

*TIFA*

*FEBRUARY 16, 2017*

# *AGENDA*

**TIFA LLC MEETING AGENDA**  
**February 16, 2017**  
**11:00 a.m.**  
**MEETING LOCATION**  
**CITY OF TITUSVILLE**  
**WATER RESOURCES**  
**2836 GARDEN STREET – TITUSVILLE, FLORIDA**

**Roll Call**

**Action Items**

- I. Approval of the Minutes of the TIFA LLC Meeting of January 12, 2017  
(Presenter: James Perry)
- II. Consideration of CJNW Tax Engagement Letter (Presenter: Helen Hutchens)

**Financial Items and Reports**

- III. Ratification of Expenses Paid from Operating Account and Request for Reimbursement (Presenter: James Perry)

**Staff Reports / Informational Items**

- IV. Discussion of Insurance Premiums and Budgeted Premiums (Presenter: Susan Pattock / Helen Hutchens)
- V. Discussion of Contract Renewals and Terms (*e.g. annual audit services*)  
(Presenter: Susan Pattock / Helen Hutchens)
- VI. Update on Rail Trail Project (Presenter: Andy Jantzer)
- VII. Area IV Phase 2 Update (Presenter: Sean Stauffer)

**Other Business**

**Public Comment**

**Next Scheduled Meeting**

**Open Items**

**Adjournment**

*FIRST ORDER OF BUSINESS*

Date: February 16, 2017

To: TIFA LLC Management Committee

From: Sarah Sweeting, GMS, LLC

Subject: Approval of Minutes – January 12, 2017 TIFA LLC Meeting

**Summary Explanation & Background:** The draft minutes of the January 12, 2017 TIFA LLC meeting were previously circulated for review. The minutes of the TIFA LLC meeting are presented for review and approval. Since the draft minutes were circulated, on January 20, 2017 comments were received from the City of Titusville and on January 20, 2017, Farmton Water Resources / Miami Corporation stated they had no additional comments. No other comments have been received.

**Source of Funds:** This action requires no funds.

Minutes of TIFA LLC Meeting  
January 12, 2017  
11:00 a.m.  
City of Titusville Water Resources  
Mourning Dove Water Plant  
2836 Garden Street  
Titusville, Florida 32796

Persons in Attendance

Mike Brown, Miami Corporation, TIFA Management Committee Member  
Jim Ball, City of Titusville, TIFA Management Committee Member  
Sean Stauffer, City of Titusville, Water Resources Director  
Richard Broome, City of Titusville, City Attorney  
Anna Abreu-Ochoa City of Titusville  
David Fuechtman, Miami Corp. (by telephone)  
Susan Pattock, Farnton Water Resources (by telephone)  
Pat Gagliardi, Farnton Water Resources (by telephone)  
Helen Hutchens, Miami Corporation (by telephone)  
Jim Perry, GMS LLC

Jim Perry conducted the meeting.

**Action Items**

**I. Approval of the Minutes of the TIFA LLC Meeting of December 1, 2016 (Presenter: James Perry)**

Member Ball moved to approve the December 1, 2016 meeting minutes. Member Brown concurred and the motion passed.

**Financial Items and Reports**

**II. Ratification of Expenses Paid from Operating Account and Request for Reimbursement (Presenter: James Perry)**

Mr. Perry stated, item two is ratification of expenses paid from the operating account and request for reimbursement for a total of \$14,252.95.

Member Ball moved to ratify the expenses paid from the operating account and the request for reimbursement. Member Brown concurred and the motion passed.

## Staff Reports/Informational Items

### **III. Update on Rail Trail Project (Presenter: Sean Stauffer)**

Mr. Stauffer stated, I know progress is moving forward on the rail trail. They are still working in the portion that is still City of Titusville. Our inspector has been out and discussed with the guys on the ground working and we are monitoring them on a close basis. They have agreed to raise the boxes that are associated with the fiber optic lines so they are doing that on their own at their cost. We expect that to continue on once it reaches the TIFA portion but we have about four or five miles before we get to the TIFA portion.

Mr. Brown stated, that should be better for these boxes because I noticed yesterday when I was on the rail trail that there is a lot of washing where the ruts from traffic going back and forth are beginning to hold water and you are getting an edge of that box exposed. I would imagine that to be a weak point if it were to be hit by a dozer or something like that.

Mr. Stauffer stated, impact is something that affects the boxes and once they get basically paved in it will be a good thing for us.

### **IV. Area IV Phase 2 Update (Presenter: Sean Stauffer)**

Mr. Stauffer stated, clearly construction is done we have finished, all wellheads have been repaired and reactivated. We have sent comments back to Felix on the plan of action for painting the wellheads. We have not received any comments back from them yet on that.

Also we would like to talk about 8 and 9, we continue weekly sampling and the chlorides are looking good. The latest chlorides that I saw this morning actually WR-8 was quite well so I think we are in a good place with those. We had seen some increasing with the run up to the holidays and we took it from 150,000 gallons a day to 130,000 gallons a day, we took the flows down a little bit but things are looking good with WR-8 right now. That 20,000 gallons a day was redistributed throughout the wellfield.

Mr. Ball asked I guess the magic number is 2.75 million gallons a day and we are sustaining that and no reason to believe we are not going to be able to sustain that?

Mr. Stauffer stated we are sustaining that and in fact we made a decision with the new year that we would actually run at about 102% of the wellfield activity so we are running more like 2.8 million gallons and the idea is that we know moving forward there will be problems, there will be outages, there will be things that have to be fixed and certain wells just won't run during the year and the idea is to build up some of that flow so as we move forward through the year we can reach the 2.75 million gallons. At the end of calendar year 2016 I think we were around 2.68 million gallons per day. We thought we would front load it and as we get closer to midyear we will look and see where we are at. It is just a way to make sure that we get as much utility out of the wellfield as we can.

Mr. Ball stated, I understand the work has all been done. Have we settled all of the claims and payments and warranty work?

Mr. Stauffer stated, the last thing that is outstanding is the painting and that is a service issue. But everything is running and everything is running as we expected so from a usability standpoint we are good.

**Other Business**

**Public Comment**

**Next Scheduled Meeting**

The next meeting will be held Thursday, February 16, 2017 at 11:00 a.m.

**Open Items**

**Adjournment**

Member Brown moved to adjourn the meeting at 11:09 a.m. Member Ball concurred and the meeting adjourned.

*SECOND ORDER OF BUSINESS*



January 25, 2017

Michael Brown  
James Ball  
Managers  
TIFA, LLC  
2836 Garden Street  
Titusville, FL 32796

Dear Client:

This letter is to confirm and specify the terms of our engagement with you and to clarify the nature and extent of the services we will provide. In order to ensure an understanding of our mutual responsibilities, we ask all clients for whom returns are prepared to confirm the following arrangements.

We will prepare your 2017 Florida Tangible Personal Property Tax Return from information which you will furnish to us. We will not audit or otherwise verify the data you submit, although it may be necessary to ask you for clarification of some of the information.

It is your responsibility to provide all the information required for the preparation of complete and accurate returns. You should retain all the documents and other data that form the basis for these assets. These may be necessary to prove the accuracy and completeness of the returns to a taxing authority. You have the final responsibility for the income tax returns and, therefore, you should review them carefully before you sign them.

Our work in connection with the preparation of your income tax returns does not include any procedures designed to discover defalcations and/or irregularities, should any exist. We will render such accounting and bookkeeping assistance as determined to be necessary for preparation of the income tax returns.

Our fee for these services will be based upon the amount of time required at standard billing rates plus out-of-pocket expenses. All invoices are due and payable upon presentation. We expect our fees for the preparation of this return to be between \$2,800.00 - \$3,200.00. If additional time is necessary, we will discuss it with you before we arrive at the revised fee.

Any request for copies of any and all documentation or forms in any format which the firm shall have will not be made available without all billing paid in full. Any additional costs incurred to provide the requested documentation will be paid for at the time information is picked up from the firm.

Any litigation arising out of this engagement, except actions by us to enforce payment of our professional invoices, must be filed within one year from the completion of the engagement, notwithstanding any statutory provisions to the contrary. In the event of litigation brought against us, any judgment you obtain shall be limited in amount, and shall not exceed the amount of the fee charged by us, and paid by you, for the services set forth in this engagement letter.

If the foregoing fairly sets forth your understanding, please sign the enclosed copy of this letter in the space indicated and return it to our office. However, if there are other tax returns you expect us to prepare, please inform us by noting so at the end of the return copy of this letter. If the firm does not receive from you the original of this letter, in fully executed form but we receive a completed copy of the enclosed tax organizer and/or supporting documentation requested therein, then such receipt by this office shall be deemed to evidence your acceptance of all of the terms set forth above.

Firm Affiliations

The firm is affiliated by ownership in and of itself or by one of the shareholders in the following companies. Some services may be provided by this company at the request of the client.

- New Wall Street
- J K Jones Financial Network, LLC
- The Next Generation Financial Network

Office Locations:

- Astorg & Jones CPAs AC, Parkersburg, WV
- BMC CPAs Inc., New Smyrna Beach, FL
- CJN&W CPAs PA, Clearwater, FL
- Jones & Company Financial Services, Lancaster, OH
- Larry A. Fischer, CPA PA, St. Petersburg, FL

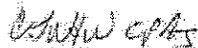
Consent to Disclosure

Federal law requires this consent form be provided to you. Unless authorized by law, we cannot disclose, without your consent, your tax information to third parties for purposes other than the preparation and filing of your tax return. If you consent to the disclosure of your tax information, Federal law may not protect your tax return information from further use or distribution.

If you believe your tax return information has been disclosed or used improperly in a manner unauthorized by law or without your permission, you may contact the Treasury Inspector General for Tax Administration (TIGTA) by telephone at 1-800-366-4484, or by email at [complaints@tigta.treas.gov](mailto:complaints@tigta.treas.gov).

We want to express our appreciation for this opportunity to work with you.

Very truly yours,



CJN&W CPAs

Accepted By: \_\_\_\_\_  
Michael Brown

Date: \_\_\_\_\_

Accepted By: \_\_\_\_\_  
James Ball

Date: \_\_\_\_\_

*THIRD ORDER OF BUSINESS*

**TIFA LLC  
INVOICE APPROVAL BY MANAGERS**

**WHEREAS**, the undersigned are the duly appointed and acting Managers of TIFA LLC, which operates pursuant to that certain Limited Liability Company Operating Agreement of TIFA LLC dated May 24, 2010 ("Operating Agreement"); and,

**WHEREAS**, at a duly called and noticed public meeting of the Managers as indicated below, the undersigned approved the contract and/or authorized the expenditure as indicated below, and further authorized the managers to execute the Invoice Approval by Managers form reflecting such authorized expenditures in order to process payments.

**Previous Authorizations**

<b>TIFA Meeting Date</b>	<b>Approved</b>	<b>Total Contract or Expenditure Authorized</b>
02/16/17	Imprest Account Reimbursement from Depository Account	See Attached

**NOW, THEREFORE**, the Managers of TIFA LLC, based upon the previous TIFA authorizations, approve the following payments:

<b>Invoice Description</b>	<b>Total Amount</b>	<b>Pursuant to Previous TIFA Authorization Date</b>	<b>Invoice Payment</b>
Transfer to imprest account at Northern Trust ending *8866	\$17,321.77	02/16/17	To be Paid by TIFA upon this approval

Except as otherwise set forth herein, defined terms shall have the meaning set forth in the Operating Agreement. This Action may be executed in several counterparts, and all counterparts so executed shall constitute one Approval binding on all parties.

**IN WITNESS WHEREOF**, the undersigned represent and warrant that each is the duly authorized and appointed agent of TIFA LLC.

\_\_\_\_\_  
Mike Brown, Manager

\_\_\_\_\_  
Jim Ball, Manager

Date: \_\_\_\_\_, 2017

Date: \_\_\_\_\_, 2017

9:48 AM

02/08/17

**TIFA LLC**  
**Check Detail**  
 January 4 through February 8, 2017

Type	Num	Date	Name	Item	Account	Paid Amount	Original Amount
Bill Pmt -Check	1198	01/11/2017	Florida Power & Li...		103.00 · Cash- Nort...		-5,997.17
Bill	11526...	01/03/2017			511.00 · Utilities	-335.97	335.97
Bill	54213...	01/03/2017			511.00 · Utilities	-293.66	293.66
Bill	75317...	01/03/2017			511.00 · Utilities	-544.41	544.41
Bill	09060...	01/03/2017			511.00 · Utilities	-305.54	305.54
Bill	24869...	01/03/2017			511.00 · Utilities	-301.38	301.38
Bill	40983...	01/03/2017			511.00 · Utilities	-236.67	236.67
Bill	62400...	01/03/2017			511.00 · Utilities	-243.66	243.66
Bill	73681...	01/03/2017			511.00 · Utilities	-272.86	272.86
Bill	83665...	01/03/2017			511.00 · Utilities	-288.06	288.06
Bill	76646...	01/03/2017			511.00 · Utilities	-442.91	442.91
Bill	74008...	01/03/2017			511.00 · Utilities	-482.76	482.76
Bill	54996...	01/03/2017			511.00 · Utilities	-422.06	422.06
Bill	47893...	01/03/2017			511.00 · Utilities	-505.83	505.83
Bill	32610...	01/03/2017			511.00 · Utilities	-649.22	649.22
Bill	18790...	01/03/2017			511.00 · Utilities	-672.18	672.18
TOTAL						-5,997.17	5,997.17
Bill Pmt -Check	1199	01/11/2017	The City of Titusville		103.00 · Cash- Nort...		-3,041.08
Bill	R-341	10/24/2016			501.00 · O&M Oper...	-276.70	276.70
Bill	R-333	12/07/2016			501.00 · O&M Oper...	-472.47	472.47
Bill	R-340	12/08/2016			501.00 · O&M Oper...	-819.66	819.66
Bill	R-339	12/09/2016			501.00 · O&M Oper...	-206.22	206.22
Bill	R-334	12/14/2016			501.00 · O&M Oper...	-378.50	378.50
Bill	R-335	12/16/2016			501.00 · O&M Oper...	-237.54	237.54
Bill	R-336	12/21/2016			501.00 · O&M Oper...	-253.21	253.21
Bill	R-337	12/28/2016			501.00 · O&M Oper...	-253.21	253.21
Bill	R-338	12/30/2016			501.00 · O&M Oper...	-143.57	143.57
TOTAL						-3,041.08	3,041.08
Bill Pmt -Check	1200	01/25/2017	CPH		103.00 · Cash- Nort...		-2,015.50
Bill	100963	12/09/2016			501.50 · O&M Parts ...	-2,015.50	2,015.50
TOTAL						-2,015.50	2,015.50
Bill Pmt -Check	1201	02/07/2017	CPH		103.00 · Cash- Nort...		-589.02
Bill	101052	01/06/2017			501.50 · O&M Parts ...	-589.02	589.02
TOTAL						-589.02	589.02

9:48 AM  
02/08/17

TIFA LLC  
Check Detail  
January 4 through February 8, 2017

Type	Num	Date	Name	Item	Account	Paid Amount	Original Amount
Bill Pmt -Check	1202	02/07/2017	Florida Power & LI...		103.00 · Cash- Nort...		-5,679.00
Bill	76646...	02/01/2017			511.00 · Utilities	-413.30	413.30
Bill	74008...	02/01/2017			511.00 · Utilities	-467.42	467.42
Bill	54996...	02/01/2017			511.00 · Utilities	-400.42	400.42
Bill	47893...	02/01/2017			511.00 · Utilities	-487.63	487.63
Bill	32610...	02/01/2017			511.00 · Utilities	-649.22	649.22
Bill	18790...	02/01/2017			511.00 · Utilities	-671.65	671.65
Bill	83665...	02/01/2017			511.00 · Utilities	-259.09	259.09
Bill	73681...	02/01/2017			511.00 · Utilities	-251.25	251.25
Bill	62400...	02/01/2017			511.00 · Utilities	-228.74	228.74
Bill	40983...	02/01/2017			511.00 · Utilities	-209.48	209.48
Bill	24869...	02/01/2017			511.00 · Utilities	-278.44	278.44
Bill	09060...	02/01/2017			511.00 · Utilities	-287.99	287.99
Bill	11526...	02/01/2017			511.00 · Utilities	-288.19	288.19
Bill	54213...	02/01/2017			511.00 · Utilities	-259.95	259.95
Bill	75317...	02/01/2017			511.00 · Utilities	-526.23	526.23
TOTAL						-5,679.00	5,679.00

*FOURTH ORDER OF BUSINESS*

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**MIAMI CORPORATION**  
**INSURANCE PROPOSAL**

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**TIFA LLC - PACKAGE WATER DISTRICTS INSURANCE PROGRAM POLICY**  
**(INCLUDING GENERAL LIABILITY, PROFESSIONAL LIABILITY & WRONGFUL**  
**ACTS, AND HIRED & NON-OWNED AUTO LIABILITY & PHYSICAL DAMAGE)**

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**Carrier:** Arch Insurance Company via Grundy Insurance  
**Broker:** Marsh USA Inc.  
**Policy Number:** TBD  
**Policy Term:** March 21, 2017 to March 21, 2018

**General, Professional and Wrongful Acts Liability**

<b>Coverage Limits:</b>	Bodily Injury and Property Damage	\$1,000,000	Per Occurrence
		\$3,000,000	Aggregate
	Personal and Advertising Injury	\$1,000,000	Per Person or Organization
		\$3,000,000	Aggregate
	Damage To Premises Rented to You	\$1,000,000	Any One Premises
	Medical Payments	\$5,000	
	Certified Acts of Terrorism	\$1,000,000	Aggregate
	Professional Liability	\$1,000,000	Per Claim
		\$3,000,000	Aggregate
	Retroactive Date: 3/21/2012		
	Wrongful Acts	\$1,000,000	Per Claim
		\$3,000,000	Aggregate
	Retroactive Date: 3/21/2012		

**Deductibles:**

Professional Liability	\$1,000
Wrongful Acts Liability	\$1,000

**MIAMI CORPORATION**  
**INSURANCE PROPOSAL**

**Hired & Non-Owned Auto Liability and  
Hired Physical Damage**

<b>Limits/Symbols:</b>	Liability per accident	8,9	\$1,000,000
	Physical Damage – Comprehensive	8	Lesser of Actual Cash Value or Cost of Repair
	Physical Damage – Collision	8	

*Description of Covered Auto Symbols:*

- 1 – Any Auto
- 2 – Owned Autos Only
- 3 – Owned Private Passenger Autos Only
- 4 – Owned Autos Other Than Private Passenger Autos
- 5 – Owned Autos Subject to No-Fault
- 6 – Owned Autos Subject to a Compulsory Uninsured Motorist Law
- 7 – Specifically Described Autos - requires that newly acquired autos be reported to the insurer within 30 days of acquisition.
- 8 – Hired Autos Only
- 9 – Non-Owned Autos Only

<b>Deductibles:</b>	Auto Physical Damage - Comprehensive	\$100	For each covered auto
	Auto Physical Damage – Collision	\$500	For each covered auto

<b>Terms and Conditions Per Coverage Form:</b>	<ul style="list-style-type: none"> <li>– SD065 00 03 04 Common Policy Conditions</li> <li>– SD037 00 03 04 Liability Coverage Part</li> <li>– SD038 00 03 04 Liability Coverage Part – Supplemental Declarations</li> <li>– CA 00 01 10 01 Business Auto Coverage Form</li> <li>– IL 00 17 11 98 Common Policy Conditions</li> </ul>
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<b>Notable Endorsements:</b>	<ul style="list-style-type: none"> <li>Exclusion – Year 2000 and Computer-Related and Other Electronic Problems</li> <li>Exclusion – Dam Collapse</li> <li>Nuclear Energy Liability Exclusion Endorsement</li> <li>Defense Costs are in addition to the limits</li> <li>Pollution Exclusion Exception Endorsement</li> <li>Employees as Insureds under Auto Liability</li> <li>Blanket Additional Insured</li> <li>-Occurrence for GL and Auto</li> </ul>
<b>Coverage Trigger</b>	-Claims Made on Professional and Wrongful Acts Liability

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**MIAMI CORPORATION**  
**INSURANCE PROPOSAL**

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Expiring 2016 Premium	\$12,901.00	Renewal 2017 Premium	\$13,104.00
TRIA Premium:	Included	TRIA Premium:	Included
State Surcharge:	\$ 11.37	State Surcharge:	\$ 11.37
Policy Fee:	\$ 200.00	Policy Fee:	\$ 200.00
Total:	\$13,112.37	Total:	\$13,315.37

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# MIAMI CORPORATION

## SUMMARY OF INSURANCE

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### TIFA LLC – EXCESS LIABILITY WATER DISTRICTS INSURANCE PROGRAM INSURANCE PROPOSAL

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**Carrier:** Arch Insurance Company via Grundy Insurance  
**Broker:** Marsh USA Inc.  
**Policy Number:** TBD  
**Policy Term:** March 21, 2017 to March 21, 2018

**Coverage Limits:** Excess Liability \$10,000,000 Per Occurrence  
\$10,000,000 Aggregate

Schedule of Underlying Insurance includes General Liability, Auto Liability, Wrongful Acts and Professional Liability

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**Terms and Conditions Per Coverage Form:**

- CX 00 01 09-08 Commercial Excess Liability Coverage Form
- FAIC-SKLBUS-CPD Common Policy Declarations

**Notable Endorsements:** Nuclear Energy Liability Exclusion Endorsement  
Florida Changes – Cancellation and Nonrenewal  
U.S. Treasury Department's Office of Foreign Assets Control ("OFAC") Advisory Notice to Policyholders

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<b>Expiring 2016 Policy :</b>	<b>\$10,355.00</b>	<b>Renewal 2017 Premium:</b>	<b>\$10,355.00</b>
<b>TRIA Premium:</b>	<b>Included</b>	<b>TRIA Premium:</b>	<b>Included</b>
<b>Filing Fee:</b>	<b>N/A</b>	<b>Filing Fee:</b>	<b>N/A</b>
<b>Total:</b>	<b>\$10,355.00</b>	<b>Total:</b>	<b>\$10,355.00</b>



550 West Van Buren St Chicago, IL 60607 Phone: 312-876-1414

Feb 14, 2017

Betsy Manzoni  
Marsh USA - Chicago  
540 W. Madison Ste. 1200  
Chicago, IL 60661

RE: TIFA LLC c/o Farnton Water Resources LLC, Ref# 5593437-A  
Proposed Effective 3/21/2017 to 3/21/2018

Dear Betsy:

We are pleased to confirm the attached quotation for **Package Liability** being offered with **Arch Insurance Company**. This carrier is **Admitted** in the state of **IL**. Please note that this quotation is based on the coverage, terms and conditions as stated in the attached quotation, which may be different from those requested in your original submission. As you are the representative of the Insured, it is incumbent upon you to review the terms of this quotation carefully with your Insured, and reconcile any differences from the terms requested in the original submission. CRC Insurance Services, Inc. disclaims any responsibility for your failure to reconcile with the Insured any differences between the terms quoted as per the attached and those terms originally requested. The attached quotation may not be bound without a fully executed CRC brokerage agreement.

**NOTE: If insured is located outside your resident state, we must receive a copy of your non-resident license prior to binding.**

**The Insurance Carrier indicated in this quotation reserves the right, at its sole discretion, to amend or withdraw this quotation if it becomes aware of any new, corrected or updated information that is believed to be a material change and consequently would change the original underwriting decision.**

Should coverage be elected as quoted per the attached, Premium and Commission are as follows:

Premium:	\$13,104.00
Filing Fee	\$11.37
Carrier Policy Fee	\$200.00
<b>Total:</b>	<b>\$13,315.37</b>

**Option to ELECT Terrorism Coverage:**  
**TRIPRA Status:** **INCLUDED**  
**Total:** \$13,315.37

**Tax Filings are the responsibility of: ( ) Your Agency ( ) CRC ( ) Not Applicable (x) Carrier to handle filing fee**

**Commission: 8.5%**

Should **TIFA LLC c/o Farnton Water Resources LLC** elect to bind coverage as per the attached, simply complete the Request to Bind box below and return to our office prior to the requested effective date of coverage. Should you have any questions, please feel free to contact our office.

CRC is compensated in a variety of ways, including commissions and fees paid by insurance companies and fees paid by clients. Some insurance companies pay brokers supplemental commissions (sometimes referred to as "contingent commissions" or "incentive commissions"), which is compensation that is based on a broker's performance with that

carrier. These supplemental commissions may be based on volume, profitability, retention, growth or other measures. Even if a contingent commission agreement exists with a carrier, we recognize that our responsibility is to promote the best interests of the policyholder in the selection of an insurance company. For more information on CRC's compensation, please contact your CRC broker.

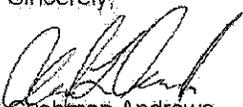
**Financing Insurance Premiums**

Premium financing budgets insurance payments and improves liquidity for other business objectives: working capital, business growth, building expansion.

If your clients choose to pay their insurance in monthly installments, it's fast and easy with AFCO & Prime Rate Insurance Premium Finance Companies, which are affiliates of CRC. AFCO provides premium financing solutions for large and mid-size corporate accounts; Prime Rate offers solutions for smaller commercial and personal lines.

Find out how premium financing works and how it can expand your relationship with your clients by e-mailing [premiumfinance@afco.com](mailto:premiumfinance@afco.com); or call toll-free **866-669-0937** and press **81**. Additional information is available at [www.afco.com](http://www.afco.com) and [www.primeratepfc.com](http://www.primeratepfc.com).

Sincerely,

  
Cushman Andrews  
(312) 879-7126  
[candrews@crcins.com](mailto:candrews@crcins.com)  
5593437

**REQUEST TO BIND COVERAGE**

(Complete and return to Cushman Andrews via email at [candrews@crcins.com](mailto:candrews@crcins.com) or fax to .

Submission #: 5593437-A TIFA LLC c/o Farnton Water Resources LLC

Agency Response: [ ] Yes, please bind as quoted, effective: \_\_\_\_\_

PREMIUM IS BEING FINANCED BY \_\_\_\_\_ ACCOUNT # \_\_\_\_\_  
Name of Premium Finance Company

Signed by: \_\_\_\_\_ Date: \_\_\_\_\_  
Representative of Marsh USA - Chicago

**CONFIDENTIAL**



550 West Van Buren St Chicago, IL 60607 Phone: 312-876-1414

Feb 14, 2017

Betsey Manzoni  
Marsh USA - Chicago  
540 W. Madison Ste. 1200  
Chicago, IL 60661

RE: TIFA LLC c/o Farnton Water Resources LLC, Ref#:5593439-A  
Proposed Effective 3/21/2017 to 3/21/2018

Dear Betsey:

We are pleased to confirm the attached quotation for **Excess Liability** being offered with **Arch Insurance Company**. This carrier is **Admitted** in the state of **IL**. Please note that this quotation is based on the coverage, terms and conditions as stated in the attached quotation, which may be different from those requested in your original submission. As you are the representative of the Insured, it is incumbent upon you to review the terms of this quotation carefully with your Insured, and reconcile any differences from the terms requested in the original submission. CRC Insurance Services, Inc. disclaims any responsibility for your failure to reconcile with the Insured any differences between the terms quoted as per the attached and those terms originally requested. The attached quotation may not be bound without a fully executed CRC brokerage agreement.

**NOTE: If insured is located outside your resident state, we must receive a copy of your non-resident license prior to binding.**

**The Insurance Carrier indicated in this quotation reserves the right, at its sole discretion, to amend or withdraw this quotation if it becomes aware of any new, corrected or updated information that is believed to be a material change and consequently would change the original underwriting decision.**

Should coverage be elected as quoted per the attached, Premium and Commission are as follows:

Premium: \$10,355.00  
Total: \$10,355.00

**Option to ELECT Terrorism Coverage:**  
**TRIPRA Status: INCLUDED**  
Total: \$10,355.00

**Tax Filings are the responsibility of: ( )Your Agency ( )CRC (X) Not Applicable**

**Commission: 7.5%**

Should **TIFA LLC c/o Farnton Water Resources LLC** elect to bind coverage as per the attached, simply complete the Request to Bind box below and return to our office prior to the requested effective date of coverage. Should you have any questions, please feel free to contact our office.

CRC is compensated in a variety of ways, including commissions and fees paid by insurance companies and fees paid by clients. Some insurance companies pay broker's supplemental commissions (sometimes referred to as "contingent commissions" or "incentive commissions"), which is compensation that is based on a broker's performance with that carrier. These supplemental commissions may be based on volume, profitability, retention, growth or other measures.

Even if a contingent commission agreement exists with a carrier, we recognize that our responsibility is to promote the best interests of the policyholder in the selection of an insurance company. For more information on CRC's compensation, please contact your CRC broker.

**Financing Insurance Premiums**

Premium financing budgets insurance payments and improves liquidity for other business objectives: working capital, business growth, building expansion.

If your clients choose to pay their insurance in monthly installments, it's fast and easy with AFCCO & Prime Rate Insurance Premium Finance Companies, which are affiliates of CRC. AFCCO provides premium financing solutions for large and mid-size corporate accounts; Prime Rate offers solutions for smaller commercial and personal lines.

Find out how premium financing works and how it can expand your relationship with your clients by e-mailing [premiumfinance@afco.com](mailto:premiumfinance@afco.com); or call toll-free **866-669-0937** and press **81**. Additional information is available at [www.afco.com](http://www.afco.com) and [www.primeratepfc.com](http://www.primeratepfc.com).

Sincerely,

  
Cushman Andrews  
(312) 879-7126  
[candrews@crcins.com](mailto:candrews@crcins.com)  
5593439

**REQUEST TO BIND COVERAGE**

Complete and return to Cushman Andrews via email at [candrews@crcins.com](mailto:candrews@crcins.com) or fax to .

Submission #: 5593439-A TIFA LLC c/o Farmon Water Resources LLC

Agency Response: [ ] Yes, please bind as quoted, effective: \_\_\_\_\_

PREMIUM IS BEING FINANCED BY \_\_\_\_\_ ACCOUNT # \_\_\_\_\_  
Name of Premium Finance Company

Signed by: \_\_\_\_\_ Date: \_\_\_\_\_  
Representative of Marsh USA - Chicago

**CONFIDENTIAL**

**DATE OF ISSUE: 2/14/2017**  
**NAMED INSURED: TIFA LLC**

<b>COVERAGE SUMMARY</b>	<b>ANNUAL PREMIUM</b>
<b>General Liability - Payroll \$16,700 (Not auditable)</b> Limits \$3,000,000 Agg. - \$1,000,000 Occ., and Medical \$5,000 Includes Failure to Supply and Named Pollution Coverage - See next page Dam Collapse & Downstream Exclusion Blanket Additional Insured	\$ Included
<b>Wrongful Acts &amp; Professional Liability - Occurrence form - Ded. \$1,000</b> Limit \$3,000,000 Agg - \$1,000,000 Per Claim - Retro Date 3/21/12	\$ Included
<b>Business Automobile - Hired &amp; Non-Owned Auto Liability -\$1,000,000.</b> Hired Physical Damage -\$100. Ded. Comp./\$500. Ded. Collision	\$ Included
<b>Excess Liability - Limit \$10,000,000</b> Excess of General Liability, Auto Liability, Wrongful Acts, Professional Liability	\$ included
<b>Terrorism - Inclusion Endorsements SD287 &amp; SD290</b> (See attached form - Only sign & return if rejecting coverage) Terrorism aggregate limit \$1,000,000 for Property and General Liability	\$ Included
<b>TOTAL PREMIUM</b>	\$ 23,459.
<b>State Surcharge (Not included in total)</b>	\$ 11.37
<b>Policy Fee (Not included in total)</b>	\$ 200.00

**PROPOSAL ACCEPTANCE**

COVERAGE WILL BE **BOUND FOR 10 DAYS** PENDING RECEIPT OF PAYMENT,  
after that coverage will lapse.

PLEASE **CHECK APPROPRIATE LINE** AND RETURN.

PLEASE BIND AS QUOTED ABOVE. \_\_\_\_\_  
PLEASE DO NOT RENEW COVERAGE. \_\_\_\_\_

Signature \_\_\_\_\_ Date \_\_\_\_\_

**PLEASE BE ADVISED**

ALL COVERAGE OVERVIEWS WITHIN THIS PROPOSAL ARE GIVEN HERE FOR ILLUSTRATIVE PURPOSES ONLY. PLEASE BE CERTAIN TO READ THE POLICY IN ITS ENTIRETY FOR ITS COMPLETE DETAILS, DEFINITIONS, TERMS AND CONDITIONS, LIMITATIONS, AND EXCLUSIONS. INDICATIONS ARE JUST THAT, AND ARE SUBJECT TO FURTHER NEGOTIATIONS AND ADDITIONAL INFORMATION.

**General Liability**

If purchased, Wrongful Acts & Professional Liability are on an Occurrence basis - 5 year retro date  
\$5,000 reimbursement to the Insured for legal expenses in any form other than monetary damages.  
Defense costs are in addition to the limits

Exception to the Pollution Exclusion for the following;

- (1) Arising out of the use, handling, storage, discharge, dispersal, release or escape of any chemical used in the water treatment process
- (2) Arising out of explosion, lightning, windstorm, vandalism or malicious mischief, collapse, riot and civil commotion, flood, or earthquake;
- (3) Arising out of the collision, upset or overturn of equipment;
- (4) Arising out of the heat, smoke or fumes from a "hostile fire";
- (5) Arising out of weed abatement or spraying;
- (6) Arising out of propane or natural gas; or
- (7) Arising out of "potable water" which is provided by the Insured to others.
- (8) Sewage that emanates from a sewer line or sewer system; or
- (9) Sewage that backs up from a sewer line or sewer system.

**THIS IS A SUMMATION OF LIMITS, TERMS, COVERAGES, AND CONDITIONS ALL OF WHICH ARE SUPERSEDED BY THE ACTUAL POLICY WHEN ISSUED.**

# TERRORISM COVERAGE DISCLOSURE NOTICE

## TERRORISM COVERAGE PROVIDED UNDER THIS POLICY

The Terrorism Risk Insurance Act of 2002 as amended and extended by the Terrorism Risk Insurance Program Reauthorization Act of 2015 (collectively referred to as the "Act") established a program within the Department of the Treasury, under which the federal government shares, with the insurance industry, the risk of loss from future terrorist attacks. An act of terrorism is defined as any act certified by the Secretary of the Treasury, in consultation with the Secretary of Homeland Security and the Attorney General of the United States, to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of an air carrier or vessel or the premises of a United States Mission; and to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

In accordance with the Act, we are required to offer you coverage for losses resulting from an act of terrorism **that is certified under the federal program** as an act of terrorism. The policy's other provisions will still apply to such an act. Your decision is needed on this question: do you choose to pay the premium for terrorism coverage stated in this offer of coverage, or do you reject the offer of coverage and not pay the premium? You may accept or reject this offer.

If your policy provides commercial property coverage, in certain states, statutes or regulations may require coverage for fire following an act of terrorism. In those states, if terrorism results in fire, we will pay for the loss or damage caused by that fire, subject to all applicable policy provisions including the Limit of Insurance on the affected property. Such coverage for fire applies only to direct loss or damage by fire to Covered Property. Therefore, for example, the coverage does not apply to insurance provided under Business Income and/or Extra Expense coverage forms or endorsements that apply to those coverage forms, or to Legal Liability coverage forms or Leasehold Interest coverage forms.

**Your premium will include the additional premium for terrorism as stated in the section of this Notice titled DISCLOSURE OF PREMIUM.**

### DISCLOSURE OF FEDERAL PARTICIPATION IN PAYMENT OF TERRORISM LOSSES

The United States Government, Department of the Treasury, will pay a share of terrorism losses insured under the federal program. **The federal share equals 85% in 2015, 84% in 2016, 83% in 2017, 82% in 2018, 81% in 2019, and 80% in 2020 of that portion of the amount of such insured losses that exceeds the applicable insurer deductible during Calendar Year 2015 and each Calendar Year thereafter through 2020.**

### DISCLOSURE OF CAP ON ANNUAL LIABILITY

If the aggregate insured terrorism losses of all insurers exceed \$100,000,000,000 during any Calendar Year provided in the Act, the Secretary of the Treasury shall not make any payments for any portion of the amount of such losses that exceed \$100,000,000,000, and if we have met our insurer deductible, we shall not be liable for the payment of any portion of such losses that exceeds \$100,000,000,000.

### DISCLOSURE OF PREMIUM

Your premium for terrorism coverage is: \$ 135.00  
(This charge/amount is applied to obtain the final premium.)

**You may choose to reject the offer by signing the statement below and returning it to us. Your policy will be changed to exclude the described coverage.** If you chose to accept this offer, this form does not have to be returned.

### REJECTION STATEMENT

I hereby decline to purchase coverage for certified acts of terrorism. I understand that an exclusion of certain terrorism losses will be made part of this policy.

\_\_\_\_\_  
Policyholder/Legal Representative/Applicant's  
Signature

TIFA LLC  
Print Name of Policyholder/Legal Representative

2/14/2017  
Date

TIFA LLC  
Named Insured

Arch Insurance Company  
Insurance Company  
/Applicant

T.B.D.  
Policy Number