

**AGREEMENT BETWEEN CITY OF LEAGUE CITY, TEXAS
and
American National Insurance Company
for
Temporary Emergency Operations Facility Use**

THIS AGREEMENT is made and entered by and between City of League City, a body politic and corporate under the laws of the State of Texas, herein called the "City" and American National Insurance Company, a Texas insurance company ("ANICO"), as the owner of Office Building (as defined herein) and the Hotel (as defined herein)

RECITALS

WHEREAS, the City is a Texas home rule municipality located in Galveston County, Texas; and

ANICO is a Galveston, Texas-based insurance company maintaining several multi-story office facilities and other improvements located within the corporate limits of the City of League City, Texas (all such facilities being, collectively, the "ANICO Property"), including, without limitation, that certain office building located at 2600 South Shore Boulevard, League City, Texas, also known as "Marina View Office Center" ("Marina View"), and, a hotel resort facility being part of the ANICO Property known as "South Shore Harbour Resort" (the "Hotel"); and

WHEREAS, the City and ANICO recognize the vulnerability of the citizens and the property located within the jurisdiction of the City to injury, loss of life, and property resulting from hurricanes, tropical storms and other natural disasters, and recognize that such disasters and/or emergencies may present situations which require the transportation and sheltering of emergency operations staff on an "as-needed" basis; and

WHEREAS, the City and ANICO wish to make suitable arrangements for furnishing mutual assistance in coping with emergencies and/or disasters that may affect and/or disrupt, on a long-term basis, the operations of the City; and

WHEREAS, the City and ANICO mutually recognize and agree that ANICO maintains the Hotel within the corporate limits of the City of League City, Texas that may be reasonably used for the sheltering of emergency operations and public safety personnel of the City, on a non-exclusive basis, in the event of an emergency and/or disaster which prohibits the use by the City or its personnel of the City's current facilities; and

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained, the parties agree as follows:

- A. ANICO agrees that upon written notification of an impending emergency and/or disaster by the City, and at such time as tropical storm winds (sustained winds of 39 mph or greater) are recorded by the National Weather Service ("NWS") at Galveston, Texas, ANICO will provide shelter at the Hotel reasonably adequate to house a team of up to 20 officers in a maximum of 10

rooms of either the League City Police Department and/or other public safety officials of the City without charge. Such shelter shall be made available within a reasonable time of the City's notice regarding the impending emergency and/or disaster, and shall continue until a reasonable time after such emergency and/or disaster has ceased, not to exceed two (2) days from the date on which the emergency and/or disaster occurred unless agreed to by ANICO in writing.

B. All personnel assigned by the City to occupy the space provided by ANICO shall be identified by City uniforms with City emblem and an appropriate and matching Identification Card (as defined herein). Such personnel shall provide for their own supplies consisting of, among other things, bedding, clothing, food/water and health supplies for the duration of their period of occupancy.

C. City agrees that no ingress or egress shall occur from either the Hotel during such time that hurricane force winds (74 mph or greater) are recorded by the NWS at or near the ANICO Property (such period being "lockdown"). ANICO shall designate at least one individual as its On-Site Representative (as defined herein), either of which, if more than one, being able to make decisions for ANICO as would be applicable to this Agreement. ANICO shall have the sole determination as to when all or any portion of the ANICO Property, including, without limitation, the Marina View Garage and/or the Hotel, as applicable, is in lockdown.

D. City agrees that ANICO may reserve the option to order an evacuation and Closure (as defined herein) of any of the buildings located within the ANICO Property, including, without limitation, the Hotel and/or the Marina View Garage in the event it is determined by the National Weather Service that the center of a Category 4 or greater hurricane is expected to make landfall within a distance of 50 miles of Galveston, Texas; provided, however, that ANICO exercises such option not less than 48 hours prior to the recording of tropical storm winds (sustained winds of 39 mph or greater) at Galveston, Texas.

E. ANICO agrees that City may utilize up to 75 parking spaces on a non-exclusive basis within the covered parked garage located at Marina View, such garage being located in proximity to the Data Center (the "Marina View Garage"). The parties hereto agree that not less than 2 days prior to the date on which tropical storm winds (sustained winds of 39 mph or greater) are anticipated by the NWS to reach Galveston, Texas, City shall have a right to block off spaces within the Marina View Garage and monitor the accommodation of such vehicles so as to meet the timeline to house up to 75 City-owned vehicles; provided, however, that ANICO shall have full control over the operation of and parking within the Marina View Garage, including, without limitation, the right to designate which portions of the Marina View Garage may be used by the City. Further, both parties hereto agree and acknowledge that all such spaces granted to the City need not be located together within the Marina View Garage, and ANICO shall use commercially reasonable efforts to ensure all such spaces are in reasonable proximity of each other. City agrees to initiate the sheltering of vehicles within the covered parking garage no sooner than twenty-four (24) hours prior to the recording of tropical storm winds (sustained winds of 39 mph or greater) by the NWS at Galveston, Texas. City agrees to remove all such vehicles in a safe and orderly manner once it is determined that the threat of bodily injury and/or property damage

associated with a storm has ceased, such time not to exceed five (5) days from the date on which the storm made landfall.

F. City agrees that ANICO may be offering limited or no services in regard to food and beverage service and maid service at the Hotel, depending on the condition of the pending storm and limited evacuation of hotel staff. Further, the City agrees and acknowledges that any and all costs associated with food and beverage service to any personnel of the City shall be the sole responsibility of the City and/or such personnel.

G. City agrees that all personnel assigned to the Hotel shall limit their activities and presence to guest rooms and floors assigned to them and limited public areas designated by the onsite representative of ANICO.

H. It is agreed upon by both parties that any emergency personnel that occupy guest rooms prior to and during any potential storm shall vacate the rooms immediately upon request of ANICO after the storm has passed the hotel building. All guestrooms are under strict contract with ANICO immediately after such events for housing of ANICO's essential personnel and displaced staff. However, if rooms become available, they will be at the Standard Government rate.

I. In the event it is determined that ANICO has incurred any expense directly related to the City's exercise of the rights afforded to it under this Agreement (excluding room charges other than any rooms that are provided at the Standard Government Rate as provided in Section H above), City agrees to reimburse ANICO for any such expenses upon the presentation of an itemized report bearing the signature of ANICO's on-site representative.

J. Definitions of terms used in this Agreement:

1. Lockdown or lockdown – As defined in Section A above.
2. Identification Card – Driver's license or other government-issued identification with photo and law enforcement / emergency services professional credentials.
3. Closure – A period of time, as designated by ANICO, when any portion of the ANICO Property will not be occupied by the City or ANICO.
4. ANICO On-Site Representative – An ANICO officer or property manager, whether one or more, for all or any portion of the ANICO Property, able to make decisions for ANICO as would apply to this Agreement.

K. Notwithstanding anything herein to the contrary, the parties hereto agree and acknowledge that in the event that ANICO cannot provide for City personnel accommodations within either of the Hotel or the Data Center or cannot provide the required parking in the Marina View Garage, ANICO shall have the right to provide such accommodations and/or parking within other facilities located within the ANICO Property that are reasonably equivalent to that provided for in the Hotel, Data Center and/or Marina View Garage, as applicable.

L. This Agreement shall be in force and effect from the date of execution hereof for a term of three (3) years. Notwithstanding the foregoing, either party hereto may elect to terminate this

Agreement at the end of each term, provided such option is exercised during the period beginning on January 1 and ending March 31 during each year of the term of the Agreement by providing written notice to the other party delivered to the address below:

If to City: City of League City, Texas
 Office of Emergency Management
 300 W. Walker
 League City, Texas 77573

If to ANICO: American National Insurance Company
 Attn: Scott Brast, Senior Vice President
 2525 South Shore Blvd, STE 207
 League City, TX 77573

If this Agreement is not terminated during the initial three year term as provided above then such term shall be automatically extended for successive periods of one (1) year each for each of the successive seven years (7) thereafter; provided, however, notwithstanding the foregoing, either party may terminate this Agreement, for any reason or no reason, at any time after the expiration of the initial three year term with at least thirty days prior written notice to the other party delivered to the other party's address above.

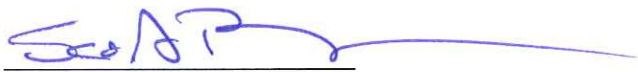
The City shall at all times operate as an independent contractor and not as an officer, agent, servant or employee of ANICO. ANICO shall be solely responsible for the acts and omissions of its officers, members, agents, servants, employees, licensees or invitees. Nothing herein shall be construed as creating a partnership or joint enterprise between City and ANICO.

This Agreement sets forth the entire agreement and understanding between and among the parties hereto with respect to the subject matter hereof, superseding all prior discussions, negotiations, understandings and agreements. Time is of the essence for all matters provided for herein. This Agreement may be executed in multiple counterparts, each of which being deemed an original and all of which, when combined, being one and the same instrument.

[THE REMAINDER OF THIS PAGE INTENTIONALLY RESERVED]

IN WITNESS WHEREOF, the parties have executed this Agreement this _____ day of _____ on _____, 2016

AMERICAN NATIONAL INSURANCE COMPANY

By: 
Name: Scott F. Brast
Title: Senior Vice President

CITY OF LEAGUE CITY, TEXAS

By: _____
Pat Hallisey

Attest:

Barbara Long, City Secretary