, OR PAYMENT FOR ANY LICENSING REQUIREMENTS AS A RESULT OF THE USE OF COPYRIGHTED MUSIC WITH THE EQUIPMENT.** You acknowledge that we shall not be responsible for any service, repairs, warranty or maintenance of the equipment. We are not a party to the TSP Service Agreement or any other agreements between you and the Branch, and even if you have a dispute regarding any warranty, maintenance or service provided by the Branch, you will continue to pay us all payments due under this lease and all schedules to this lease.

**4. NON-CANCELLABLE LEASE:** Except as provided by the Upgrade Capability contained in the TSP Service Agreement, this lease cannot be cancelled

**5. TERM:** The lease term will start on the date that any equipment is delivered to you or your agent as specified on Schedule 1's ("the Commencement Date") and will continue until you have met all of your obligations under the lease. Advance rentals are not refundable if the lease does not begin for any reason. The payments of rent are payable periodically in advance as stated on any schedule to this lease. The first payment is due on the Commencement Date as set forth on all Schedule 1's. You will be notified in writing if we change the date of your first payment. Thereafter, consecutive periodic payments will be due on the same day of each period indicated on this Agreement. All payments will be made to us at our address on this lease, or at another address, which we would designate in writing. Your obligation to pay rentals to us is unconditional and is not subject to any reduction, set-off, defense, or counterclaim for any reason whatsoever. You authorize us to insert serial numbers and other identification data about the equipment, as well as other omitted factual matters. If we accepted a security deposit from you, it will be held by us to secure your faithful performance of this lease, and it will be returned or applied as stated in Paragraph 14. You shall pay us a one-time administrative fee (not to exceed \$90.00) to reimburse us for our start-up administrative costs.

**6. ASSIGNMENT:** You may not sell, transfer, assign or sublease the equipment or this lease. We may, without notifying you, sell, assign or transfer this lease and ownership of the equipment; and you agree that if we do so, the new lessor will have the same rights and benefits that we now have, and the new lessor will not have to perform any of our obligations. You agree that the rights of the new lessor will not be subject to any claims, defenses or set-offs that you may have against us. However, any such assignment, sale, or transfer of this lease or the equipment will not relieve us of our obligations to you under this lease.

**7. OWNERSHIP AND QUIET ENJOYMENT:** We are the owner of and have title to the equipment. If any other person attempts to claim ownership of the equipment by asserting that claim against you or through you due to acts or omissions by you, you agree, at your expense, to protect and defend our title to the equipment. Further, you agree that you will at all times keep the equipment from any legal process or lien whatsoever, and you shall give us immediate notice of any lien whatsoever, or if any legal process or lien is asserted or made against the equipment. So long as you are not in default under any of the terms in this lease, we agree that you shall quietly use and enjoy the equipment.

**8. CARE, USE AND LOCATION; LOSS OF EQUIPMENT:** We are not responsible for installing and keeping the equipment in good working order and repair. The Branch has provided for this in the TSP Service Agreement. You are responsible for protecting the equipment from damage, except for ordinary wear and tear and from any other kind of loss while you have the equipment or while it is being delivered to you. Even if the equipment is damaged or lost, you agree to continue to pay rent. You will keep and use the equipment only at your addresses shown on all Schedule 1's, and you will only use it for business purposes and in compliance with all applicable laws. You will not make any alterations or additions to the equipment without our prior written consent (which we will not unreasonably withhold), nor will you permanently attach the equipment to your real estate. You agree that you will not remove the equipment from those addresses unless you get our written permission in advance.

**9. TAXES AND FEES:** You agree to pay when due all taxes relating to this lease. You also agree that we have the right each year to estimate the yearly personal property taxes that will be due for the equipment and that you will pay us the estimated taxes when we request payment. If we pay any of those taxes, you agree to reimburse us on demand. You also agree that we have the right to sign your name to any document for the purpose of filing property tax statements, so long as the filing does not interfere with your right to use the equipment.

**10. INDEMNITY:** We are not responsible for any injuries or losses to you or any other person caused by your use of the equipment. You agree to reimburse us for and to defend us against any claims for such losses or injuries. ~~This indemnity shall continue even after the term of this lease has expired.~~

[Signature] 02/25/08 \_\_\_\_\_  
CUSTOMER INITIALS      DATE                      LEASING INITIALS              DATE

## TotalSolution Program Service Provisions Agreement (continued)

663

**10. CUTOVER DATE AND ACCEPTANCE:** For the purpose of this Agreement, "Cutover Date" is defined as the date upon which the System(s) is installed at the premises and is capable of providing substantially the basic service for which the System(s) is intended. The "Estimated In-Service Date" is only an approximate date. **INTER-TEL SHALL NOT BE LIABLE FOR SPECIAL, CONSEQUENTIAL OR PUNITIVE DAMAGES FOR CAUSES BEYOND ITS REASONABLE CONTROL, OR UNFORESEEN CIRCUMSTANCES CAUSING DELAYS IN DELIVERY OR INSTALLATION OF THE SYSTEM(S) on or before the Estimated In-Service Date.** Customer shall confirm the Cutover Date by executing a Delivery and Acceptance Certificate acceptable to Inter-Tel. It shall be conclusively presumed that Customer's execution of the Delivery and Acceptance Certificate confirms Customer's inspection, satisfaction and unqualified acceptance of the System(s).

**11. AXCESS SYSTEM SOFTWARE AND RELATED SOFTWARE SITE LICENSE:** The Axxess System Software is the software necessary to operate the Equipment, provide the service for which the equipment was intended. Related Software is software, provided by Inter-Tel as part of this agreement, necessary to provide specific applications and/or features not necessary to the basic operation of the Equipment. Customer agrees that its interest in the Axxess System Software and/or Related Software provided by Inter-Tel, pursuant to this Agreement is that of a licensee and that said Axxess System Software and/or Related Software is to be used solely and exclusively in and with the System(s) as described in this Agreement or any other license agreements required by Inter-Tel pursuant to the operation of the System(s). Customer may not reproduce, sublicense, assign, sell or transfer the Axxess System Software or Related Software covered by this license to any other person or entity without the express written permission of Inter-Tel.

**12. TRAINING:** Inter-Tel shall provide all necessary training services for Customer's personnel to effect the operation of the Equipment, Axxess System Software and/or Related Software at no additional cost to Customer during the term of this Agreement.

**13. WARRANTY AND MAINTENANCE:** For the term of this Agreement, Inter-Tel warrants the Equipment, Axxess System Software and/or Related Software against defective parts, programming and workmanship. Upon notification of a defect, Inter-Tel shall have the option to repair or replace any defective part or install, modify or replace software, and such services provided by Inter-Tel shall be Customer's sole and exclusive remedy. During the term of this Agreement, all expenses incidental to repair or replace equipment and/or software under warranty, including all labor and material, shall be borne by Inter-Tel. Replacement parts may be new or reconditioned at Inter-Tel's option. All equipment, software and replaced parts will remain the property of Inter-Tel.

The Customer can request that Inter-Tel change the Axxess System Software version to the most current general released Axxess System Software level, subject to the following requirements: (a) all expenses incidental to install and program the new Axxess System Software in the same configuration as the current Axxess System Software level will be borne by Inter-Tel, and (b) any changes in the System(s) configuration and/or database programming from the current Axxess System Software level shall be paid by customer at the prevailing rates at the time of the upgrade, and (c) this provision applies to the Axxess System Software and labor to install the Axxess System Software only, and (d) any additional hardware required to upgrade will be charged at the prevailing Add's Moves and Changes list price and can be added to the Lease Agreement, subject to credit approval by Lessor, and (e) the Customer cannot be in default of this Agreement, the Lease Agreement or any related agreement.

Regular maintenance service (non-emergency) during the warranty period will be provided without charge to Customer during normal business hours (8:00 a.m. to 5:00 p.m. Monday through Friday, except holidays). Emergency service during the warranty period (service required due to the System(s)'s inability to accomplish either incoming, outgoing or internal calls) will be provided without charge to Customer seven days a week and twenty-four hours a day.

Maintenance service under this Agreement does not include repair or service required as a result of: (a) neglect, misuse or intentional damage of the System(s), (b) alterations, additions or modifications to any part of the Equipment, Axxess System Software or Related Software performed by anyone other than Inter-Tel, (c) conflicts created by unauthorized software on the System(s); (d) the failure of Customer to provide and maintain a suitable installation environment at all facilities as prescribed by Inter-Tel (including, but not limited to, proper electrical power, air conditioning, or humidity control); (e) use of supplies or materials not meeting Inter-Tel specifications; (f) use of the System(s) for purposes other than those for which it was designed; (g) electrical work external to the System(s) or service connected with System(s) relocation, reconfiguration or additions, (h) cutoff of services to Customer by the utility; or (i) acts of God. However, Inter-Tel will make maintenance service available in accordance with its then standard practices and price schedules.

**EXCEPT AS EXPRESSLY PROVIDED FOR IN THIS AGREEMENT, INTER-TEL MAKES NO WARRANTIES IN RESPECT TO THE EQUIPMENT, AXCESS SYSTEM SOFTWARE OR RELATED SOFTWARE, EITHER EXPRESSED OR IMPLIED, INCLUDING NO IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.. IN THE EVENT INTER-TEL BREACHES ANY WARRANTY, THE CUSTOMER'S EXCLUSIVE REMEDY WILL BE THAT INTER-TEL MAKES ANY EQUIPMENT OR SOFTWARE ADJUSTMENTS, REPAIRS OR PARTS REPLACEMENTS TO THE EQUIPMENT, AXCESS SYSTEM SOFTWARE OR RELATED SOFTWARE WHEN INTER-TEL DETERMINES THAT THE EQUIPMENT, AXCESS SYSTEM SOFTWARE OR RELATED SOFTWARE DOES NOT CONFORM TO WARRANTY. NO OTHER WARRANTIES SHALL APPLY EXCEPT AS SET FORTH HEREIN.**

**14. LIMITATION OF LIABILITY:** INTER-TEL SHALL NOT BE LIABLE FOR ANY SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES OR FOR LOSS, DAMAGE OR EXPENSE, DIRECTLY OR INDIRECTLY ARISING FROM CUSTOMER'S USE OF OR INABILITY TO USE THE EQUIPMENT AXCESS SYSTEM SOFTWARE OR RELATED SOFTWARE, INCLUDING BUT NOT LIMITED TO LOST PROFITS, EITHER SEPARATELY OR IN COMBINATION WITH OTHER EQUIPMENT; OR FOR PERSONAL INJURY, LOSS OR DESTRUCTION OF OTHER PROPERTY; OR FOR THE PAYMENT OF ANY CHARGES BY ANY COMPANY TO CUSTOMER FOR TERMINATION OF OR FAILURE TO TERMINATE PRE-EXISTING AGREEMENTS OR FOR REMOVAL OF EXISTING EQUIPMENT; OR FROM CUSTOMER'S INABILITY TO USE THE EQUIPMENT, AXCESS SYSTEM SOFTWARE AND/OR RELATED SOFTWARE, EITHER SEPARATELY OR IN COMBINATION WITH ANY OTHER EQUIPMENT, OR SOFTWARE, FROM ROUTING AND PROGRAMMING ERRORS, AND UNAUTHORIZED TRESPASS OF PROGRAMMING, SOFTWARE AND/OR EQUIPMENT MODEM LINES AND LONG DISTANCE CARRIER SERVICES. INTER-TEL SHALL NOT BE RESPONSIBLE FOR THE PROCUREMENT OF, OR PAYMENT FOR ANY LICENSING REQUIREMENTS AS A RESULT OF THE USE OF COPYRIGHTED MUSIC WITH THE SYSTEM(S).

**15. DEFAULT:** If Customer fails to pay any amount due to Inter-Tel as set forth herein, or Lessor pursuant to a Lease Agreement, or defaults in any other obligations, then, in addition to all other remedies available to Inter-Tel by law or equity or under this Agreement, and not in limitation thereof, Inter-Tel may, until said sum is paid in full; declare the entire remaining amount due and payable and after ten (10) days written notice addressed to Customer shown herein; disconnect or disable all or any part of the Equipment, Axxess System Software and/or Related Software or otherwise render it inoperable, cease maintaining or installing the Equipment, Axxess System Software and/or Related Software, or enter Customer's premises without liability for trespass or damages and, with or without notice, take possession of and remove the System(s).

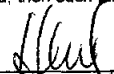
After the execution of this Agreement, should Customer determine, for any reason other than an express breach of agreement by Inter-Tel, that Customer shall not abide by the Terms of this Agreement, Inter-Tel shall be entitled to payment of the greater sum of (a) all deposits paid to date of notice of termination, or (b) an amount equal to twelve (12) monthly rental payments set forth in paragraph 1 as liquidated damages. The prevailing party in any legal action shall be entitled to recover reasonable attorney's fees and costs in the amount allowed by court.

**16. INDEMNIFICATION:** Customer shall indemnify Inter-Tel against and hold Inter-Tel harmless from any and all claims, actions, suits, proceedings, costs, expenses, damages and liabilities, including attorney's fees, claimed by any person, organization, association, or otherwise arising out of, or relating to, the System(s), its use, possession, operation and/or condition

**17. ASSIGNMENT, SUBCONTRACTING:** This Agreement may be assigned by Inter-Tel, in whole or in part, and Inter-Tel may freely subcontract any or all of the work hereunder. The Customer may not assign this Agreement, in whole or part, without first obtaining the prior written consent of Inter-Tel. Any such attempted assignment shall be invalid. Subject to the foregoing, this Agreement shall inure to and be binding upon the parties and their successors and assigns.

**18. CONSULTANT:** In the event that Customer is represented by a consultant, Inter-Tel may require that the consultant provide completed key sheets and floor plans and arrange for all necessary services with the local telephone utility and provide Customer training and directories.

**19. MISCELLANEOUS:** Titles to the paragraphs of this Agreement are solely for the convenience of the parties and do not explain, modify, or interpret the provisions herein. If more than one Customer is named in this Agreement, the Liability of each shall be joint and several. This Agreement shall not be amended or altered unless such amendment or alteration is put in writing and approved, by signature, by authorized representatives of all parties hereto. This Agreement shall be enforced subject to the laws of the state in which said office of Inter-Tel is located. Customer expressly consents to jurisdiction and venue within said state. No delay or omission to exercise any right, power or remedy available to Inter-Tel, upon any breach or default of Customer under this Agreement shall impair any such right, power or remedy of Inter-Tel, nor shall it be construed to be a waiver of any subsequent breach or default or acquiescence therein. Any waiver, consent or approval of any kind or any breach or default, or any waiver of any provision of this Agreement will only be effective if in writing and approved and signed by both parties and shall be effective only to the extent set forth in writing. If any provisions of this Agreement are in conflict with any statute or rule of law of any state or territory wherein it may be sought to be enforced, then such provisions shall be deemed null and void to the extent that they may conflict therewith, but without invalidating the remaining provisions herein

 <u>CUSTOMER INITIALS</u>	02/25/08 <u>DATE</u>	_____ <u>INTER-TEL INITIALS</u>	_____ <u>DATE</u>
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**Total Solution Program  
Lease Agreement (continued)**

**11. INSURANCE:** You agree to make all payments when due under this lease regardless of the cause of physical damage loss to the equipment. You agree to maintain, at your expense, a general public liability insurance policy, covering both personal injury and property damage, from anyone who is acceptable to us and to provide us, on request, with certificates or other evidence of insurance acceptable to us. If any insurance proceeds are paid as a result of any such loss or damage to the equipment, you agree that such insurance proceeds shall be paid to us to the extent of your rental obligations under this lease.

**12. DEFAULT AND REMEDIES:** If you do not pay rent when due or if you break any of your promises under this lease, or you become insolvent, assign your assets for the benefit of your creditors, or enter (voluntarily or involuntarily) a bankruptcy proceeding, you will be in default. If your default is caused by your failure to make any payment when due, we can, after ten (10) days written notice, enter your premises and deactivate all or a portion of the equipment, or require that you return the equipment to us and pay to us the remaining balance of all of the rental payments due under this lease at present value, using a six (6%) percent per year discount rate. If you fail to return the equipment to us, in addition we can also require that you pay to us our residual interest in the equipment. You also agree to pay us interest on all sums due us from the date of default until paid at the rate of one and one-half (1½%) percent per month, but only to the extent permitted by law. If your default is caused by your breaking any of your other promises under this lease, we shall be entitled to recover from you all damages caused by that type of default. We can also use any of the remedies available to us under the Uniform Commercial Code or any other law. If we refer this lease to an attorney for enforcement or collection, you agree to pay the greater of (1) our reasonable attorney's fees or (2) at least twenty (20%) percent of the remaining balance of all the rental payments, and actual costs. If we have to take possession of the equipment, you agree to pay the cost of repossession, storing, shipping, repairing and selling the equipment, which sum is agreed to be five (5%) percent of the original cash price by us of the equipment. Although you agree that we are not obligated to do so, if we decide to sell the equipment, and we are able to sell the equipment for a price that exceeds the sum of (a) our cost of repossession described above, (b) the residual value of the equipment, present valued as calculated above, and (c) any remaining debt owed by you to us, then we shall give you a credit for the amount of such excess. You agree that we do not have to notify you that we are selling the equipment.

**13. OTHER RIGHTS:** You agree that any delay or failure to enforce our rights under this lease does not prevent us from enforcing any rights at a later time. Both parties intend this lease to be a valid and legal document, and agree that if any part is determined to be unenforceable, all other parts will remain in full force and effect. If this document is not found to be a lease, then you grant us a security interest in the equipment, and you acknowledge and agree to all other terms herein as applicable to the security interest. You also give us the right to immediately file, at your expense, any Uniform Commercial Code ("UCC") financing statements or related filings, as well as the right to sign your name to any such filings that we make.

**14. REDELIVERY OF EQUIPMENT:** In the event you do not decide to renew this lease, as provided for in the TSP Service Agreement, or purchase the equipment according to the terms of any Purchase Option Letter that we have issued to you, then when this lease expires, or is earlier terminated, you shall allow us or our designated agent, upon three (3) days' notice, the right and ability, during normal business hours, to disconnect and remove the equipment. If upon expiration or termination, you do not immediately return the equipment to us, the equipment will continue to be held and leased by you on a month to month basis at the same rental rate in this lease. Upon expiration of your lease, and provided you have fulfilled all of your obligations to us under this lease, we will either refund your security deposit without interest to you or at your direction apply it towards the purchase of the equipment.

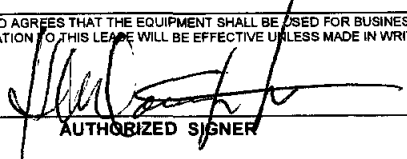
**15. LATE CHARGES:** If, prior to our notice of default, any part of a payment is not made by you within thirty (30) days of its stated due date, you agree to pay us a late charge of ten (10%) percent of each late payment, but only to the extent permitted by law. You agree to pay us the late charge not later than one month following the date that the original payment was due.

**16. ENTIRE AGREEMENT; CHANGES:** This Lease contains the entire agreement between you and us and it may not be altered, amended, modified, terminated or otherwise changed except in writing and signed both by you and us. You agree and understand that you are only leasing the equipment as specified on all Schedule 1's and Supplement to Lease Agreements.

**17. MISCELLANEOUS:** In the event you fail to comply with any part of this lease, we can, but we do not have to, take any action necessary to effect your compliance upon ten (10) days prior written notice to you. If we are required to pay any amount to obtain your compliance, the amount we pay, plus all of our expenses in causing your compliance, shall become additional rent and shall be paid by you at the time of the next due rental payment. If any notices are required under this lease, they shall be sufficient if given personally, by telefacsimile (fax) or mailed to the address set forth in this lease by certified or registered mail, postage prepaid. This lease is for the benefit of and is binding upon you and your personal representatives, successors and assigns. THIS LEASE SHALL BE BINDING WHEN ACCEPTED IN WRITING BY US AND THE RIGHTS AND OBLIGATIONS OF YOU AND US SHALL BE GOVERNED BY THE LAWS OF THE STATE OF TEXAS. YOU AGREE THAT THE COURTS OF THE STATE OF TEXAS FOR HARRIS COUNTY OR ANY FEDERAL DISTRICT COURT HAVING JURISDICTION IN THAT COUNTY SHALL HAVE JURISDICTION AND SHALL BE THE PROPER LOCATION OR VENUE FOR THE DETERMINATION OF ALL DISPUTES ARISING UNDER THIS LEASE. You agree and consent that we may serve you by registered or certified mail, which shall be sufficient to obtain jurisdiction. Nothing stated in this lease is intended to prevent us from commencing any action in any court having proper jurisdiction. You waive trial by jury in any action between us.

**18. UCC -ARTICLE 2A PROVISIONS:** You agree that this is a "Finance Lease" under Article 2A of the Uniform Commercial Code, that is, you acknowledge nonexclusively that: (a) we did not select the equipment, we purchased it for lease to you; and (b) you have been given the name of the Branch which supplied the equipment you are leasing from us. We hereby notify you that you have rights under the agreements that you have with the Branch.

**CUSTOMER ACKNOWLEDGES, UNDERSTANDS AND AGREES TO ALL OF THE TERMS AND CONDITIONS ON BOTH THIS PAGE AND THE FIRST PAGE OF THIS LEASE.**

<p><b>LESSEE (FULL LEGAL NAME)</b> Navarro County for the Benefit of North Texas...</p> <p>...High Intensity Drug Trafficking Area</p> <p><small>BILLING ADDRESS</small> 8404 Esters Blvd Suite 100, Irving TX 75063</p> <p><small>CITY</small> _____ <small>COUNTY</small> _____ <small>STATE</small> _____ <small>ZIP</small> _____</p> <p><small>PHONE NO</small> ( 972 ) _____ 915-9500 _____</p> <p><small>(THE UNDERSIGNED AGREES THAT THE EQUIPMENT SHALL BE USED FOR BUSINESS PURPOSES AND AGREES THAT NO MODIFICATION TO THIS LEASE WILL BE EFFECTIVE UNLESS MADE IN WRITING AND SIGNED BY BOTH PARTIES.)</small></p> <p>By <u>X</u>  AUTHORIZED SIGNER</p> <p>Print Name: <u>H M Davenport Jr</u></p> <p>TITLE: <u>djfaj</u> DATE: <u>02/25/08</u></p>	<p><b>ACH AUTHORIZATION</b></p> <p>THE UNDERSIGNED AGREES TO ALLOW LESSOR TO PROCESS MONTHLY PAYMENTS DUE UNDER THIS AGREEMENT VIA AUTOMATED CLEARING HOUSE (ACH)</p> <p>ABA / Routing and Transit # _____</p> <p>Checking Account # _____</p> <p>BY <u>X</u> _____ AUTHORIZED SIGNER</p> <p>Print Name: _____</p> <p>TITLE: _____ DATE: _____</p> <p><b>ACCEPTED: INTER-TEL LEASING, INC., LESSOR</b> 1140 WEST LOOP NORTH, HOUSTON, TEXAS 77055</p> <p>BY _____</p> <p>TITLE: _____ DATE: _____</p>
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**Customer:** Navarro County HIDTA  
**Address /Contact:** Navarro County  
**City, State, Zip:** \_\_\_\_\_  
**Account Executive:** Michael Jackson Maxvill  
**Sales Engineer:** Donald Miles  
**Date:** 01/29/08

Inter-Tel Equipment		
QTY	P/N	Desc
1	780.9026	Inter-Tel - Enterprise Messaging 12-Port System Base I: Standard Rackmount

Inter-Tel Installation	
QTY	Desc
12	Voice Processing

**Total Solution Monthly Payment: \$ 711.64**

- Monthly Payment Includes:**
- Free Software Upgrades and Disaster Recovery Provision
  - Rental of all Hardware and Software Associated with Your System
  - Repair Service for the Full Term
  - Installation (Including all required cable, hardware and surge protectors)
  - System Training for the Life of the Agreement
  - Programming Changes/First 30 Days
  - Financial Commitment
  - Guaranteed Rates for Expansion
  - Upgrade Flexibility
  - Risk of Loss Coverage
  - Discounted System Relocation

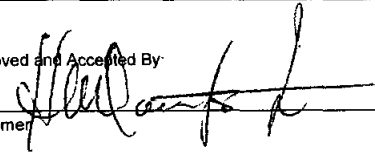
**THIS QUOTE IS VALID FOR 30 DAYS**

This quote is based on information provided by the customer. This configuration may require a pre-installation inspection to validate this information.

- VoiceMail Ports:** The proposed voice processor provides 12 ports of voicemail.  
**Station Cabling:** This proposal includes NEW cable  
**End User Training:** This proposal includes end-user training for all stations installed.  
**Warranty & Maintenance:** For a period of one (1) year after the Cutover Date, INTER-TEL warrants the equipment against defective hardware, software and workmanship. Regular (non-emergency) maintenance during the warranty period will be provided without charge to the Customer during normal business hours (8:00 AM to 5:00 PM) Monday through Friday except holidays.

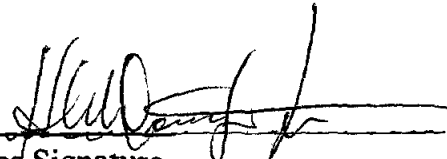
**Notes:**

The existing Axxess System must be Software Verison 8.231 or later. The new EM units are rack mount only.

Approved and Accepted By: \_\_\_\_\_  
Customer:   
Inter-Tel: \_\_\_\_\_  
Date: 02/25/2008

# Schedule III To Lease Agreement

As prescribed in Federal Acquisition Regulations (FAR) 49.502 (c), this contract may be terminated, by written notice, when it is in the interest of the government lessee (Navarro County for benefit of the North Texas High Intensity Drug Trafficking Are (HIDTA) program). Termination will only be required if funding for the HIDTA program is lost or materially reduced, such that performance under this lease is not possible. If this contract is terminated, Navarro County shall be liable only for payment under the payment provisions of the contract for services rendered before the effective date of the termination.

  
\_\_\_\_\_  
Lessee Signature  
HM Davanport Jr 02/25/00  
Printed Name and Date

\_\_\_\_\_  
Lessor Signature  
\_\_\_\_\_  
Printed Name and Date

## AMENDMENT TO DATA PROCESSING SERVICES AGREEMENT

This is an amendment ("Amendment") to the Data Services Processing Agreement ("DPSA") by and between Indigent Healthcare Services, Ltd. ("IHS") and Navarro County ("County"), effective upon execution through the period ending October 1, 2008.

IHS offers to provide, and County desires to obtain, the additional services described in this Amendment, for which the parties agree as follows:

### 1. MEDICAID ENROLLMENT STATUS SERVICE

(a) For each Texas Indigent Health Care Act ("Act") client or potential client of County designated by County ("Status Subject"), IHS will determine whether the Status Subject is currently enrolled to receive federal Medicaid assistance ("Medicaid Eligibility Status Services").

(b) County is responsible for providing information regarding Status Subject ("Status Subject Information") that is necessary for the enrollment status determination; IHS is not responsible for collecting or verifying Status Subject Information, or for the accuracy of the Status Subject Information provided by County. The Status Subject Information provided by County for each Status Subject shall include the information identified in **Attachment A** hereto, and such other information or data as may be necessary or appropriate to the provision of such Service from time to time.

(c) Based on the Status Subject Information, IHS will determine by inspection of appropriate Medicaid or other third-party records whether Status Subject is enrolled to receive Medicaid assistance, and will report such status to County within 5 business days of a request by County for such determination.

(d) The fee for the Medicaid Enrollment Status Service shall be 50 cents (\$0.50) per determination per Status Subject. Each distinct determination by IHS of a Status Subject's enrollment status shall be considered a separate status service transaction for billing purposes, whether such distinct determinations are a result of requests made by County at different times; sequential requests made by County because previously provided Subject Information was inaccurate, incomplete or otherwise inadequate to permit an enrollment status determination by IHS; or any other reason not the fault of IHS;

(e) IHS will invoice County monthly for Medicaid Enrollment Status Services. Payment by County shall be due at IHS's offices at 2040 North Loop 336, Suite 304, Conroe, Texas 77304, no later than thirty (30) days from the date of the invoice. Failure of County timely to remit payment in full may result in suspension or termination by IHS of this service, at IHS's sole option.

### 2. NO THIRD-PARTY BENEFICIARIES

(a) THIS AGREEMENT IS NOT INTENDED TO BE, AND SHALL NOT BE OR BE CONSTRUED TO BE, A THIRD-PARTY BENEFICIARY CONTRACT. NO ENROLLMENT SUBJECT IS INTENDED BY EITHER PARTY TO BE, OR SHALL BE, A THIRD-PARTY BENEFICIARY OF THE MEDICAID ENROLLMENT STATUS SERVICE PROVIDED TO COUNTY HEREUNDER

(b) Both parties recognize and agree that County may financially benefit in the form of saved or avoided financial obligations to persons otherwise qualified to be County Indigent Health Care Act clients if such persons are eligible to receive, and are enrolled and do receive, Medicaid assistance. The services to be provided by IHS to County hereunder are intended to be, and are, solely to assist County with regard to meeting its obligations to provide indigent or other health care to county residents under applicable Texas law, and, where feasible, to conserve limited County financial resources available for such purposes by identifying persons eligible for alternative financial and medical assistance under the Medicaid program.

(c) IHS's agreement to provide the services hereunder is solely with County and for its benefit, and IHS's sole obligations hereunder are to County. Any benefit, direct or indirect, that may be conferred on or realized by a Status Subject by reason of or resulting from the Enrollment Status Service provided by IHS to County is purely incidental to IHS's performance of services to County hereunder.

(d) That there are and will be no third-party beneficiaries to this Amendment is a material element of the Amendment, and is a material inducement to IHS to enter into this agreement for services and to provide such services to County, without which IHS would not have agreed to provide such services.

**3. TERM; TERMINATION**

(a) This Amendment shall have a term commensurate with the term of the DPSA unless earlier terminated under subsection (b) below; and shall terminate automatically and simultaneously upon termination of the DPSA for any reason, unless otherwise agreed in writing by the parties

(b) This Amendment may be terminated by either party at any time by giving at least sixty (60) days' written notice to the other; provided, that if any change in relevant law or regulation makes the service unlawful or would subject either party to potential legal liability of any kind, or would impose on either party legal duties or consequences that, in the sole judgment of that party, render the Service undesirable or infeasible, this Agreement may be terminated immediately. Termination by either party shall not, however, relieve County of its obligation to pay for services rendered prior to the termination, and fees accrued.

(c) If County terminates this Amendment for any reason, any Medicaid Enrollment Status Service begun by IHS for any Status Subjects as of the date termination notice is received by IHS, IHS shall complete determination of the enrollment status of such Status Subjects, and County shall be responsible for the fee for that service for each such Status Subject.

(d) If IHS terminates this Amendment for any reason,

(i) IHS shall complete any Medicaid Enrollment Status Service requests made by County before the date of termination stated in the termination notice, and County shall remain responsible for associated applicable fees; but

(ii) IHS shall not be required to accept any additional service requests after the time termination notice is given by IHS.

**4. DISCLAIMER OF WARRANTIES**

IHS EXPRESSLY DISCLAIMS ANY AND ALL WARRANTIES REGARDING THE MEDICAID ENROLLMENT STATUS SERVICE THAT ARE NOT EXPRESSLY PROVIDED IN THIS AMENDMENT, INCLUDING BUT NOT LIMITED TO ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR WARRANTIES OF FITNESS OF USE FOR A PARTICULAR PURPOSE. IHS MAKES NO REPRESENTATIONS REGARDING THE FITNESS FOR USE FOR ANY PURPOSE OF ANY INFORMATION OR DATA PROVIDED TO COUNTY BY IHS IN THE RENDERING OF THE SERVICE. NO ADVICE OR REPRESENTATIONS BY IHS OR IHS PERSONNEL SHALL CREATE ANY SUCH WARRANTY. BECAUSE PERFORMANCE OF THE SERVICE BY IHS DEPENDS ON THIRD-PARTY DATA AND PROCESSES, SUCH AS BUT NOT LIMITED TO U.S. GOVERNMENT DATA AND PROCESSES, AND OTHER THIRD-PARTY ASSISTANCE PROVIDED TO IHS, IHS CANNOT AND DOES NOT MAKE ANY WARRANTY THAT THE SERVICE WILL BE ACCURATE, CURRENT, UNINTERRUPTED OR ERROR-FREE; AND IN PARTICULAR DOES NOT WARRANT THAT ANY INFORMATION OR DATA ACCESSED BY IHS IN THE PROVISION OF THE SERVICES OR PROVIDED BY IHS TO COUNTY THROUGH THE SERVICE WILL BE ACCURATE OR CURRENT.

**5. DISCLAIMER AND LIMITATION OF LIABILITY**

NEITHER IHS NOR ANY OF ITS OFFICERS, EMPLOYEES, OWNERS OR OTHER PRINCIPALS, AGENTS OR REPRESENTATIVES, NOR ANY AFFILIATED, PARENT OR SUBSIDIARY ENTITIES, SHALL BE LIABLE FOR ANY DIRECT, INDIRECT, SPECIAL, CONSEQUENTIAL, INCIDENTAL, PUNITIVE OR EXEMPLARY DAMAGES THAT RESULT OR ARISE FROM COUNTY'S USE OF THE SERVICE OR ANY DATA OR INFORMATION PROVIDED BY IHS. COUNTY'S SOLE REMEDY FOR BREACH OF THIS AMENDMENT AGREEMENT BY IHS SHALL BE TERMINATION AS PROVIDED HEREIN.

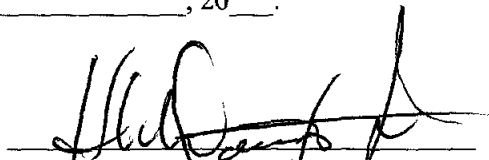
**6. OTHER TERMS OF DATA PROCESSING**

The provisions of the DPSA shall apply to the Services to be provided by IHS hereunder, except to the extent any such DPSA provision conflicts with an express provision of this Amendment, in which case the provision in this Amendment shall control.

*[This space intentionally left blank.]*

**APPROVALS**

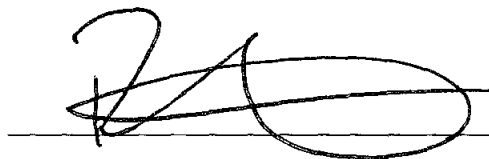
IN WITNESS WHEREOF, we have executed this Agreement as of the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

BY:  \_\_\_\_\_ COUNTY

NAME PRINTED: Hon. Hershell Davenport

TITLE: County Judge

DATE: 02/25/2008

BY:  \_\_\_\_\_ IHS

NAME PRINTED: Robert Baird

TITLE: President

DATE: 2/6/08

**ATTACHMENT A**

**To Amendment to Data Processing Services Agreement**

**Name**  
**Address**  
**Telephone**  
**Gender**  
**Date of Birth**  
**Social Security Number**  
**Amount Paid for Fiscal Year**  
**Client Number**  
**Beginning Eligibility Date**  
**Ending Eligibility Date**



ORDINANCE NO. 02-08-03

AN ORDINANCE OF THE COMMISSIONERS COURT OF NAVARRO COUNTY, TEXAS, ADDING ARTICLE ~~XIX~~ OF THE RICHLAND CHAMBERS LAKESHORE AREA ZONING ORDINANCE THERETO ENTITLED "SPECIAL EXCEPTION FOR OIL OR GAS WELL SUBJECT TO STATEWIDE RULE 36;" PROVIDING FOR MINIMUM SPECIAL EXCEPTION APPLICATION STANDARDS AND APPROVAL CRITERIA; PROVIDING FOR AN APPLICATION FEE; PROVIDING FOR NOTICE AND PUBLIC HEARINGS; PROVIDING FOR JUDICIAL REVIEW OF DECISIONS; PROVIDING FOR PENALTIES; PROVIDING A SEVERABILITY CLAUSE; PROVIDING A REPEALING CLAUSE; AND DECLARING AN EFFECTIVE DATE.

WHEREAS, pursuant to the exercise of their local authority granted by the Texas Local Government Code (the "Code"), Chapter 231, Subchapter E, the voters of Navarro County have elected to permit the exercise of zoning authority within the Richland Chambers Lakeshore Area for the purpose of protecting public health, safety, welfare and morals; and,

WHEREAS, pursuant to such authority the Commissioners Court of Navarro County, Texas, has adopted the Lakeshore Area Zoning Ordinance of the County of Navarro, Texas, as amended; and,

WHEREAS, the Commissioners Court of Navarro County finds and determines that pursuant to the requirements of Section 231.074(d) of the Code, the adoption of zoning regulations is reasonably taken to fulfill an obligation mandated by state law; and

WHEREAS, pursuant to the authority set forth in Section 231.081 of the Code, and after receiving a report from the County Planning and Zoning Commission regarding the subject of this ordinance, the Commissioners Court of Navarro County desires to amend the Lakeshore Area Zoning Ordinance to adopt procedures governing applications, notice, hearings, and other matters relating to the grant of a Special Exception; and,

WHEREAS, the Commissioners Court of Navarro County finds and determines that a Special Exception process is necessary to address unique land uses that are not appropriate in certain zoning designations without finding that the grant of the Special Exception will not be contrary to the public interest and that a literal enforcement of the Lakeshore Area Zoning Ordinance would result in an unnecessary hardship; and,

WHEREAS, the Commissioners Court of Navarro County further finds and determines that the adoption of procedures governing applications, notice, hearings, and other matters relating to the grant of a Special Exception will serve to protect the health, safety, and welfare of the citizens of the Richland Chambers Lakeshore Area; and

WHEREAS, the Commissioners Court of Navarro County further finds and determines that if the regulations set forth herein are not excepted from the scope of the Private Real

Property Rights Preservation Act as a result of Section 231.074(d) of the Code, that such regulations create an exception to a prohibition, lessen the burden on private real property and therefore have "No Private Real Property Impact;" NOW, THEREFORE,

BE IT ORDAINED BY THE COMMISSIONERS COURT OF NAVARRO COUNTY, TEXAS:

**SECTION 1.**

That Article XIX of the Richland Chambers Lakeshore Area Zoning Ordinance is hereby added and shall read as follows:

Section 1A. Special Exception for oil or gas well subject to Statewide Rule 36.

Notwithstanding anything to the contrary contained in the Richland Chambers Lakeshore Area Zoning Ordinance, oil and/or gas drilling activity in a field subject to Statewide Rule 36 (hydrogen sulfide area) shall be permitted in each zoning district by Special Exception only.

Section 1B. Application required.

Every proposal for Special Exception review shall be filed in the same manner and shall contain the same application materials as an application for a Specific Use Permit for an oil and/or gas well not subject to Statewide Rule 36, as set forth in Article XVIII of the Richland Chambers Lakeshore Area Zoning Ordinance, as amended.

Section 1C. Fee required.

Every proposal for Special Exception shall be accompanied by a filing fee of five thousand dollars (\$5,000.00).

Section 1D. Public Hearing and Notice.

A. The Planning and Zoning Commission and the Commissioners Court shall each conduct a single public hearing on a proposal for Special Exception.

B. Written notice of public hearings on a proposal for Special Exception shall be required in the same manner as provided by Article VI of the Richland Chambers Lakeshore Area Zoning Ordinance, as amended, governing the application for a Specific Use Permit.

Section 1E. Action on proposal for Special Exception.

In taking action on a proposal for Special Exception, the Planning and Zoning Commission shall recommend approval and the Commissioners Court shall approve the proposal only when it is determined that:

1. The proposal meets the minimum technical requirements of Article XVIII of the Richland Chambers Lakeshore Area Zoning Ordinance, as amended; provided, however, a Specific Use Permit shall not be required for an oil or gas well in a field subject to Statewide Rule 36;
2. The grant of the Special Exception will not be contrary to the public interest; and
3. That a literal enforcement of the Richland Chambers Lakeshore Area Zoning Ordinance would result in an unnecessary hardship.

The burden of proof regarding all conditions is on the applicant. The Commissioners Court may impose conditions on the approval of a Special Exception on a case by case basis.

Section 1F. Judicial Review of decisions on Special Exception appeals.

A. Any person aggrieved by the decision of the Commissioners Court may present to a district court of Navarro County, Texas a verified petition stating that the decision of the Commissioners Court is illegal in whole or in part and specifying the grounds of the illegality.

B. The petition must be received for filing by the clerk of the district court within 10 days after the date the decision is made by the Commissioners Court.

C. On the presentation of the petition meeting the foregoing requirements, the court may grant a writ of certiorari directed to the Commissioners Court to review the Commissioners Court's decision. The writ must indicate the time by which the Commissioners Court's return must be made and served on the petitioner's attorney, which must be after 10 days and may be extended by the court. Granting of the writ does not stay the proceedings on the decision under appeal, but on application and after notice to the Commissioners Court the court may grant a restraining order if due cause is shown.

D. The Commissioners Court's return must concisely state any pertinent and material facts that show the grounds of the decision under appeal. The Commissioners Court is not required to return the original documents on which the Commissioners Court acted but may return certified or sworn copies of the documents or parts of the documents as required by the writ.

E. If after receiving the return the court determines that there is substantial evidence in such return to constitute grounds for reasonable persons to differ as to whether the action of the Commissioners Court in denying the appeal was lawful, the court shall affirm the decision. If the court finds that there is insufficient information contained in such return to make such a determination, and that testimony is necessary for the proper disposition of the matter, it may take evidence or appoint a referee to take evidence as directed. The referee shall report the evidence to the court with the referee's findings of fact and conclusions of law. The referee's report constitutes a part of the proceedings on which the court shall make its decision.

F. The court may reverse or affirm, in whole or in part, or modify the decision that is appealed. Costs shall not be assessed against the Commissioners Court unless the court determines that the Commissioners Court acted with gross negligence, in bad faith, or with malice in making its decision.

## **SECTION 2. PENALTIES**

Each individual violation of this article by permittee, driller, lease operator, or other person is declared to be a misdemeanor and upon adjudication of guilt a fine not to exceed the maximum amount authorized by law shall be assessed against such violator. Each continuing day of each individual violation shall be deemed a separate offense for which a separate fine may be assessed.

## **SECTION 3. ENFORCEMENT**

The Director of Planning and Development is hereby authorized to make all necessary inspections. Citations may be issued incident to obtaining compliance with the requirements of this article. The Navarro County Commissioners Court is authorized to undertake any necessary legal action, including suit for injunctive relief, to compel compliance with the terms and provisions of this article.

**SECTION 4.  
SEVERABILITY CLAUSE**

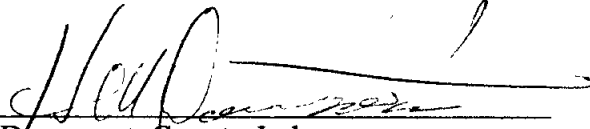
If any provision, section, subsection, sentence, clause or phrase of this ordinance is for any reason held to be unconstitutional, void or invalid or for any reason unenforceable, the validity of the remaining portions of this ordinance shall not be affected thereby, it being the intent of the County in adopting this ordinance that no portion hereof or provision shall be inoperative or fail by reason of any unconstitutionality or invalidity of any other portion, provision, or regulation, and to this end, all provisions of this ordinance are declared to be severable.

**SECTION 5.  
REPEALING CLAUSE**

That all ordinances or parts of ordinances in conflict with this ordinance are hereby repealed to the extent of such conflict only; provided, however, that the repeal of an ordinance by this ordinance does not affect the prior operation of the ordinance or any prior action taken under it, any obligation or liability previously acquired, accrued, or incurred under such prior ordinance, nay violation of the prior ordinance or any penalty, forfeiture, or punishment incurred under said ordinance before its repeal; any prosecution, investigation, proceeding, or remedy under said prior ordinance and the penalty, forfeiture, or punishment imposed as a result of such prosecution, proceeding, or remedy shall be imposed as if the prior ordinance has not been repealed.

This ordinance shall be effective on February 25, 2008,  
following its passage.

PASSED, APPROVED AND ADOPTED THIS 25th day of February 2008.

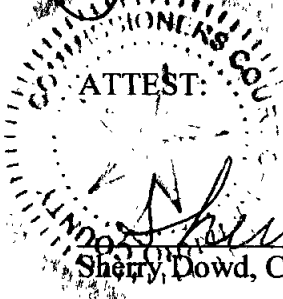
  
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H. M. Davenport, County Judge

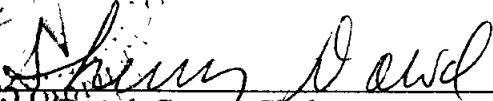
  
\_\_\_\_\_  
Kit Herrington, Commissioner Precinct 1

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Faith Holt, Commissioner Precinct 2

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William Baldwin, Commissioner Precinct 3

  
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James Olsen, Commissioner Precinct 4



  
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Sherry Dowd, County Clerk