



Human Resources & Development Department COUNTY OF TULARE AGENDA ITEM

BOARD OF SUPERVISORS

ALLEN ISHIDA
District One

PETE VANDER POEL
District Two

PHILLIP A. COX
District Three

J. STEVEN WORTHLEY
District Four

MIKE ENNIS
District Five

AGENDA DATE: June 11, 2013

Public Hearing Required	Yes <input type="checkbox"/>	N/A <input checked="" type="checkbox"/>
Scheduled Public Hearing w/Clerk	Yes <input type="checkbox"/>	N/A <input checked="" type="checkbox"/>
Published Notice Required	Yes <input type="checkbox"/>	N/A <input checked="" type="checkbox"/>
Advertised Published Notice	Yes <input type="checkbox"/>	N/A <input checked="" type="checkbox"/>
Meet & Confer Required	Yes <input type="checkbox"/>	N/A <input checked="" type="checkbox"/>
Electronic file(s) has been sent	Yes <input checked="" type="checkbox"/>	N/A <input type="checkbox"/>
Budget Transfer (Aud 308) attached	Yes <input type="checkbox"/>	N/A <input checked="" type="checkbox"/>
Personnel Resolution attached	Yes <input type="checkbox"/>	N/A <input checked="" type="checkbox"/>
Agreements are attached and signature line for Chairman is marked with tab(s)/flag(s)	Yes <input checked="" type="checkbox"/>	N/A <input type="checkbox"/>

CONTACT PERSON: Jeffrey T. Cardell PHONE: 636-4900

SUBJECT: Approval of the Revised Joint Powers Agreement Creating the San Joaquin Valley Insurance Authority

REQUEST(S):

That the Board of Supervisors:

Approve revision of the Joint Powers Agreement Creating the San Joaquin Valley Insurance Authority

SUMMARY:

In October 2009, your Board approved execution of a Joint Exercise of Powers Agreement (JPA) creating the San Joaquin Valley Insurance Authority (SJVIA) with the County of Fresno for the purpose of jointly providing health benefits to eligible employees and retirees. The JPA agreement was amended in 2012 primarily for the purpose of offering SJVIA insurance programs to other entities.

The purpose of revision at this time is to add the Central San Joaquin Valley Risk Management Authority (RMA) as a party to the SJVIA JPA Agreement. The RMA is a joint powers authority of more than fifty Central Valley cities that provides cost effective risk financing and risk control services. In 2012, the RMA formed an ad hoc committee to explore health care program options for its members. After extensive review and research the RMA ad hoc committee and its Executive Committee are recommending to the RMA Board of Directors to join the SJVIA. The matter will be presented to the RMA Board on June 28.

The addition of the RMA to the SJVIA as a JPA member entity will help to grow and promote the SJVIA to surrounding cities, counties and special districts. Although the RMA is not requiring all of its member entities to participate in the medical program, even though three have become participating members, they are expected

SUBJECT: Revision of the Joint Powers Agreement Creating the San Joaquin Valley
DATE: Insurance Authority
June 11, 2013

to promote the SJVIA as a viable option for its members. This is consistent with the SJVIA Board direction that growth opportunities be considered in situations where it would benefit the Counties of Fresno and Tulare.

The attached SJVIA JPA Agreement has been approved by the SJVIA Board and is being presented to the Tulare County and Fresno County Boards for approval.

FISCAL IMPACT/FINANCING:

Revision of this agreement does not result in increased cost to the County.

LINKAGE TO THE COUNTY OF TULARE STRATEGIC BUSINESS PLAN:

Organizational Performance: Continuously improve organizational effectiveness and fiscal stability. Provide for the stability of county operations through periods of economic fluctuations, changing priorities and service demands.

ADMINISTRATIVE SIGN-OFF:

Jeffrey T. Cardell
Human Resources Director

Cc: Auditor-Controller
County Counsel
County Administrative Office (2)

Attachment(s) Amended & Restated Joint Exercise of Powers Agreement
Summary of Changes to Joint Exercise of Powers Agreement

SUBJECT: Revision of the Joint Powers Agreement Creating the San Joaquin Valley
DATE: Insurance Authority
June 11, 2013

Summary of Substantive Changes to Joint Exercise of Powers Agreement Creating the
San Joaquin Valley Insurance Authority

- **Introduction**

- Proposed Effective Date: July 1, 2013
- Includes the Central San Joaquin Valley Risk Management Authority as a party to the Agreement in addition to Tulare and Fresno Counties and throughout the agreement refers to all three as the Parties replacing COF and COT.

- **Article 1 - Definitions**

- “Joint Powers Authority” - Added “Joint Powers Authority” to clarify that a Joint Powers Authority is a group or Agency that has been established according to applicable California joint powers law.
- “Participating Entity” – Expanded the definition of a “*Participating Entity*” - *to clarify that the obligations of Participating Entity, which is not a signator to the JPA agreement, are spelled out in a Participation Agreement.*

- **Article 10 – Administration**

- Adds the SJVIA Assistant Manager as a staff member appointed by the Board along with the duties that are performed to support the SJVIA.

- **Article 15 – Termination**

- Upon termination of the JPA agreement all debts in addition to the assets shall be distributed amongst the Parties and the Participating Entities.

**BEFORE THE BOARD OF SUPERVISORS
COUNTY OF TULARE, STATE OF CALIFORNIA**

IN THE MATTER OF APPROVAL OF THE)
REVISIED JOINT POWERS AGREEMENT) Resolution No. 2013-
CREATING THE SAN JOAQUIN VALLEY) Agreement No. 26
INSURANCE AUTHORITY)

UPON MOTION OF SUPERVISOR, SECONDED BY SUPERVISOR, THE
FOLLOWING WAS ADOPTED BY THE BOARD OF SUPERVISORS, AT AN OFFICIAL
MEETING HELD JUNE 11, 2013, BY THE FOLLOWING VOTE:

AYES: SUPERVISORS ISHIDA, VANDER POEL, COX, WORTHLEY AND ENNIS
NOES: NONE
ABSTAIN: NONE
ABSENT: NONE

ATTEST: JEAN M. ROUSSEAU
COUNTY ADMINISTRATIVE OFFICER/
CLERK, BOARD OF SUPERVISORS

BY: _____
Deputy Clerk

* * * * *

Approved revision of the Joint Powers Agreement Creating the San Joaquin Valley
Insurance Authority.

HR&D

DAY
6/11/13

**AMENDED & RESTATED
JOINT EXERCISE OF POWERS AGREEMENT
CREATING
THE SAN JOAQUIN VALLEY INSURANCE AUTHORITY
(SJVIA)**

EFFECTIVE DATE: JULY 1, 2013

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**JOINT EXERCISE OF POWERS AGREEMENT
CREATING THE SAN JOAQUIN VALLEY INSURANCE AUTHORITY (SJVIA)**

THIS amended and restated Agreement ("Agreement") is made and entered into effective 1st day of July, 2013, by and between the COUNTY OF FRESNO, a political subdivision of the State of California, hereinafter referred to as "COF", the COUNTY OF TULARE, a political subdivision of the State of California, hereinafter referred to as "COT" and the Central San Joaquin Valley Risk Management Authority, a joint powers authority, hereinafter referred to as "CSJVRMA".. COF, COT and CSJVRMA each are a "Party" to this Agreement, and COF, COT and CSJVRMA together are the "Parties" to this Agreement.

RECITALS

WHEREAS, Article 1, Chapter 5, Division 7, Title 1 of the California Government Code (Section 6500 et seq.) permits two or more public agencies by agreement to exercise jointly powers common to the contracting parties; and

WHEREAS, the Parties each are public agencies, which have the common power, pursuant to California Government Code section 23004(c), to make contracts necessary to the exercise of their respective powers; and

WHEREAS, the Parties desire to join together for the purpose of creating a new joint powers agency that will negotiate, purchase or otherwise fund health, vision, dental, and life insurance for the employees of COF and certain employees of COT, in all instances subject to obtaining a financial commitment by Parties to pay for their respective costs thereof as provided herein; and

WHEREAS, the Parties desire to secure such coverage, as hereinafter provided, for the purpose of obtaining such other coverage and/or insurance policies at more favorable rates, and administering such insurance programs with greater efficiency, than they could obtain by their individual efforts; and

WHEREAS, collaboration and consolidation of governmental services benefits the public and the taxpayer, and if the Parties determine that it is to their mutual benefit, the Parties believe the SJVIA should provide access to other public agencies in proximity to and with interests and risks similar to those of the Parties by considering the execution of a Participation Agreement among the SJVIA and such other public agencies that would permit such other public agencies to participate in the SJVIA insurance programs in the future, provided that such other public agencies make financial commitments similar to those made by the Parties in connection with this Agreement, as provided herein.

NOW THEREFORE, in consideration of their mutual promises, covenants and conditions, hereinafter set forth, the sufficiency of which is acknowledged, the Parties agree as follows:

ARTICLE I

DEFINITIONS

"SJVIA" shall mean the San Joaquin Valley Insurance Authority.

"Authority" shall mean the SJVIA created by this Agreement.

"Biweekly" shall mean an event or act which only occurs once every two weeks.

"Board of Directors" shall mean the governing body of the Authority.

"Fiscal year" shall mean that period of twelve months which is established by the Board of Directors as the fiscal year of the Authority.

"Government Code" shall mean the California Government Code.

"Insurance Program" shall mean a program of the Authority under which a participating Party,, or Participating Entity is or are able to obtain, through the Authority, primary or excess insurance, or Reinsurance, self-funded, pooled self-funded, or any combination thereof, as determined by the Board of Directors, in all instances subject to the Authority obtaining a financial commitment by the applicable Party to pay for their respective costs thereof, as herein provided. The Board of Directors may determine applicable criteria for determining eligibility in any insurance program, as well as establishing program policies and procedures.

"Joint Powers Authority" shall mean an Agency or Group that has been established pursuant to California joint powers law.

"Joint Powers Law" shall mean Article 1, Chapter 5, Division 7, Title 1 (commencing with Section 6500) of the Government Code.

"Participating Entity " shall mean a County, City, Special District or other Joint Powers Authority that has been approved by the Board of Directors to participate in an insurance program. The obligations, responsibilities as well as the terms and conditions of a participating entity, that is not a signatory to the SJVIA joint powers agreement are identified in a participation agreement,

"Risk Sharing and Risk Sharing Program" shall mean the comingling of resources of two or more Parties and/or participating entities for the purpose of sharing the funding of Insurance Program costs and expenses.

"Self-funded Benefits Program" shall mean the funding of program costs and expenses whereby the funding would come solely from the Party whose employees are receiving the benefits.

"(Self-funded) Pooled Benefits Program" shall mean the funding of program costs and expenses whereby the funding would come from more than one Party and have the element of Risk Sharing as defined in this Agreement.

"Reinsurance" shall mean insurance that is part of the insurance provider's risk that is assumed by other insurance companies in return for part of the premium paid by the Authority in order to lessen or spread the risk of the insurance provider with whom the Authority is contracting, and in return, to lessen the cost of such insurance to the Authority.

ARTICLE 2
PURPOSES OF THE AGREEMENT

This Agreement is entered into by the Parties so that the Authority shall jointly develop and obtain pooled self-funded or purchased Insurance Programs and related administrative services as selected by the Authority, in all instances subject to obtaining a financial commitment by Parties or a Participating Entity to pay for their respective costs thereof, as hereinafter provided. Such pooled self-funded or Insurance Programs obtained by the Authority shall be procured by whatever program the Parties agree to with the Authority, including self-funded, self-funded pools for the enumerated benefits as well as purchased insurance for health, pharmacy, vision, dental, mental health and life insurance, including Reinsurance thereof, and the provision of necessary administrative services. Such programs may include, but are not limited to, the creation of joint insurance funds, including primary and excess insurance funds, the pooling of self-insured claims and losses, purchased insurance, including reinsurance, and the provision of necessary administrative services. Such administrative services may include, but shall not be limited to, COBRA administration, eligibility management and reporting, health insurance consulting, actuarial consulting and claims adjusting,. Each program, including the costs thereof, shall be established and maintained separately from each other, provided however; the costs of administrative services may be allocated among such programs based upon any reasonable and equitable allocation method.

ARTICLE 3
TERM

This Agreement shall continue in full force and effect until terminated as provided herein.

ARTICLE 4
CREATION OF THE AUTHORITY

Pursuant to the Joint Powers Law, there is hereby created a public entity separate and apart from the Parties, to be known as the San Joaquin Valley Insurance Authority ("SJVIA" or the "Authority"), with such powers as are hereinafter set forth. The debts, liabilities and obligations of the Authority shall be the debts, liabilities or obligations of the Authority alone, except as provided in Article 15 of this agreement, and shall not constitute debts, liabilities, or obligations of any party to this Agreement notwithstanding the payment of respective costs as referenced in Article 2. The Authority, its Board, officers, membership and staff shall be governed by this Agreement, the Bylaws, and other documents duly adopted by the Authority.

ARTICLE 5
POWERS OF THE AUTHORITY

The Authority shall have all powers set forth in the Joint Powers Law, and is hereby authorized to do all acts necessary for the exercise of said powers. Such powers include, but are not limited to, the following:

- (a) To make and enter into contracts, including contracts with the Parties and/or Participating Entities pursuant to Article 11, subdivision (d) hereof.
- (b) To incur debts, liabilities, and obligations, subject to Section Article 11, subdivision (d) hereof.
- (c) To acquire, hold, or dispose of property, contributions and donations of property, funds, services, and other forms of assistance from persons, firms, corporations, and government entities, subject to Section Article 11, subdivision (d) hereof.
- (d) To sue and be sued in its own name, and to settle any claim against it.
- (e) To receive and use contributions and advances from the Parties and/or Participating Entities as provided in Government Code Section 6504, including contributions or advances of premiums, personnel, equipment, or property, subject to Section Article 11, subdivision (d) hereof.
- (f) To receive and use contributions and advanced from the Parties and Participating Entities including contributions or advances of premiums, personnel, equipment, or property, subject to Section Article 11, subdivision (d) hereof.
- (g) To invest any money in its treasury that is not required for its immediate necessities, pursuant to Government Code Section 6509.5.
- (h) To carry out all provisions of this Agreement. Said powers shall be exercised pursuant to the terms hereof and in the manner provided by law.

Pursuant to Government Code section 6509, the aforementioned powers shall be subject to those restrictions as apply to the COT.

ARTICLE 6
BOARD OF DIRECTORS
Composition of the Board of Directors

The Authority shall be governed by the Board of Directors, which shall be composed as follows: Seven directors, four of whom are appointed by the Board of Supervisors of the COF and three of whom are appointed by the Board of Supervisors of the COT. Each of the Board of Supervisors shall designate other members of their respective Boards of Supervisors to serve as the alternate or alternates in the absence of one or more appointed directors.

Voting Protocols

A majority of the membership of the Board of Directors shall constitute a quorum for the transaction of business (e.g., four present members of the seven member Board of Directors shall constitute a quorum). Approval of proposed actions requires a simple majority vote of the Board of Directors present at a meeting of the Board of Directors except as provided herein. Any action which would affect any one of the Authority's Insurance Programs shall additionally require the affirmative vote of a majority of those Board of Directors members who represent the Party participating in that Insurance Program. Enactment of any of the Board of Directors actions enumerated below shall require a supermajority vote of the Board of Directors. A supermajority is five of the seven members of the Board of Directors regardless of the number of voting members who are present at the Board of Directors meeting.

Matters subject to supermajority vote are:

1. Establishing the premium rates for each Party's cost of participating in any Authority Insurance Programs from year to year;
2. Approval of any rebates of excess funds or assessments or surcharges to the Parties and/or Participating Entities; or
3. Adopting any risk sharing formulas for self-funded, pooled self-funded or insured programs approved and obtained by the Authority.

ARTICLE 7 POWERS OF THE BOARD OF DIRECTORS

The Board of Directors shall have the following powers and functions:

- (a) The Board of Directors shall exercise all powers and conduct all business of the Authority, either directly or by delegation to its officers and staff.
- (b) The Board of Directors shall elect the officers of the Authority and shall appoint or employ necessary staff in accordance with Articles 9 and 10 hereof.
- (e) The Board of Directors shall cause to be prepared, and shall review, modify as necessary, and adopt the annual operating budget of the Authority.
- (f) The Board of Directors shall develop, or cause to be developed, and shall review, modify as necessary, and adopt each Insurance Program of the Authority, including all provisions for Reinsurance, if any, and administrative services necessary to carry out such Insurance Program.
- (g) The Board of Directors shall provide for necessary services to the Authority, the Parties and Participating Entities, by contract or otherwise, which may include, but shall not be limited to, risk

management consulting, loss prevention and control, centralized loss reporting, actuarial consulting, claims adjusting, and legal services.

(h) The Board of Directors shall provide general supervision and policy direction to the staff of the Authority.

(i) The Board of Directors shall have such other powers and duties as are reasonably necessary to carry out the purposes of the Authority , including, but not limited to, establishing Ad Hoc or Standing Committees of participating entities,

ARTICLE 8

MEETINGS OF THE BOARD OF DIRECTORS

(a) The Board of Directors shall hold at least one regular meeting each year and shall provide for such other regular meetings and for such special meetings as it deems necessary.

(b) The staff of the Authority shall provide for the keeping of minutes of regular and special meetings of the Board of Directors, and shall provide a copy of the minutes to each member of the Board of Directors at the next scheduled meeting.

(c) All meetings of the Board of Directors shall be called, noticed, held and conducted in accordance with the provisions of Government Code Section 54950 et seq.

(d) The Authority shall provide each of the Parties the agenda, including any supplements thereof, and any supporting agenda materials of all meetings of the Board of Directors not later than the time that the Authority publishes notice of such meetings pursuant to paragraph (c), immediately above.

ARTICLE 9

OFFICERS

The Board of Directors shall elect from its membership a President and Vice President of the Board of Directors, to serve for two-year terms. The President, or in his or her absence, the Vice President, shall preside at and conduct all meetings of the Board of Directors.

ARTICLE 10

ADMINISTRATION

(a) The following staff members shall be appointed by and serve at the pleasure of the Board of Directors:

(1) **SJVIA Manager ("Manager")**. The Authority shall have a Manager who shall be, at the selection of the Authority, either be the Human Resources Director of the COT or Deputy Director of Personnel or Employee Benefits Manager for the COF. The Authority's Manager shall administer the business and activities of the Authority, subject to the general supervision and policy

direction of the Board of Directors, and the scope of this Agreement, shall be responsible for all minutes, notices and records of the Authority and shall perform such other duties as are assigned by the Board of Directors within the scope of this Agreement. The charges to the Authority for the services of the Manager shall be determined by the board of supervisors of the county from which such staff members are appointed.

(2) **SJVIA Assistant Manager (“Assistant Manager”).** The Authority shall have an Assistant Manager who shall be, at the selection of the Authority, either be the Human Resources Director of the COT or Deputy Director of Personnel or Employee Benefits Manager for the COF. The Authority’s Assistant Manager shall, along with the Manager administer the business and activities of the Authority, subject to the general supervision and policy direction of the Board of Directors, and the scope of this Agreement, shall, along with the Manager be responsible for all minutes, notices and records of the Authority and shall perform such other duties as are assigned by the Board of Directors within the scope of this Agreement. The charges to the Authority for the services of the Manager shall be determined by the board of supervisors of the county from which such staff members are appointed.

3. Auditor-Treasurer of the COF or the COT. The duties of the Auditor-Treasurer are set forth in of this Agreement. Pursuant to Government Code Section 6505.5, the Auditor-Treasurer shall be the county auditor controller of the COF or the COT, at the selection of the Authority. Upon such selection, the Authority shall obtain the consent of the applicable county auditor controller to serve as the Authority’s Auditor-Treasurer.

(b) **Charges for Treasurer and Auditor Services.** Pursuant to Government Code Section 6505, the charges to the Authority for the services of the Auditor-Treasurer shall be determined by the board of supervisors of the county from which such staff members are appointed.

(c) **Other Staff.** The Board of Directors shall provide for the appointment of such other staff as may be necessary for the administration of the Authority.

ARTICLE 11

DEVELOPMENT, FUNDING AND IMPLEMENTATION OF INSURANCE PROGRAMS

(a) **Program Coverage.** The Authority may provide insurance coverage through a fully- or – partially-insured plan(s), or self-funded plan(s) or pooled self-funded plan(s) for:

- (1) Medical;
- (2) Pharmacy
- (3) Dental;
- (4) Vision;
- (5) Mental Health; and
- (6) Life or Disability Insurance.

The Board shall determine, for each such program, a minimum number of participants required for program implementation and may develop specific program coverage requiring detailed agreements for implementation of the above programs. The Authority's participation in each program is subject to an approved and executed Participation Agreement with the Parties or Participating Entities, as applicable, as provided herein.

The Board of Directors shall determine, for each such Program, a minimum number of participants required for such Program implementation.

(b) **Competitive Selection.** If the Authority seeks to provide coverage through a fully- or partially-insured plan or self-funded or pooled self-funded plan, the Authority shall conduct a competitive selection process to determine the provider(s) which will provide the Program. The competitive selection process shall be the according to policies for procuring services employed by the Party chosen by the Authority to administer its business and activities pursuant to Article 10 hereof as Manager.

(c) **Execution of Contract(s).** If the Authority and the Parties and/or Participating Entities execute a written contract(s) requiring the Authority to fund the Program(s), and the annual administrative expenses of the Authority, then the Authority shall timely execute the corresponding contract(s) with the provider(s).

ARTICLE 12

ACCOUNTS AND RECORDS

(a) **Annual Budget.** The Authority shall annually adopt an operating budget.

(b) **Funds and Accounts.** The Auditor-Treasurer of the Authority shall establish and maintain such funds and accounts as may be required by good accounting practices and by the Board of Directors. Separate accounts shall be established and maintained for each insurance program under development or adopted and implemented by the Authority. Books and records of the Authority in the hands of the Auditor-Treasurer shall be open to inspection at all reasonable times by authorized representatives of the Parties.

The Authority shall adhere to the standard of strict accountability for funds set forth in Government Code Section 6505.

(c) **Auditor's Report.** The Auditor-Treasurer, within one hundred and twenty (120) days after the close of each fiscal year, shall give a complete written report of all financial activities for such fiscal year to the Board of Directors the Parties and Participating Entities.

(d) **Annual Audit.** Pursuant to Government Code Section 6505, the Authority shall either make or contract with a certified public accountant to make an annual fiscal year audit of all accounts and records of the Authority, conforming in all respects with the requirements of that section. A report of the audit shall be filed as a public record with the Parties and Participating Entities and also with the county auditor of the county where the home office of the Authority is located and shall be sent to any public agency or person in California that submits a written request to the Authority. The report shall be filed

within six months of the end of the fiscal year or years under examination. Costs of the audit shall be considered a general expense of the Authority.

ARTICLE 13

RESPONSIBILITIES FOR FUNDS AND PROPERTY

(a) The Auditor-Treasurer shall have the custody of and disburse the Authority's funds. He or she may delegate disbursing authority to such persons as may be authorized by the Board of Directors to perform that function, subject to the requirements of (b) below. The Auditor-Treasurer shall hold and prudently invest any funds for which he or she has custody consistent with the Investment Policy of the Authority. The Auditor-Treasurer's primary objective in holding and investing such funds shall be: first, to safeguard the principal of such funds under his or her control; second, to meet the liquidity needs of the Authority; and third, to achieve a return on such funds under his or her control.

(b) Pursuant to Government Code Section 6505.5:

(1) Receive and acknowledge receipt for all funds of the Authority and place them in the treasury of the Treasurer to the credit of the Authority.

(2) Be responsible upon his or her official bond for the safekeeping and disbursements of all Authority funds so held by him or her.

(3) Pay any sums due from the Authority, as approved for payment by the Board of Directors or by anybody or person to whom the Board of Directors has delegated approval authority, making such payments from Authority funds upon warrants drawn by the Auditor.

(4) Verify and report in writing to the Authority and to the COF, COT and Participating Entities, as of the first day of each quarter of the fiscal year, the amount of money then held for the Authority, the amount of receipts since the last report, and the amount paid out since the last report.

(c) Pursuant to Government Code Section 6505.1, the President, the Vice-President, and such other persons as the Board of Directors may designate who shall have charge of, handle, and have access to the property of the Authority.

(d) The Authority shall secure and pay for a fidelity bond or bonds, in an amount or amounts and in the form specified by the Board of Directors, covering all officers and staff of the Authority, and all officers and staff who are authorized to have charge of, handle, and have access to property of the Authority.

ARTICLE 14

RESPONSIBILITIES OF PARTIES

The Parties shall have the following responsibilities under this Agreement:

(a) The board of supervisors of each Party shall appoint representative(s) to the Board of Directors, pursuant to Article 6 hereof.

(b) Each Party shall appoint an officer or employee of the Party to be responsible and serve as a liaison between the Party and the Authority for all matters relating to the Authority.

(c) Each Party and Participating Entity shall fund its share of the Authority's annual administrative expenses provided that such Party enters into a participation agreement as described in Article 11 hereof.

(d) Each Party and Participating Entity shall provide the Authority such other information or assistance as may be necessary for the Authority to develop and implement Programs under this Agreement.

(e) Each Party and Participating Entity shall cooperate with and assist the Authority, any insurer of the Authority, and other contractor in all matters relating to this Agreement, and shall comply with all Bylaws, and other rules by the Board of Directors.

(f) Each Party shall have such other responsibilities as are provided elsewhere in this Agreement, and as are established by the Board of Directors in order to carry out the purposes of this Agreement.

ARTICLE 15

TERMINATION

(a) The Parties may terminate this Agreement upon 180 days advance written notice to the other Parties and the Authority, provided however, if such notice is delivered after the start of an insurance program year, termination of this Agreement shall not be effective until the completion of that program year. . The written intent to terminate may be withdrawn no later than 120 days prior to the end of the program year.

(b) Upon termination of this Agreement, all assets/debts of the Authority in each program shall be distributed among the Parties in proportion to their cash contributions, including premiums paid and property contributed (at market value when contributed). The Board of Directors shall determine such distribution within six (6) months after disposal of the last pending claim or other liability covered by the Insurance Program.

(c) This Agreement and the Authority shall continue to exist until such time as the final disposition of all claims, distribution of all assets, and performance of all other functions necessary to conclude the affairs of the Authority.

ARTICLE 16
LIABILITY OF BOARD OF DIRECTORS, OFFICERS, COMMITTEE MEMBERS AND LEGAL
ADVISORS

The members of the Board of Directors, officers, committee members and legal advisors to any board or committees of the Authority shall use ordinary care and reasonable diligence in the exercise of their powers and in the performance of their duties pursuant to this Agreement. They shall not be liable for any mistake of judgment or any other action made, taken or omitted by them in good faith, nor for any action taken or omitted by any agent or employee selected with reasonable care, nor for loss incurred through investment of Authority funds, or failure to invest, performed in good faith.

No director, officer, committee member, or legal advisor to any board or committee shall be responsible for any action taken or omitted by any other director, officer, committee member, or legal advisor to any board or committee. No director, officer, committee member or legal advisor to any board or committee shall be required to give a bond or other security to guarantee the faithful performance of their duties pursuant to this Agreement.

The funds of the Authority shall be used to defend, indemnify and hold harmless the Authority and any director, officer, committee member or legal advisor to any board or committee for their actions taken within the scope of the authority of the Authority. Nothing herein shall limit the right of the Authority to purchase insurance to provide such coverage as is hereinabove set forth.

ARTICLE 17
BYLAWS

The Board of Directors may adopt Bylaws consistent with this Agreement which shall provide for the administration and management of the Authority.

ARTICLE 18
NOTICES

The Authority shall address notices, billings and other communications to the Parties as directed by the Parties. Each Party shall provide the Authority with the address to which communications are to be sent. Each Party shall address notices and other communications to the Authority at the office address of the Authority.

The Authority shall promptly give each Party and copy of any notice provided to the Authority from anyone, including notice from any insurance providers, or notice from the other Party, or of any notice provided by the Authority to anyone, including any insurance provider or notice to the other Party.

ARTICLE 19
AMENDMENT

Any matters of this Agreement may be modified from time to time by the written consent of all the Parties without, in any way, affecting the remainder.

ARTICLE 20
PROHIBITION AGAINST ASSIGNMENT

No Party may assign any right, claim or interest, or delegate any obligation that it may have under this Agreement, and no creditor, assignee or third party beneficiary of any Party shall have any right, claim or title to any part, share, interest, fund, premium or asset of the Authority.

ARTICLE 21
GOVERNING LAW

The Parties agree that for the purposes of venue, performance under this Agreement is to be in Fresno County, California.

The rights and obligations of the Parties and all interpretation and performance of this Agreement shall be governed in all respects by the laws of the State of California.

ARTICLE 22
SEVERABILITY

In the event any provisions of this Agreement are held by a court of competent jurisdiction to be invalid, void, or unenforceable, the Parties will use their best efforts to meet and confer to determine how to mutually amend such provisions with valid and enforceable provisions, and the remaining provisions of this Agreement will nevertheless continue in full force and effect without being impaired or invalidated in any way.

ARTICLE 23
AGREEMENT COMPLETE

This Agreement constitutes the entire agreement between the Parties with respect to the subject matter hereof and supersedes all previous agreement negotiations, proposals, commitments, writings, advertisements, publications, and understandings of any nature whatsoever unless expressly included in this Agreement. This Agreement may be executed in one or more original counterparts, all of which together will constitute one and the same agreement.

ARTICLE 24
FILING WITH SECRETARY OF STATE

The President of the Board of Directors of the Authority shall file a notice of this Agreement with the office of California Secretary of State within 30 days of its effective date, as required by Government Code Section 6503.5 and within 70 days of its effective date as required by Government Code Section 53051.

ARTICLE 25
DISPUTE RESOLUTION

Any controversy or dispute between the parties arising out of this agreement shall be submitted to mediation. The mediator will be selected by mutual agreement. If the matter cannot be resolved through mediation or if the parties cannot agree upon a mediator the matter shall be submitted to arbitration and such arbitration shall comply with and be governed by the provisions of the California Arbitration Act, of the California Code of Civil Procedure.

IN WITNESS WHEREOF, the Parties, have executed this amended and restated Joint Exercise of Powers Agreement creating the expanded SAN JOAQUIN VALLEY INSURANCE AUTHORITY as of the day and year first hereinabove written.

COUNTY OF FRESNO

Debbie Poochigian,
Chairman, Board of Supervisors

BERNICE E. SEIDEL, Clerk
Board of Supervisors

By _____

REVIEWED &
RECOMMENDED FOR APPROVAL

John Navarrette,
County Administrative Officer

APPROVED AS TO LEGAL FORM

Kevin Briggs,
County Counsel

APPROVED AS TO ACCOUNTING
FORM

Vicki Crow,
Auditor-Controller/Treasurer-Tax Collector

COUNTY OF TULARE

Pete Vander Poel,
Chairman, Board of Supervisors

Jean Rousseau, Clerk of the Board/
County Administrative Officer

By _____

REVIEWED &
RECOMMENDED FOR APPROVAL

Jean Rousseau,
County Administrative Officer

APPROVED AS TO LEGAL FORM

Katheen Bales-Lange,
County Counsel

CENTRAL SAN JOAQUIN VALLEY RISK MANAGEMENT AUTHORITY

Felix Ortiz
Board President

Mary Ann Reilly
Board Secretary

REVIEWED &
RECOMMENDED FOR APPROVAL

REVIEWED &
RECOMMENDED FOR APPROVAL

Jeanette Workman, Administrator

APPROVED AS TO LEGAL FORM

Luther R. Lewis, Counsel