

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

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 1, et seq, 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 Commission of Tooele County, Utah, has determined that the interests and welfare of the public within Tooele County's jurisdiction will best be served by an Amended Interlocal Cooperation Agreement with other members of Utah Counties Insurance Pool relating to the establishment, funding and operation of Utah Counties Insurance Pool.

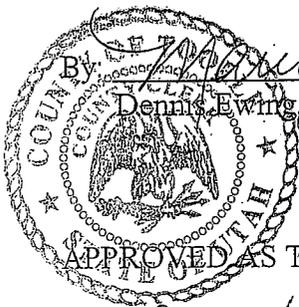
NOW, THEREFORE, be it resolved by the Board of County Commission of Tooele County, Utah, that Tooele County approve and authorize the Commission Chair to execute an Amended Interlocal Cooperation Agreement with other members of Utah Counties Insurance Pool relating to the establishment, funding and operation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

APPROVED AND ADOPTED this 22nd day of August, 2006.

BOARD OF COUNTY COMMISSION
TOOELE COUNTY, UTAH

By: *Dennis Rockwell*
Dennis Rockwell, Chair

ATTEST:



By: *Marilyn K. Gillette*
Dennis Ewing, Clerk, Tooele County

Marilyn K. Gillette
Chief Deputy Clerk

APPROVED AS TO FORM:

By: *Douglas Ahlstrom*
Douglas Ahlstrom, Attorney, Tooele County

AMENDED INTERLOCAL COOPERATION AGREEMENT

THIS IS AN INTERLOCAL COOPERATION AGREEMENT, made and entered into by and between members of Utah Counties Insurance Pool, 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. §11-13-101 et. seq., 1953 as amended, the Governmental Immunity Act, § 63-30-1 et. seq., 1953 as amended, and the Utah Insurance Code, Utah Code Ann. § 31A-1-103, 1953 as amended, 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 Counties Insurance Pool as a public agency insurance mutual; and

WHEREAS, the members of Utah Counties Insurance Pool 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. §11-13-204, 1953 as amended, 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. §11-13-203, 1953 as amended, hereby create a legal entity to be known as Utah Counties Insurance Pool 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 Counties Insurance Pool (herein referred to as the Pool) 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 Pool 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 Pool, 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 Amended Articles of Incorporation of the Pool.

Section 4. MEMBERS.

Membership in the Pool is limited to Utah counties. 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 Pool, 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 5. BOARD OF TRUSTEES.

The Pool 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.

1. The Board shall be comprised of thirteen persons in the following manner:
 - a. One Trustee, appointed by the governing body of Davis County, representing Davis County;
 - b. One Trustee, appointed by the governing body of Utah County, representing Utah County;

- c. One Trustee, appointed by the governing body of Washington County, representing Washington County;
- d. One Trustee, appointed by the governing body of Weber County, representing Weber County;
- e. Two Trustees, elected by member counties of the third class, representing Counties of the third class;
- f. One Trustee, elected by member counties of the fourth class, representing counties of the fourth class;
- g. One Trustee, elected by member counties of the fifth and sixth class, representing Counties of the fifth and sixth class;
- h. Two Trustees, elected by all member counties, representing all counties at large;
- i. One Trustee, appointed by the Board, shall be a sheriff of a member county, who serves as the Chair of the Law Enforcement Committee;
- j. One Trustee, appointed by the Board, shall be the Chair of the Litigation Management Committee;
- k. One Trustee, appointed by the Board, shall be the Chair of the Personnel Committee.

Trustees serving pursuant to subsections (e)-(h) shall be Designated as "Elected Trustees" and serve two-year overlapping terms. Trustees serving pursuant to subsections (a)-(d) shall serve for two-year terms. Trustees serving pursuant to subsections (i)-(k) shall serve for two-year terms and may be reappointed to subsequent terms by the Board.

- 2. Each Trustee shall be an elected or appointed officer or an employee of a Member.
- 3. Election of Trustees shall take place at the annual meeting of the Members. Elected Trustees shall assume office at the first Board meeting of the calendar year following their election.
- 4. Powers of the Board:
 - a. Delegate, by resolution adopted at a meeting of the Trustees and specifically defined in the written minutes of the Trustees' meetings, authority for specific functions to the Chief Executive Officer, but only to the extent permitted by the laws of the State of Utah and these Bylaws.

- b. Establish premiums, pursuant to guidelines adopted by the Board from time to time.
- c. Serve as the policyholder of any group policies or plans.
- d. Determine the methods of claim administration and payment; provide for claim experience for the Members collectively or separately; and establish claim procedures and conditions to be met prior to the payment or defense of a claim.
- e. Jointly self-insure or obtain reinsurance or excess insurance (specific or aggregate), or any combination thereof, or otherwise provide for the funding of coverages and adopt and adjust coverages provided by or through the Pool, as the Board deems appropriate.
- f. Establish employment policies for the employees of the Pool including but not limited to policies, salaries and benefits.
- g. Provide for the administration of the moneys of the Pool, for the manner of payments to the Pool, and for payment of all expenses of the Pool; establish standards for the accountability of all receipts and disbursements of the Pool; and establish procedures for safekeeping, handling, and investing such monies received or paid.
- h. Acquire, lease, hold, and dispose of real and personal property.
- i. Exercise the full power and authority of any Member of the Pool when requested to do so by the Member's governing body.
- j. Provide for necessary activities, and enter into contracts as necessary or appropriate to accomplish the purposes of the Pool.
- k. Do any act permitted by law and not in conflict with these Bylaws, the Agreement, or the Amended Articles of Incorporation of the Pool.
- l. Provide for an independent audit of claim handling procedures, payments, and overall operations of the Pool, at such times as the Board may determine.
- m. Establish loss reduction, prevention and risk management policies, procedures, and requirements for Members of the Pool and provide risk management services and educational and other programs related to risk management.

- n. Appoint committees from time to time, as the Board considers appropriate.
- o. Formally appoint the Chair of the Law Enforcement Committee, Litigation Management Committee and Personnel Committee.
- p. Approve a list of attorneys or law firms authorized to represent Members in claims covered by or through the Pool.
- q. Obtain the services of agents, attorneys, brokers, consultants, employees, and service providers as necessary or appropriate for the operation of the Pool.
- r. Exercise all powers of the Pool except those powers reserved to the Members, and all powers necessary and proper for the operation of the Pool and implementation of the Pool, subject to the limits of the Agreement, the Amended Articles of Incorporation, Bylaws, and the Code. The Board is responsible for all operations of the Pool.

Section 6. OFFICERS.

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

Section 7. COMMITTEES.

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

Section 8. MANNER OF FINANCING.

Utah Counties Insurance Pool 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 Pool, and earnings thereon, shall be held in the name of and for the use and benefit of the Pool. The Board of Trustees shall prepare an annual budget consistent with Utah Code Ann. 17A-1-408 et. seq.

Utah Counties Insurance Pool is not assessable.

Section 9. 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 5 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 Pool are for the benefit of the members of the Pool 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 Pool shall not be subject to attachment, garnishment, or any equitable proceeding.

In the event of a voluntary dissolution of the Pool, as provided in Section 4 hereof, the property of the Pool not used or needed for the purposes of the Pool, including its contractual obligations, shall be distributed, as determined by the Board, only to Utah counties which are members of the Pool at the time of dissolution. Such dissolution shall be handled as provided in Section 12

Section. 10. 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 11. TERMINATION OF PARTICIPATION.

Any Member may withdraw from the Pool, at the end of a coverage period after giving the Board timely written notice of such withdrawal, pursuant to a resolution of the Member's governing body. Timely written notice of such withdrawal must be provided to the Board no later than 120 days prior to the date the Member's coverage would otherwise renew. The Board shall consider a timely written notice of withdrawal to be a final decision unless the notice is withdrawn by the Member 90 days prior to the date the Member's coverage would otherwise renew. The Board may, by a three-fourths vote and at its sole discretion, agree to permit an earlier date of withdrawal.

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 Pool, and any continuing obligation of the Pool to the member or of the member to the Pool, after the effective date of the member's withdrawal, shall end.

A member shall lose all voting rights upon termination of its membership. The terminating member shall lose any claim of title or interest to any asset of the Pool, and any continuing obligation of the Pool to the member or of the member to the Pool, after the termination of membership, shall end.

Section 12. DISSOLUTION AND DISPOSITION OF PROPERTY.

The Pool may be dissolved by a majority of the Members voting in favor of dissolution at a meeting. In the event of voluntary dissolution of the Pool, the assets of the Pool not used or needed for the purposes of the Pool, including its contractual obligations shall be distributed, as determined by the Board, only to Utah counties, which are Members of the Pool at the time of dissolution.

Upon partial or complete dissolution of the Pool by the Members, the Trustees shall determine all other matters relating to the disposition of property and dissolution of the Pool by a two-thirds vote of all Trustees.

Each member's interest in the property of the Pool shall be calculated as follows:

1. The sum of the contributions for all fund years for which the member was a participant in the Pool divided by all contributions received by the Pool during its life, is the ratio used to calculate interest in Pool property other than equity, which is defined for these purposes as cash or cash equivalent assets of the Pool.
2. For equity calculation, the ratio of each member's contributions to the total contributions shall be computed for each fund year. The member's contribution ratio shall then be multiplied by the total surplus, less any borrowed surplus, attributable to a fund year as stated in the most recent monthly financial statement. A member's total equity will be the sum of the yearly amounts for each fund year for which that member was a participating member in the Pool.
3. In the event that the surplus amount is a negative number, a member's equity will be decreased using the same method of calculation as above.
4. In the event of a voluntary withdrawal or an involuntary termination of membership, the withdrawn or terminated member shall lose and have no claim to any Pool property or assets. The property interest or equity formerly attributed to that member for each fund year shall be allocated to the remaining counties that were members during that year.

The Board shall serve as trustees for the disposition of property or funds, payment of obligations, dissolution and winding up of the affairs of the Pool.

Section 13. INDEMNIFICATION.

It is the intent of the Pool to provide the broadest possible immunity from personal liability to each trustee, officer, and employee of the Pool 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 Pool shall defend and indemnify the trustees, officers and employees of the Pool 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 Pool shall purchase liability or other appropriate insurance providing coverage for the trustees, officers and employees of the Pool. 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 this Amended Agreement nor any action of the governing body of a county in adopting this Amended Agreement 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 reviewed by an Authorized Attorney of each of the parties, as required by Utah Code Ann. §11-13-202.5(3), 1953 as amended, 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.

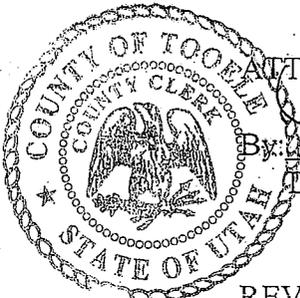
This Amended Agreement may be executed in counterparts. The original of each executed Agreement shall be filed with the Pool.

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, 2006.

BOARD OF COUNTY COMMISSION
TOOELE COUNTY

By: *Dennis Rockwell*
Dennis Rockwell,
Tooele County Commission Chair



ATTEST:

By: *Marilyn K. Gillette*
Dennis Ewing, Clerk, Tooele County
Marilyn K. Gillette
Chief Deputy Clerk

REVIEWED AND FOUND TO BE IN PROPER FORM AND COMPLIANCE WITH APPLICABLE LAW.

By: *Douglas Ahlstrom*
Douglas Ahlstrom, Tooele County Attorney