

PUBLIC EMPLOYEE BENEFITS ALLIANCE INTERLOCAL PARTICIPATION AGREEMENT

This Interlocal Participation Agreement (the “Agreement”) is made by and between the City of McKinney, a local government of the State of Texas (the “Member”), acting through its CITY COUNCIL, and the Public Employee Benefits Alliance (“PEBA”), as authorized by the Texas Interlocal Cooperation Act, TEX. GOV’T CODE, Chapter 791.

1. RECITALS

- 1.1 The Member is a local government as “local government” is defined in Section 791.003 of the Texas Government Code.
- 1.2 As a local government, the Member performs certain governmental functions and services as those terms are defined in Section 791.003 of the Texas Government Code.
- 1.3 The Member desires to join PEBA in order to cooperatively purchase goods, services and other items to be used in the Member’s provision of employee benefits.
- 1.4 The Member acknowledges that this Agreement is a contract with PEBA and that PEBA at its discretion, may contract with other local governments.
- 1.5 Legality of contract. Member represents and warrants that (a) this agreement fully complies with the laws of the state of its principal place of business and (b) Member has full legal authority to enter into this agreement.
- 1.6 The Member’s governing body has agreed to the terms and conditions of this Agreement and has acted by majority vote, at a duly called and posted public meeting, to authorize the execution of this Agreement and participation in PEBA.

2. AGREEMENT

- 2.1 Entry Into PEBA. For and in consideration of the premises and the mutual agreements set forth in this Agreement, and other good and valuable consideration, the Member enters into this Agreement for the purpose of joining PEBA.
- 2.2 PEBA Not an Insurer. PEBA is not an insurer. All benefits and related services purchased through PEBA are authorized pursuant to the Interlocal Cooperation Act (Chapter 791, Texas Government Code) and other applicable provisions of Texas law.
- 2.3 Administrative Contract with the TMLIEBP and HEBP. PEBA may contract with the TML Intergovernmental Employee Benefits Pool (“TMLIEBP”), the Texas Association of Counties Health and Employee Benefits Pool (“HEBP”) or other entity to aid in the performance of the Agreement and the operation of PEBA.

3. TERMS AND CONDITIONS

- 3.1 Term and Termination. This term of this Agreement shall be for one year, commencing as of the date of execution by the second party to sign the Agreement. This Agreement shall be automatically renewed annually for an additional one-year term without the necessity of any action by the parties other than payment of the appropriate dues or contribution. Either party may elect not to renew this Agreement by giving written notice at least thirty (30) days prior to the end of the original term or any renewal term.
- 3.2 Agreement Binds Members. Member agrees to be bound by this Agreement and the Bylaws, policies and procedures of PEBA (as they are currently in force or hereafter may be adopted or amended), which collectively establish the conditions for membership in PEBA. The Bylaws of PEBA are incorporated herein by reference and made a part of this Agreement for all purposes as if fully set out herein. Any amendment to the Bylaws shall become binding on the Member immediately upon its adoption.
- 3.3 PEBA's Services. PEBA shall provide the administrative and support services, including drafting bid or request for proposal ("RFP") documents, and conducting negotiations with vendors, to allow Members to cooperatively purchase goods, services and other items to be used in the Members' provision of employee benefits.
- 3.4 PEBA Procedures and Bylaws. Member shall furnish all the information that PEBA deems necessary and useful for the purposes of this Agreement and shall abide by the procedures and Bylaws adopted for the administration of PEBA.
- 3.5 Payments and Conditions. Payments and contributions shall be made by the Member to PEBA at Austin, Travis County, Texas on the dates and in such amounts as PEBA requires. Interest, beginning the first day after the due date and continuing until paid, shall accrue at the maximum rate allowed by law on the balance of any payment or contribution not paid when due. Contributions and other payments received by PEBA from Member will be held and managed for the benefit of the several Members, not the individual officials, employees, retirees of the Member, or the dependents of these officials, employees or retirees. All payments by Member under this Agreement shall be from funds currently available to Member.
- 3.6 Coordinators. Member hereby designates and appoints, as indicated in the space provided below, a PEBA Coordinator of department head rank or above and agrees that PEBA shall not be required to contact or provide notices to any other person. Further, any notice to, or agreement by, Member's PEBA Coordinator, with respect to services hereunder, shall be binding on the Member. Member reserves the right to change its PEBA Coordinator from time to time by giving written notice to PEBA. For purposes of this Agreement, the change of PEBA Coordinator becomes effective when PEBA receives notice of the new coordinator.

- 3.7 Plan Administrator. PEBA is not a plan administrator of any employee benefits plan. Member will serve as its own plan administrator, or designate another entity to carry out the functions of Plan Administrator. Each Member retains the rights, duties and privileges of the Plan Administrator and acknowledges it has all responsibility for compliance with all state and federal laws applicable to employee benefits for its employees and Plan participants.
- 3.8 Member Responsible. Member acknowledges that it may choose which goods or services or items (if any) it wishes to purchase collectively through PEBA and that there is no obligation to participate in any bid or RFP issued through PEBA. Member further acknowledges that when goods or services or items are purchased through PEBA, the Member, and not PEBA, is responsible for the payment for these goods or services or items. This Agreement shall not be exclusive, and each Member shall be free to make any Interlocal Agreement for services with any other Member or nonmember local government.

4. ADMINISTRATIVE PROVISIONS

- 4.1 Amendment. This Agreement shall represent the complete understanding of the parties and may not be amended or modified other than in a written agreement signed by the parties, or as otherwise provided under this Agreement.
- 4.2 Applicable Law. This Agreement is entered into, is executed and is performable in the State of Texas, County of Travis, and all questions pertaining to its validity or construction shall be determined in accordance with the laws of the State of Texas.
- 4.3 Acts of Forbearance. No act of forbearance on the part of either party to enforce any of the provisions of this Agreement shall be construed as a modification of this Agreement, nor shall the failure of any party to exercise any right or privilege herein granted be considered as a waiver of such right or privilege.
- 4.4 Notices. Any notice required to be given or payment required to be made to PEBA shall be deemed properly sent if addressed to:

(for counties and related entities)
Public Employee Benefits Alliance
c/o Texas Association of Counties Health and Employee Benefits Pool
Attention: HEBP Manager
1210 San Antonio Street
Austin, Texas 78701

(For cities, school boards and related entities)
Public Employee Benefits Alliance
c/o TML Intergovernmental Employee Benefits Pool
PO Box 149190
Austin, TX 78714-1337

and deposited in the United States mail with proper postage. PEBA may change its address by giving notice to the Members.

- 4.5 Effect of Partial Invalidity; Venue. If any part of this Agreement is declared invalid, void or unenforceable, the remaining parts and provisions shall continue in full force and effect. It is further agreed that venue for any dispute arising under the terms of this Agreement shall be in Austin, Travis County, Texas.
- 4.6 Exclusive Right to Enforce. PEBA and the Member have the exclusive right to bring suit to enforce this Agreement, and no other party may bring suit, as a third-party beneficiary or otherwise, to enforce this Agreement.

EXECUTION

IN WITNESS WHEREOF, we hereunto affix our signatures as of the date indicated below.

PUBLIC EMPLOYEE BENEFITS
ALLIANCE

_____ MEMBER

By: _____

By: _____

Date: _____

Date: _____

MEMBER'S PEBA COORDINATOR

Name: Kathryn Usrey
Address: 314 S. Chestnut, Ste. 102
McKinney, TX 75069
Phone Number: 972.547.7562
e-mail: kusrey@mckinneytexas.org