

Resolution No. 2000-21

RESOLUTION APPROVING AND AUTHORIZING THE EXECUTION OF AN
AMENDED INTERLOCAL COOPERATION AGREEMENT WITH OTHER
MEMBERS OF UTAH ASSOCIATION OF COUNTIES INSURANCE MUTUAL,
RELATING TO THE ESTABLISHMENT, FUNDING AND OPERATION OF UTAH
ASSOCIATION OF COUNTIES INSURANCE MUTUAL

WHEREAS, pursuant to the provisions of the Interlocal Cooperation Act. Title 11, Chapter 13, Utah Code Annotated, 1953 as amended, and the Utah Insurance Code, Title 31A, Chapter 5, Utah Code Annotated, 1953 as amended, public agencies, including political subdivisions of the State of Utah as therein defined, are authorized to enter into mutually advantageous agreements to provide services and facilities; and

WHEREAS, the Board of County Commissioners of Daggett County, Utah, has determined that the interests and welfare of the public within Daggett County's jurisdiction will best be served by an Amended Interlocal Cooperation Agreement with other members of Utah Association of Counties Insurance Mutual relating to the establishment, funding and operation of Utah Association of Counties Insurance Mutual.

NOW, THEREFORE, be it resolved by the Board of County Commissioners of Daggett County, Utah, that Daggett County approve and authorize the Commission Chair to execute an Amended Interlocal Cooperation Agreement with other members of Utah Association of Counties Insurance Mutual relating to the establishment, funding and operation of Utah Association of Counties Insurance Mutual.

APPROVED AND ADOPTED this 22nd day of August, 2000.

BOARD OF COUNTY COMMISSIONERS
DAGGETT COUNTY, UTAH

By: s/s James M. Briggs.
James M. Briggs, Daggett County Commission
Chair

S E A L

ATTEST:

By: s/s Vicky McKee.
Vicky McKee, Daggett County Clerk-Treasurer

APPROVED AS TO FORM:

By: s/s Dennis L. Judd.
Dennis L. Judd, Daggett County Attorney

AMENDED INTERLOCAL COOPERATION AGREEMENT

THIS IS AN INTERLOCAL COOPERATION AGREEMENT, made and entered into by and between members of Utah Association of Counties Insurance Mutual, a political subdivision of the State of Utah, each of which hereby agrees to abide by the terms and conditions of this Amended Agreement and all actions taken pursuant hereto.

WITNESSETH:

WHEREAS, pursuant to the provisions of the Interlocal Cooperation Act, Utah Code Ann. §11-13-1 et. seq. (1996), the Governmental Immunity Act, §63-30-1 et. seq. (1993 & Supp. 1996) and the Utah Insurance Code, Utah Code Ann. §31A-5-215 (1994), public agencies, including political subdivisions of the State of Utah as therein defined, are authorized to enter into written agreements with one another for joint or cooperative action to establish a public agency insurance mutual; and

WHEREAS, the governing bodies of counties located in the State of Utah, by establishing and entering into an Interlocal Cooperation Agreement, formed Utah Association of Counties Insurance Mutual as a public agency insurance mutual; and

WHEREAS, the members of Utah Association of Counties Insurance Mutual now desire to amend that Interlocal Cooperation Agreement;

NOW, THEREFORE, the parties do mutually agree as follows:

Section 1. EFFECTIVE DATE; DURATION.

This Amended Interlocal Cooperation Agreement shall become effective and shall enter into force, within the meaning of the Interlocal Cooperation Act, upon the submission of this Amended Interlocal Cooperation Agreement to, and the approval and execution hereof by Resolution of the governing bodies of each of the parties. The term of this Amended Interlocal Cooperation Agreement shall be fifty (50) years, pursuant to Utah Code Ann. §11-13-17 (1996), unless renewed as permitted by law, or until earlier dissolved as provided herein.

Section 2. CREATION OF A SEPARATE LEGAL ENTITY.

The parties to this agreement through their respective governing bodies and pursuant to the provisions of Utah Code Ann. §11-13-5 (1996), hereby create a legal entity to be known as Utah Association of Counties Insurance Mutual to provide the services described herein.

Section 3. PURPOSES

This Amended Interlocal Cooperation Agreement has been established and entered into between the members of Utah Association of Counties Insurance Mutual (herein referred to as the Mutual) for the following purposes:

1. To comply with the Utah Insurance Code and other applicable laws of the State of Utah;
2. To ratify the previous formation of a group-funded Mutual to fund through joint self-insurance, reinsurance, excess insurance, or other lawful manner, certain liabilities of member Utah counties, as permitted by the Utah Insurance Code and determined by the Board, with the powers set forth in the Amended Bylaws;
3. To provide, through the Mutual, certain claims and risk management services related to the liabilities so funded, and assist members in reducing and preventing such liabilities; and
4. To provide other services and functions as permitted by law and the Articles of Incorporation of the Mutual.

Section 4. ADMINISTRATION OF UTAH ASSOCIATION OF COUNTIES INSURANCE MUTUAL.

The parties hereby agree that Utah Association of Counties Insurance Mutual shall contract with Utah Association of Counties for administrative and management services, including a reasonable fee approved by the Board of Trustees and Utah Association of Counties to cover the cost of the services so provided.

Section 5. MEMBERS.

Membership in the Mutual is limited to those counties which are members of the Utah Association of Counties and which properly enter into this Amended Interlocal Cooperation Agreement. Members shall have the power to:

1. Elect Trustees;
2. Remove any Trustee from the Board by a two-thirds vote of the members present at a meeting;
3. Voluntarily dissolve the Mutual, but only at a meeting at which a majority of all members, whether present at the meeting or not, vote in favor of the dissolution; and

4. Amend the Bylaws or the Articles of Incorporation by a two-thirds vote of the members present at a meeting.

Section 6. BOARD OF TRUSTEES.

The Mutual shall be governed by a Board of Trustees. The Trustees shall be elected by the members, shall serve at the pleasure of the members and may be removed by the members in accordance with the Bylaws.

The Board may exercise all powers of the mutual except those powers reserved to the members, and all powers necessary and proper for the operation of the Mutual and implementation of the Mutual, subject to the limits of the Articles of Incorporation, Amended Bylaws, and the Utah Insurance Code. The Board is responsible for all operations of the Mutual.

The Board shall adopt such procedures as it deems necessary or desirable for the conduct of its business.

Section 7. OFFICERS.

The Board of Trustees shall elect and establish the duties of officers of the Mutual in accordance with Utah law, the Amended Bylaws, and the Articles of Incorporation.

Section 8. COMMITTEES.

The board of Trustees may establish from time to time such committees as shall be deemed appropriate by said board.

Section 9. MANNER OF FINANCING.

Utah Association of Counties Insurance Mutual shall be funded by contributions from the members, the amount of such contributions shall be established by the Board of Trustees and consistent with the Utah Insurance Code.

All monies of the Mutual, and earnings thereon, shall be held in the name of and for the use and benefit of the Mutual.

Utah Association of Counties Insurance Mutual is not an assessable mutual.

Section 10. PROPERTY USED IN COOPERATIVE UNDERTAKING.

Any real or personal property acquired, held, and used pursuant to this cooperative undertaking shall be administered and controlled by the Board of Trustees established in Section 6 hereof, Any disposition of said real or personal property shall

also be administered and controlled by said Board of Trustees, pursuant to the terms of this Agreement.

The provisions of this Amended Agreement and the assets of the Mutual are for the benefit of the members of the Mutual only, and no other persons or entities shall have any rights or interest in this Agreement or in any of the other documents referred to herein or in any such assets, as a third party beneficiary or otherwise. The assets of the Mutual shall not be subject to attachment, garnishment, or any equitable proceeding.

In the event of a voluntary dissolution of the Mutual, as provided in Section 5 hereof, the property of the Mutual not used or needed for the purposes of the Mutual, including its contractual obligations, shall be distributed, as determined by the Board, only to Utah counties which are members of the Mutual at the time of dissolution.

Section 11. ADDITION OF OTHER MEMBERS.

Other counties may become parties to this Amended Interlocal Cooperation Agreement, subject to the approval of the Board of Trustees, by executing an Addendum to this Agreement. In order for a county to be added to this Agreement by Addendum, the Addendum must be approved by the governing body of the county to be added and the Addendum must be reviewed and approved for form and compatibility with the laws of the State of Utah by the attorney for the county to be added. Prior to becoming effective, this Amended Interlocal Cooperation Agreement and the Addendum shall be filed with the person who keeps the records of the public agency being added to this Agreement.

Section 12. TERMINATION OF PARTICIPATION.

The parties of this Amended Agreement may withdraw from participation or be terminated by the provisions for withdrawal or termination included in the Amended Bylaws.

A withdrawn member shall lose all voting rights upon the effective date of withdrawal. Any claim of title or interest to any asset of the Mutual, and any continuing obligation of the Mutual to the member or of the member to the Mutual, after the effective date of the member's withdrawal, shall be consistent with these Bylaws, the Amended Agreement and any policy adopted by the Board, and the Code.

A member shall lose all voting rights upon termination of its membership. Any claim of title or interest to any asset of the Mutual, and any continuing obligation of the Mutual to the member or of the member to the Mutual, after the termination of membership, shall be as determined consistent with the Agreement, these Bylaws, any policy adopted by the Board, and the Code.

Section 13. INDEMNIFICATION.

It is the intent of the Mutual to provide the broadest possible immunity from personal liability to each trustee, officer, and employee of the Mutual allowed by applicable laws of the State of Utah including, but not limited to, the Utah Governmental Immunity Act, the Utah Non-Profit Corporation and Co-operative Association Act and the Utah Insurance Code, as amended from time to time. The Mutual shall defend and indemnify the trustees, officers and employees of the Mutual against any and all expense, including attorney fees and liability expenses, sustained by them or any of them in connection with any suit or suits which may be brought against them involving or pertaining to any of their acts or duties to the fullest extent allowed by the laws of the State of Utah.

The Mutual shall purchase liability or other appropriate insurance providing coverage for the trustees, officers and employees of the Mutual. Nothing herein shall be deemed to prevent compromises of any litigation where the compromise is deemed advisable in order to prevent greater expense or cost in the defense or prosecution of such litigation.

Neither these Amended Bylaws nor any action of the governing body of a county in adopting these Amended Bylaws is intended to nor do they waive, nor shall they be construed as waiving, any immunity or limitation on liability provided to the members or their officers or employees by any law, including but not limited to any such immunity or limitation appearing in the Utah Governmental Immunity Act, and amendments thereto.

Section 14. FILING OF INTERLOCAL COOPERATION AGREEMENT.

Executed copies of this Amended Interlocal Cooperation Agreement shall be placed on file in the office of the County Clerk of each of the Members to this Amended Agreement, and shall remain on file for public inspection during the term of this Interlocal Cooperation Agreement.

Section 15. AMENDMENTS.

This Interlocal Cooperation Agreement may not be amended, changed, modified or altered except by an instrument in writing which shall be (a) approved by Resolution of the governing body of each of the parties, (b) executed by a duly authorized official of each of the parties, (c) submitted to and approved by an Authorized Attorney of each of the parties, as required by Utah Code Ann §11-13-9 (1996), and (d) filed in the official records of each party.

Section 16. SEVERABILITY.

If any term or provision of the Amended Interlocal Cooperation Agreement or the

application thereof shall to any extent be invalid or unenforceable, the remainder of this Amended Interlocal Cooperation Agreement, or the application of such term or provision to circumstances other than those with respect to which it is invalid or unenforceable, shall not be affected thereby, and shall be enforced to the extent permitted by law. To the extent permitted by applicable law, the parties hereby waive any provision of law which would render any of the terms of this Amended Interlocal Cooperation Agreement unenforceable.

Section 17. GOVERNING LAW.

All questions with respect to the construction of this Amended Interlocal Cooperation Agreement, and the rights and liability of the parties hereto, shall be governed by the laws of the State of Utah.

Section 18. EXECUTION BY COUNTERPART.

This Amended Agreement may be executed in counterparts. The original of each executed Agreement shall be filed with the Mutual.

IN WITNESS WHEREOF, the parties have signed and executed this Amended Interlocal Cooperation Agreement, after resolutions duly and lawfully passed, on the dates listed below:

Dated this 22nd day of August, 2000.

BOARD OF COUNTY COMMISSIONERS
DAGGETT COUNTY

S E A L

By: s/s James M. Briggs
James M. Briggs, County Commission Chair

ATTEST:

By: s/s Vicky McKee
Vicky McKee, Daggett County Clerk-Treasurer

APPROVED AS TO FORM AND COMPATIBILITY WITH THE LAWS OF THE
STATE OF UTAH:

By: s/s Dennis L. Judd
Dennis L. Judd, Daggett County Attorney