

VERMILLION CLIFFS Special Service District

76 North Main Street Kanab, Utah 84741

NOTICE AND AGENDA OF THE VERMILLION CLIFFS SPECIAL SERVICE DISTRICT BOARD MEETING

PUBLIC NOTICE IS HEREBY GIVEN that the Vermillion Cliffs Special Service District of Kane County, State of Utah will hold a regular board meeting in the Commission Chambers at the Kane County Courthouse, 76 N. Main Street, Kanab, Utah on Wednesday, August 6, 2025 at the hour of 10:00 A.M.

*The Board Chair, in her discretion, may accept public comment on any listed agenda item unless more notice is required by the Open and Public Meetings Act.

WELCOME
INVOCATION
PLEDGE OF ALLEGIANCE

PUBLIC COMMENT:

CONSENT AGENDA:

- Approval of: VCSSD Meeting Minutes for July 1, 2025

REGULAR SESSION

1. Approve the UCIP Interlocal Agreement
2. Approve Resolution 2025-03- RESOLUTION APPROVING AND AUTHORIZING THE EXECUTION OF A SEVENTH AMENDED INTERLOCAL COOPERATION AGREEMENT WITH OTHER MEMBERS OF UTAH COUNTIES INDEMNITY POOL, RELATING TO THE ESTABLISHMENT, FUNDING AND OPERATION OF UTAH COUNTIES INDEMNITY POOL
3. Discussion on the application process of R&PP lease to acquire property for fire station.
4. Discussion on volunteer fire fighting program.
5. Review and discuss previous meetings items.

This meeting is available for call in option: Dial phone# 435-676-9000 – Enter participant code- 168030

Closed Session:

- Discussing an individual's character, professional competence, or physical or mental health.
- Strategy sessions to discuss collective bargaining, pending or reasonably imminent litigation, or the purchase, exchange lease or sale of real property.
- Discussions regarding security personnel, devices or systems.
- Investigative proceedings regarding allegations of criminal misconduct.

This meeting is available for call in option: Dial phone# 435-676-9000 – Enter participant code- 168030

VERMILLION CLIFFS Special Service District

76 North Main Street Kanab, Utah 84741

July 1, 2025 6:00 pm,
Kane County Commission Chambers
76 N. Main St. Kanab, UT

Minutes

Attending: Gwen Brown (chair), Patty Kubeja, Celeste Meyeres, Keiren Chatterly, Jeff Stott, Clayton Cutler.

Call to Order: Gwen Brown
Prayer: Celeste Meyeres
Pledge: Patty Kubeja

Public Comment:

Jim Mann: Questions about what exactly he would be paying for with the fee. States his concerns about the contract with Kanab City. States that he would like to get the governor's office involved to look into the contract.

Scott Buckner: Agrees with Mr. Mann's statement. Expresses concern that the fee is masquerading as a tax.

Board Member Brown clarifies that the contract has already been signed and*

Chris W: Is any part of the money being paid to the city being earmarked for capital expenses for future use?

Board Member Meyeres explains that a portion of the funds will be used as capital for future expenses.

Jim Vann: Who will be in charge of the funds?

The board and Treasurer Chatterly expound on this answer.

Public Member: Why was the contract signed if board members were not happy with it?

Board Member Brown speaks to this question and clarifies parts of the contract.

Public Member: When will the bill be received? Where is the location of the proposed potential fire station? Concerns about the selling of public lands and potential development.

The board answers these questions.

Jim Vann: Requests clarifications about one of the potential pieces of land. Board Member Kubeja speaks to the question.

A discussion between audience members and Kanab City Fire Chief Pierson ensues regarding funds, services, and fees. The board offers input and answers questions as needed. Attorney Stott also adds information.

Bruce: Concerns about equipment needs in the city versus the district; also expresses concern regarding equity. Inquiries about dispatch costs. 6:31 pm** The board speaks to the question about dispatch costs.

Vermillion Cliffs Special Service District Resolution No. R-2025-1 a Resolution Adopting the 2025 Budget:

The board turns the time to staff to go over the budget. Clerk Cutler and Treasurer Chatterly explain line items and expound on the proposed budget. Staff answer questions from the audience and clarifies any misinformation. The board provides background to the situation and adds other information regarding the contract with Kanab City.

Public Hearing:

Chris W: Concerned that there was no specific line item in the budget regarding education/training for volunteer firefighters.

The board addresses his concern.

Chief Pierson: Speaks to educating about fire prevention and safety. Also states that volunteer training can begin ASAP and mentions the importance of having the volunteers.

The board briefly discuss these points.

Motion to adopt Vermillion Cliffs Special Service District Resolution No. R-2025-1 Adopting the 2025 Budget.

Motion: Patty Kubeja

Motion passed unanimously.

Vermillion Cliffs Special Service District Resolution No. R-2025-2 a Resolution Adopting the Fee Schedule:

7:06 pm** Treasurer Chatterly and audience members discuss ways to make the tax notices more understandable to the general public. Staff and the board discuss communications, including a website and remind residents about the elections for a board made up of residents happening next November.

The board and Attorney Stott request clarification regarding a potential occupancy fee* to be established in the fee schedule. Board and staff members discuss the issue. Staff members answer questions from the board as they are asked.

Motion to adopt r-2025-2 with the amendment of a \$250 inception fee

Motion withdrawn

Motion to adopt r-2025-2 with the amendment of a \$250 administration fee and the formula for property** 7:26 pm

Motion: Celeste Meyeres

Motion passed unanimously.

Motion to adjourn.

Motion: Celeste Meyeres

Meeting adjourned at 7:28 pm.

Agenda Item #1

Approve the UCIP Interlocal
Agreement

UTAH COUNTIES INDEMNITY POOL

MEMBERSHIP APPLICATION

Name of Sponsoring County: Kane County

Name of Entity: Vermillion Cliffs Special Service District

Address: 76 N. Main Street

City: Kanab	State: Utah	ZIP Code: 84741
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Contact Name: Clayton Cutler	Phone Number: 435-817-5223	Email: ccutler@kane.utah.gov
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Description of Operations: Providing fire response in unincorporated areas of Kane County

Entity Operating Under Utah Code: 17D-1-209	Tax ID Number: 39-3055247	Date Created: May 29, 2025
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Total Building Values: 0	Total Contents Values: 0
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Total Computer Equipment Values: 0	Total Mobile Equipment Values: 0
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Total Miscellaneous Property Values: 0	Total Automobile Values: 0
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Number of Licensed Vehicles: 0	Number of Drones: 0
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Number of Full-Time Employees: 0	Number of Board Members: 3
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Total Annual Payroll: 0	Total Revenue: \$437,652.06
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ATTACH THE FOLLOWING SCHEDULES TO THIS APPLICATION

Property	Mobile Equipment	Automobile
Annual Budget	5-Year Loss History	Current Insurance Certificate

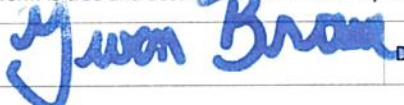
NOTES

Additional underwriting information may be required. Membership requires approval of the UCIP Board of Directors.

SIGNATURES

I affirm that the information provided on this form is true and accurate to the best of my knowledge.

Signature of Authorized Representative:

 Date: 7-7-25

Submit to:
Marty Stevens, Operations Specialist
Utah Counties Indemnity Pool
5397 S Vine Street
Murray, UT 84107-6757
801.307.2117
mstevens@ucip.utah.gov

Cybersecurity Questionnaire

These questions are intended to be answered by an IT Director (or equivalent professional) with adequate knowledge of your cybersecurity measures and protocols.

1. My organization/county has formalized IT and cybersecurity policies and plans that document, for example, guidelines for acceptable use of IT, passwords, reporting of unusual activity (e.g., workstation locking up or not functioning properly), cybersecurity training, and cyber incident response:
 - a. We have no documented policies or plans
 - b. We have some documented policies, procedures, and plans, but there are known gaps.
 - c. We have a robust, well documented IT and cybersecurity program that is current.
2. We review our organizations' IT and cybersecurity policies, procedures, and plans at least annually and we make updates/changes based on changes in the organization, the cybersecurity environment, and technology.
 - a. True
 - b. False
3. In the case of a cybersecurity incident, we report the incident to:
 - a. Cyber Insurance Provider
 - b. Cyber Insurance Provider and Law Enforcement
 - c. Cyber Insurance Provider, Law Enforcement, , and Cyber Incident Support Vendors (may include Cyber Forensics, Cyber Legal Support, and other cyber incident support)
 - d. None of the Above
4. Our staff receive mandatory cybersecurity awareness training at least annually on expectations of staff to recognize common cyber-attacks, such as social engineering and phishing, to report possible cybersecurity incidents or other types of cyber-attacks, and to know who to report cybersecurity issues/problems to.
 - a. No, we do not receive mandatory cybersecurity awareness training annually.
 - b. Yes, we are required to participate in mandatory cybersecurity awareness training at least annually.
5. We have staff (either internal staff or outsourced contractors/vendors) who are responsible for maintaining our IT systems and applying maintenance and cybersecurity patches to software on the workstations within our organization.
 - a. No, we do not have staff/contractors who perform this function.
 - b. Yes, we do have staff/contractors who perform this function.
6. Our staff logs in to their IT workstations using multi-factor authentication (e.g., receiving a text message to validate log in).
 - a. True
 - b. False

7. We have cybersecurity tools and systems that monitor who is on our network, when they are on the network, and what network resources they are using.

a. True
b. False

8. We have implemented email content filtering and web content filtering to identify unauthorized activity, malicious attachments, and other prohibited activity that may negatively impact our IT network and systems.

a. True
b. False

9. Our critical and sensitive data is backed up, stored and encrypted offline on a different logical or physical network such as a cloud backup to support recovery from a catastrophic cyber incident if required.

a. True, but our backups are not stored offline on a different logical network location; they are connected to our IT network, and they are encrypted.
b. True, our backups are offline (in a different logical network) and encrypted.
 c. True, our backups are offline (such as a manual hard drive backup, but they are not encrypted.
d. False, we do not back up our critical or sensitive data.

10. We have implemented tools (e.g., Endpoint Detection and Response tools such as Microsoft Defender for endpoints, CrowdStrike Falcon, or Malwarebytes Endpoint Security) to automatically monitor, log, and report unusual and unauthorized activities that occur on our IT workstations.

a. True
b. False

11. We have software/hardware that is no longer supported by the manufacturer or vendor but is active on our IT network.

a. Yes, we have outdated hardware or software on our network that is no longer supported by the manufacturer or vendor.
b. No, we do not have any hardware or software on our IT network that is no longer supported by the manufacturer or vendor.
c. I do not know.

12. We have a formal Disaster Recovery Plan and a formal Business Continuity Plan that guides us in setting the priority of system (applications / systems / databases) restoration to recover from a cyber incident that impacts our business operations.

a. True
 b. False

UTAH COUNTIES INDEMNITY POOL

SUPPLEMENTAL CRIME COVERAGE QUESTIONNAIRE

Name of Entity:

1) DO YOU AUDIT YOUR WIRE FUNDS TRANSFER PROCEDURES?

YES NO

2) DO YOU AUDIT THE USAGE OF GRANT FUNDS?

YES NO

3) ARE BANK ACCOUNTS RECONCILED MONTHLY?

YES NO *Currently No Funds - But will begin Aug 2025*

4) ARE BANK ACCOUNTS RECONCILED BY SOMEONE NOT AUTHORIZED TO DEPOSIT, WITHDRAW OR WRITE CHECKS?

YES NO

5) ARE YOUR SYSTEMS DESIGNED SO THAT NO SINGLE EMPLOYEE CAN CONTROL A TRANSACTION FROM THE BEGINNING TO END?

YES NO

6) DO YOU HAVE ANY EMPLOYEES ACTING IN THE CAPACITY OF AN IN-HOUSE CLAIMS ADJUSTER?

YES NO

7) DOES ANY EMPLOYEE HAVE ACCESS TO THE PURCHASING SYSTEM AND ALSO THE ACCOUNTS PAYABLE SYSTEM?

YES NO

8) DO YOU HAVE A SYSTEM TO DETECT PAYMENT TO FICTITIOUS SUPPLIERS?

YES NO

9) ARE BACKGROUND CHECKS PERFORMED ON VENDORS IN ORDER TO DETERMINE OWNERSHIP AND FINANCIAL CAPABILITY PRIOR TO DOING BUSINESS WITH THEM?

YES NO

10) IS AN AUTHORIZED VENDOR LIST UTILIZED AND UPDATED FOR ALL ANNUAL PURCHASES, WITH COMPETITIVE BIDDING REQUIRED OVER STATED AMOUNTS?

YES NO

11) ENTER ALL CLAIMS OR OCCURRENCES, WHETHER OR NOT PAID, THAT MAY HAVE GIVEN RISE TO CRIME COVERAGE RELATED CLAIMS FOR THE PRIOR 5 YEARS:

12) HOW MANY EMPLOYEES HANDLE, HAVE ACCESS TO, OR MAINTAIN RECORDS OF MONEY, SECURITIES, OR OTHER PROPERTY (INCLUDING, BUT NOT LIMITED TO, DIRECTORS, OFFICERS, TRUSTEES, AND ANY PERSON HANDLING OR HAVING ACCESS TO EMPLOYEE WELFARE OR BENEFIT PLAN ASSETS)? *3*

SIGNATURES

I affirm that the information provided on this form is true and accurate to the best of my knowledge.

Signature of Authorized Representative:



Date: *7-7-25*

Submit to:

Marty Stevens, Operations Specialist
Utah Counties Indemnity Pool
5397 S Vine Street
Murray, UT 84107-6757
801.307.2117
mstevens@ucip.utah.gov

RESOLUTION OF KANE COUNTY APPROVING PARTICIPATION OF THE
VERMILLION CLIFFS SPECIAL SERVICE DISTRICT IN THE UTAH COUNTIES
INDEMNITY POOL AS A SEPARATE COUNTY RELATED ENTITY MEMBER

WHEREAS, the Governing Body of Kane County, Utah, a participating Member of the Utah Counties Indemnity Pool, is the proper authority to sponsor the participation of the Vermillion Cliffs Special Service District, a separate county related entity; and

WHEREAS, the Governing Body of Kane County, Utah, has been informed that the Bylaws of the Utah Counties Indemnity Pool require that a separate county related entity must be sponsored by a participating Member County by resolution of the member's governing body;

WHEREAS, the Governing Body of Kane County, Utah, acknowledge that the Bylaws of the Utah Counties Indemnity Pool, requirements of eligibility have been met by the separate county related entity.

NOW, THEREFORE, be it resolved that the Governing Body of Kane County, Utah, hereby approves the Vermillion Cliffs Special Service District as a separate county related entity member, eligible to participate in the Utah Counties Indemnity Pool.

RESOLVED ADOPTED AND ORDERED this 8th day of July, 2025.

GOVERNING BODY
KANE COUNTY, UTAH

Clint Myers
Deven Brown
Tatty Chubeyea

ATTEST:

By: Chamill Lamb

APPROVED AS TO FORM:

By: Jeff



BYLAWS OF THE UTAH COUNTIES INDEMNITY POOL

These Amended Bylaws are adopted by the Board of Directors of the Utah Counties Indemnity Pool (“Pool”) in accordance with the Interlocal Cooperation Agreement entered into by the Members of the Pool, each of which hereby agrees to abide by the terms and conditions of these Amended Bylaws and all actions taken pursuant hereto.

ARTICLE 1. Authority.

- 1.1 These Bylaws are amended pursuant to the provisions of the Amended Interlocal Cooperation Agreement.
- 1.2 These Bylaws may be amended and shall continue in effect until amended as provided herein.
- 1.3 The Pool shall have all powers necessary or desirable to achieve the purposes of the Pool as set forth in the Agreement and these Bylaws.

ARTICLE 2. Definitions.

As used in these Bylaws, the following terms shall have the meaning hereinafter set out:

- 2.1 **Agreement or Amended Agreement.** The Amended Interlocal Cooperation Agreement for Utah Counties Indemnity Pool.
- 2.2 **Alternate Representative.** An individual authorized by a Member to vote in place of the Member’s Representative if the Member’s Representative is unable to vote.
- 2.3 **Board of Directors or Board.** The Board of Directors of the Utah Counties Indemnity Pool.
- 2.4 **Board Meeting.** A meeting of the Board of Directors where a quorum is present and for which proper notice has been provided in accordance with Utah law.
- 2.5 **Bylaws or Amended Bylaws.** The Amended Bylaws of the Utah Counties Indemnity Pool.
- 2.6 **Code, Statute or Utah Law.** The Utah Code, including Utah Code Ann. Titles 11, 63G and 31A, as amended from time to time.
- 2.7 **County or Counties.** One or more of the twenty-nine counties of the State of Utah.
- 2.8 **County Related Entity.** A political subdivision of the State of Utah which is an eligible Member under 4.3 of these Bylaws that provides services similar to those provided by Utah counties, or which provides a service to Utah counties.
- 2.9 **Chief Executive Officer.** The person designated by the Board of Directors as Chief Executive Officer of the Utah Counties Indemnity Pool.

2.10 **Director.** An individual Member of the UCIP Board of Directors.

2.11 **Elected or Appointed Official.** An individual elected or appointed to an office and currently serving in such office of a Member. For purposes of nominations and elections to the UCIP Board of Directors, Elected Official also means an official elect who has been elected to an office but has not yet taken office, or a candidate for an office running unopposed after the date for candidates to file for election has passed but before the canvass of election results.

2.12 **Member or Members.** A county or county related entity that is a party to the Amended Interlocal Cooperation Agreement.

2.13 **Membership Meeting.** A meeting of the Members of the Utah Counties Indemnity Pool where a quorum is present and for which proper notice has been provided in accordance with the Agreement and Bylaws.

2.10 **Officer or Officers.** The President, Vice-President, or Secretary-Treasurer elected in accordance with these Amended Bylaws.

2.11 **Pool.** Utah Counties Indemnity Pool, an Interlocal entity.

2.12 **Representative.** The person designated pursuant to Article 4.7(b) of these Bylaws to be a Member's official representative for the purposes of representing the Member by casting the Member's vote at a Membership Meeting.

2.13 **Risk Coordinator.** The person designated pursuant to Article 4.7(j) of these Bylaws to be a Member's primary contact with the Pool.

2.14 **Sponsoring Member.** A UCIP Member which is a County that sponsors the membership of a county related entity pursuant to Article 4.3(a)iii of these Bylaws.

2.15 **Surplus.** The amount shown as Net Position on the audited financial statements of the Pool.

ARTICLE 3. Purpose.

3.1 The Pool is formed, financed, organized, and shall operate in accordance with the Agreement and the provisions of these Bylaws.

ARTICLE 4. Members.

4.1 Membership in the Pool is limited to Utah counties and county related entities that properly enter into the Agreement.

4.2 Counties and county related entities, including former Members, may be admitted to the Pool after its formation only upon approval of the Board and subject to the conditions set

out in the Agreement, these Bylaws and such additional conditions as the Board may, from time to time, require.

4.3 County related entities may participate in UCIP as a separate Member pursuant to the following:

- (a) To be eligible as a separate UCIP Member a county related entity must:
 - i. have statutory authority to enter into an Interlocal Agreement;
 - ii. be able to meet the Member obligations enumerated in the UCIP Interlocal Agreement and Bylaws;
 - iii. be sponsored by a participating Member County by resolution of the Member's governing body; and
 - iv. provide services which are beneficial to the sponsoring Member County or county government generally.
- (b) In addition to the requirements of eligibility under 4.3(a):
 - i. A county related entity that is an Interlocal Agency must be organized and operated pursuant to Title 11, Chapter 13 of the Utah Code, and the Sponsoring Member must be a Member of the Interlocal Agency;
 - ii. A county related entity that is a Special Service District must be organized and operated pursuant to Title 17D, Chapter 1 of the Utah Code;
 - iii. A county related entity that is a Local Building Authority or Municipal Building Authority must be organized and operated pursuant to Title 17D, Chapter 2 of the Utah Code;
 - iv. A county related entity that is a Conservation District must be organized and operated pursuant to Title 17D, Chapter 3 of the Utah Code;
 - v. A county related entity that is a Local or Special District must be organized and operated pursuant to Title 17B of the Utah Code, and all Members of the Board of the Local or Special District must be appointed by the governing body of the Sponsoring Member.
 - vi. A county related entity that is a Recreation Board must be organized and operated pursuant to Title 11, Chapter 2 of the Utah Code;
 - vii. A county related entity that is a Community Development or Renewal Agency must be organized and operated pursuant to Title 17C, Chapter 1 of the Utah Code; or
 - viii. A county related entity that is a County Health District or multi-county Health District must be organized pursuant to Title 26A of the Utah Code;

4.4 Members shall be classified as one of the following Member types:

- (a) Equity Member; and
- (b) Non-equity Member.

Equity Members shall be included in the calculation of equity as described in the Agreement and these Bylaws. Non-equity Members shall not be included in calculations of, nor shall they have any ownership interest in, the Member equity of the Pool. Non-equity Members do not have a right to distributions of dividends, however Non-equity Member status does not restrict those Members from being included in distribution of dividends approved by the Board of Directors, and any dividend paid to a Non-equity Member shall be at the Board's sole discretion.

4.5 Members shall also be classified as either:

- (a) Voting; or
- (b) Non-voting Members.

Members, which are counties, shall be voting Members. Members, which are not counties, shall be non-voting Members.

4.6 Members shall meet at least once annually. A Membership Meeting may be called by the Board or President pursuant to a procedure to be established by the Board, or upon written request executed by at least 30 percent of the Members.

- (a) Notice of any Membership Meeting shall be mailed to each Member at least 15 days in advance.
- (b) The President, Vice President, or Secretary-Treasurer of the Board shall preside at the Membership Meeting or the President's designee if no other Officer is present at the meeting.
- (c) A majority of the voting Members shall constitute a quorum to do business.
- (d) Proxy voting shall not be allowed.
- (e) Each Member shall be entitled to one vote on each issue before the membership at any Membership Meeting, to be cast by its Representative or Alternate Representative if the Representative is unable to vote. The Representative and Alternate Representative shall be designated by the Member in accordance with Article 4.7(b) of the Bylaws.
- (f) The location of Membership Meetings will be as determined from time to time by the Board.

4.7 Members shall have the obligation to:

- (a) Pay promptly all contributions and other payments to the Pool at such times and in such amounts as shall be established in accordance with these Bylaws. Annual contributions are

due on or before the first day of January of the applicable fund year. Members making payments for annual contributions, or portions thereof, postmarked after January 31 shall be charged interest calculated daily at two percent above the rate that the Pool would have earned if the contributions had been deposited with the Public Treasurers Investment Fund (PTIF), subject to a \$10.00 minimum late fee. All other contributions are due 30 days after the invoice date. Members making payments, or portions thereof, postmarked 30 days after the invoice date shall be charged interest calculated daily at two percent above the rate that the Pool would have earned if the contributions had been deposited with the Public Treasurers Investment Fund (PTIF), subject to a \$10.00 minimum late fee.

- (b) Designate in writing a Representative and one or more Alternate Representatives for the Membership Meetings. Each Representative and Alternate Representative must be an elected or appointed officer or employee of a Member and must be appointed by majority vote of the governing body or by the county executive or county mayor of the Member to be the Member's official Representative for the purposes of casting the Member's vote at a Membership Meeting. An Alternate Representative may exercise all the powers of a Representative during a Membership Meeting, in the absence of the Representative.
- (c) Allow the Pool, its Chief Executive Officer, agents, contractors, employees and officers reasonable access to all facilities and records of the Member as required for the administration of the Pool and implementation of the Agreement, the Bylaws and policies of the Board.
- (d) Cooperate fully with the Pool's attorneys, its Chief Executive Officer, and any other agent, contractor, employee or officer of the Pool in activities relating to the purposes and powers of the Pool.
- (e) Provide information requested by the Pool, its Chief Executive Officer, and any other agent, contractor, employee or officer of the Pool, as reasonably required for the administration of the Pool.
- (f) Allow the Pool attorneys and others designated by the Pool, to represent the Member in the investigation, settlement and litigation of any claim within the scope of loss protection furnished by or through the Pool and also to deny coverage for any claims settled by a Member or for any monies paid by a Member toward claims without the prior written approval of the Pool.
- (g) Follow the claims, loss reduction and prevention, and risk management policies and procedures established by the Board.
- (h) Report to the Pool, in the form and within the time required by the Board, all incidents or occurrences that could reasonably be expected to result in a covered claim to the Pool under the Coverage Addendum.
- (i) Report to the Pool, in the form and within the time required by the Board, the addition of new programs, facilities and exposures or the significant reduction or expansion of existing programs and facilities covered under the Coverage Addendum of these Bylaws.

- (j) Designate a Risk Coordinator who shall act as the Member's primary contact with the Pool.
- (k) Act in a manner that is consistent with the Pool's shared goals. The Pool is a cooperative endeavor based on mutual advantage. It is a failure of this obligation when a Member intentionally acts in ways detrimental to the Pool's shared goals, or jeopardized the Pool's shared assets or obligations, or otherwise harms the shared interests of the Pool and its Members.

ARTICLE 5. Board of Directors.

- 5.1 The Board shall:
 - (a) Perform all duties required by Utah law, the Agreement, and these Bylaws.
 - (b) Obtain and provide to Members at least annually an audit of the finances of the Pool performed by an independent certified public accountant. Providing Members access to the audit of finances of the Pool on the Pool's website or the Utah Office of State Auditor's website meets the Board's duty to provide the audit to Members.
 - (c) Provide for at least quarterly financial statements to account for income, expenses, assets and liabilities of the Pool.
 - (d) Provide at least annually for an actuarial review of the Pool's liabilities for losses and loss adjustment expenses.
 - (e) Adopt a budget annually and report the budget to the Members. Providing Members access to the budget on the Pool's website or the Utah Office of State Auditor website meets the Board's duty to provide the budget to Members.
 - (f) Require that fidelity bonds or appropriate crime insurance, in an amount to be determined by the Board and in compliance with rules adopted by the Money Management Council, be in effect for employees of the Pool, and every other person having access to monies of the Pool.
 - (g) Appoint an Audit Committee to review the financial statements, actuarial analysis, make reports to the Board on the financial affairs of the Pool, and make an annual report to the Members regarding the financial affairs of the Pool.
 - (h) Appoint a Nominating Committee to solicit nominations for available elected Director positions. Any elected official of a Member or any Director may nominate eligible persons to run for available elected Director positions. Nominations will be received at the Pool office no later than 30 days prior to the meeting at which the election is scheduled. The Pool will verify that each nominee is willing to serve if elected before forwarding the nominations to the Nominating Committee. The Nominating Committee shall review the nominations and select by a majority decision not more than three names to be placed on the ballot for each available elected Director position. A person may not be nominated and placed on the ballot for more than one available elected Director position. In the event that no nominations are timely received for one or more available elected Director positions, the President of the Board of Directors can solicit nominations from the floor on the

- i. following conditions:
 - ii. The nominee is eligible to serve as a Director in accordance with Section 5 of the Agreement; and
 - ii. The nominee, if present, expresses a willingness to serve, or, if not present, the Pool has verified that the nominee has expressed a willingness to serve.
- (i) Adopt and maintain an investment policy as an addendum to these Bylaws to state the manner in which funds of the Pool may be invested.
- (j) Adopt and maintain a Coverage Addendum as an addendum to these Bylaws to state the manner and extent to which Members will be indemnified from the assets of the Pool.
- (k) Exercise their responsibility to the Pool and Member counties in the following way:
 - i. First, to the mission of the Pool, to maintain financial and managerial integrity, and to serve all counties fairly;
 - ii. Second, to express the needs and concerns of the county(ies) that Board Members represents.

5.2 Directors will be reimbursed for reasonable and approved expenses incurred in attending Board meetings and in otherwise carrying out their responsibilities in accordance with the Reimbursement Policy adopted by the Board. UCIP will reimburse Directors for in-state travel by private vehicle at the rate allowed by the UCIP Board Reimbursement Policy at the time of travel, as well as for lodging and meals at the rates allowed by the UCIP Board Reimbursement Policy at the time of travel. For Directors attending out-of-state conferences and business meetings as approved by the Board, UCIP will directly pay the registration, airfare and lodging expenses for the dates of the conference or meeting and up to two travel days for Directors arranging travel through the UCIP office. Directors will be paid per diem for out-of-state meals and incidental expenses for each day of the training and travel day(s) pursuant to the rates allowed by the UCIP Board Reimbursement Policy. Directors will also be compensated for necessary transportation expenses between the airport and lodging. Receipts for airfare, lodging and necessary transportation, paid by the Director, are required for reimbursement. A written statement by the Director will be required in place of a lost receipt. Reimbursement is made based on the least expensive reasonable method of travel. Expenses for guests who accompany Directors to UCIP meetings or to approved out-of-state training are the responsibility of the Director. UCIP will invoice Directors for any guest expenses paid by UCIP. However, there will be no charge for guests attending business meals hosted by and at the invitation of the Chief Executive Officer. Requests for reimbursement shall be submitted within 60 days of completion of a trip.

5.3 Directors will be elected in accordance with Section 5 of the Agreement. Notwithstanding Article 4.6(e) only Members of the class of county which a Director will represent may vote for Directors nominated to serve pursuant to Section 5.1(d) through (g) of the Agreement. Election of Directors shall be conducted by written secret vote. A simple majority of those voting in the election will determine the nominee elected to the position.

In the event of a tie vote, a coin flip will be conducted to determine the outcome of the election. The Director conducting the coin flip will determine which candidate will be considered “heads” prior to flipping the coin.

ARTICLE 6. Officers, Meetings, Procedures.

- 6.1 The principal offices of the Board shall be: president, vice-president and secretary-treasurer. The principal offices shall be held by three separate natural persons. Officers shall be elected by and from among the Directors, at the first Board meeting following each annual meeting of the Members. The Board shall establish the powers and duties of each officer, consistent with these Bylaws, and the Agreement. All Members of the Board shall have full voting rights. The president shall preside over meetings of the Board and of the Members and shall perform such other duties as may be prescribed from time to time by the Board and the Members. The vice-president shall exercise the powers of the president in the absence of the president, and the secretary-treasurer shall exercise the powers of the president in the absence of the president and vice-president.
- 6.2 The Board shall fix the date, time and place of regular meetings that are scheduled in advance over the course of a year. Meetings may be called by the president, or by any five Members of the Board, by written notice mailed at least ten days in advance to all Directors or by unanimously executed waiver of notice. Emergency meetings of the Board may be held to consider matters of an emergency or urgent nature, after an attempt has been made to notify all Board Members and a majority votes in the affirmative to hold the meeting. Notice, including public notice, of all meetings and the agenda shall comply with applicable laws of the State of Utah.
- 6.3 Seven Directors shall constitute a quorum to do business. All actions of the Board shall require a quorum and a majority vote of the Directors present, except where a different vote is required by the Agreement or these Bylaws.
- 6.4 The Board shall adopt such policies and procedures as it deems necessary, required or desirable for the conduct of its business.
- 6.5 Any or all Directors may participate in any meeting of the Board by means of an electronic meeting as defined in laws of the State of Utah, and in accordance with the Board’s Electronic Meeting Policy. Participation by such means shall constitute presence at the meeting.
- 6.6 The Board shall establish its own rules of order that are not in conflict with the laws of the State of Utah, the Agreement, and other specific provisions of these Bylaws.
- 6.7 A Director’s position may be declared vacant by official action of the Board of Directors when the Director has accumulated two consecutive unexcused absences at duly called meetings for which the Director has received notification. Excused absences will be granted only with advance notice received by the UCIP offices or a Member of the Board of Directors prior to the Board meeting and approved by formal action of the Board.

ARTICLE 7. Financing.

- 7.1 All monies of the Pool, and earnings thereon, shall be held in the name of and for the use and benefit of the Pool.
- 7.2 The Board shall establish Member contributions pursuant to guidelines established by the Board from time to time.
- 7.3 Surplus of the Pool shall be attributable to the Members as equity. Equity in the Pool shall be used to satisfy the surplus requirements established by the Board and any applicable regulation, and next to repay any outstanding debentures after which refund of surplus in the form of dividends to Members may be considered. Any refund of surplus monies shall be consistent with policies adopted by the Board.
- 7.4 Investments of monies of the Pool shall be limited to those investments permitted by the State Money Management Act, Utah Code Ann. §51-7-1 et seq. (2002), as amended.
- 7.5 Member's equity in UCIP shall be calculated as follows:
 - (a) The ratio of each Member's contributions to the total contributions shall be computed for each fund year.
 - (b) The Member's contribution ratio shall 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 UCIP.
 - (c) 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.
 - (d) In the event of a termination of membership, the terminated Member shall lose and have no claim to any equity in UCIP. The equity formerly attributed to that Member for each fund year shall be allocated to the remaining counties who were Members during that fund year.
 - (e) The Board of Directors in its sole discretion shall determine if and when equity is distributed.
- 7.6 The fiscal year shall be the calendar year.

ARTICLE 8. Withdrawal and Termination.

- 8.1 Any Member may withdraw from a joint purchase program, or terminate its membership in the Pool in accordance with the Agreement.
- 8.2 Withdrawal or termination from the Property and Liability program shall be considered termination of membership.

ARTICLE 9. Involuntary Termination of Membership.

- 9.1 The Board may terminate a Member that fails to pay a contribution due the Pool within sixty days of the due date unless time for payment is extended by the Board and payment is made within the extended period. A notice of failure to pay a contribution due the Pool shall be mailed to the Member at least 30 days prior to the date of termination. Coverage and payment of claims shall terminate effective the first date for which the unpaid contribution was calculated. If the unpaid contribution is additional contribution resulting from an audit, coverage and payment of claims shall terminate effective on a date calculated on a pro-rata basis of the unpaid contribution to the contribution paid for the audit period. Any membership in the Pool may be terminated under this paragraph by majority vote of the Board.
- 9.2 Any membership in the Pool may be terminated by a three-fourths vote of the Board for failure of a Member to carry out any other obligation of the Member.
- 9.3 Any termination under 9.2 will be subject to the following:
 - (a) The Member shall receive written notice from the Board of the alleged failure and shall be given not less than 30 days in which to correct the alleged failure, along with notice that termination of membership could result if the failure is not corrected.
 - (b) The Member may request a hearing before the Board prior to the termination. The request shall be made in writing to the Board at least ten business days before the end of the period given by the Board to correct the alleged failure. The Board shall present the case for termination of membership at the hearing and the affected Member may present its case. A Board Member of the affected Member shall not be counted in determining a quorum or the number of votes required, nor shall the Board Member representative of such Member be entitled to vote on the termination.
 - (c) If a request for hearing is not received pursuant to Article 9.3(b) of the Bylaws and if the failure is not corrected within the time required by the Board's notice, or any extension of such time as the Board may grant, the Board may terminate the membership.
 - (d) The Board shall provide the Member at least ten days prior written notice of the time and place of any requested hearing, and the proposed termination of membership may not take effect until such time after the conclusion of any hearing as the Board may set.
- 9.4 Termination of membership shall be in addition to any other remedy that may exist.
- 9.5 A Member shall lose all voting rights and any claim of title or interest to any asset of the Pool upon involuntary termination of its membership to the same extent as if the termination were voluntary. The coverage and payment of claims after the effective date of a Member's termination shall be consistent with the Agreement and these Bylaws.
- 9.6 Notwithstanding Article 9.6 an involuntarily terminated Member may have its equity interest restored by majority vote of the Board if the Member is approved for membership within 12 months of the termination.

ARTICLE 10. Dissolution and Disposition of Property.

- 10.1 The Pool may be dissolved by the Members as provided in the Agreement. 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. The Members of the Pool at the time the vote is held to dissolve the Pool shall continue to be considered Members of the Pool until the final disposition of property and dissolution of the Pool is complete.

- 10.2 Upon partial or complete dissolution of the Pool by the Members in accordance with the Agreement, the Board shall determine, consistent with these Bylaws, all other matters relating to the disposition of property and dissolution of the Pool by a two-thirds vote of all Directors.
- 10.3 The Board shall serve as Directors for the disposition of property or funds, payment of obligations, dissolution and winding up of the affairs of the Pool. Any vacancy in the position of an elected Director after disposition of the Pool has begun may be filled by majority vote of the remaining Directors until the next annual meeting of the Members, at which time the Members shall elect a person to fill the vacancy for the unexpired term.

ARTICLE 11. Liability of Board, Officers and Employees.

- 11.1 It is the intent of the Pool to provide the broadest possible immunity from personal liability to each Director, officer, and employee of the Pool allowed by applicable laws of the State of Utah including, but not limited to, the Governmental Immunity Act, the Corporations Code and the Insurance Code, as amended from time to time. The Pool shall defend and indemnify the Directors, 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 or coverage as a Member of UCIP providing coverage for the Directors, 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.

ARTICLE 12. Mandatory Pre-Litigation Mediation.

- 12.1 To the extent permitted by any applicable reinsurance or excess insurance, if the Board or its authorized representative and a Member disagree on whether a loss is covered through the Pool or on the amount of a covered loss, the Board or its authorized representative or the Member may not file litigation until they have submitted to mediation as follows:
 - (a) Any claim brought against the Pool by a Member must fully comply with the Utah Governmental Immunity Act.
 - (b) The Board or its authorized representative and the Member shall agree on the selection of the mediator. If the parties cannot agree within 30 days, the Board shall select the mediator.
 - (c) If mediation does not result in an agreement between the parties, the Board or its authorized

representative and the Member can move forward to litigate the issue in accordance with Utah law and rules of procedure.

- (d) Each party will pay the attorney's fees and expenses they incur and share the expenses of the mediator equally.

ARTICLE 13. General Provisions.

- 13.1 The laws of Utah shall govern the interpretation and performance of these Bylaws.
- 13.2 In the event that any portion of these Bylaws is held invalid or unenforceable, such invalidity or unenforceability shall not affect other portions, and these Bylaws are expressly declared to be severable.
- 13.3 These Bylaws do not relieve any Member of any obligation or responsibility imposed upon it by law except to the extent that actual and timely performance thereof by the Pool satisfies such obligation or responsibility.
- 13.4 All moneys received by the Pool are public funds, including earned interest, derived from its Members, which are counties and county related entities within the State of Utah.
- 13.5 It is the intention of the Members that the Pool and any income of the Pool not be subject to taxation. The Board and the Members shall cooperate in such respects, including amending these Bylaws, as reasonably necessary to establish and maintain the non-taxable status of the Pool.
- 13.6 Except as permitted in these Bylaws, the Agreement and amendments thereto, neither the Board nor any other person or entity is authorized to incur liabilities or obligations or enter into contracts on behalf of the Members.
- 13.7 In the event of the payment of any loss by the Pool under the Agreement, the Pool shall be subrogated to the extent of such payments to all the rights of the Member against any other person or other entity legally responsible for damages for such loss, and in such event the Member agrees to render all reasonable assistance to effect recovery.

ARTICLE 14. Conflict of Interest and Disclosure.

- 14.1 Directors and the Chief Executive Officer shall not request, receive, or accept a gift or loan for themselves or another if:
 - (a) It tends to influence the Director or the Chief Executive Officer in the discharge of his or her official acts as a Director or Chief Executive Officer; or
 - (b) She/he within two years has been involved in any official act directly affecting the donor or lender or knows that he/she will be involved in any official act directly affecting the donor or lender in connection with his or her membership on the Board or as the Chief Executive Officer.
- 14.2 The prohibition set forth in Section 14.1 above shall not apply to:

- (a) An occasional nonpecuniary gift, insignificant in value; or
- (b) An award publicly presented in recognition of public service; or
- (c) A commercially reasonable loan made in the ordinary course of business by an institution authorized by the laws of the state to engage in the business of making loans; or
- (d) A political campaign contribution, provided that such gift or loan is actually used in a political campaign and is subject to Utah law regarding such gift or loans.

14.3 Directors shall disqualify themselves from participating in any official action of the Board that affects a business in which that Director has a financial interest as defined in Sections 67-16-8 and 67-16-9 Utah Code Annotated 1953 as amended.

14.4 Directors shall not acquire a financial interest at a time when they believe or have reason to believe that it will be directly affected by their official action on the Board.

14.5 Directors and the Chief Executive Officer shall not use or divulge to any person confidential information acquired by virtue of their membership on, or participation with, the Board for their or another's private gain. Confidential information for the purpose of this paragraph shall be defined as all information disclosed or discussed in any meeting of the Board which is confidential under law, statute or practice and which is otherwise not available to the public.

14.6 The Chief Executive Officer of the Pool and each Director shall complete a disclosure form provided by the Pool during January of each fund year, at such time a new conflict arises or at the first meeting attended by a new CEO or Director. That completed form shall affirm the person's awareness of this bylaw requirement and make all required disclosures.

14.7 The information on the disclosures, except for the valuations attributed to the reported interests, shall be made available by the Secretary-Treasurer of the Board for inspection by any UCIP Member county representative. The valuation shall be confidential for all purposes except for proceedings for violation of the disclosure requirement of these Bylaws.

ARTICLE 15. Conflict of Interest of Defense Counsel.

15.1 Defense Assistance provided to Members by the Pool under the Bylaws Coverage Addendum shall be provided by attorneys listed on the UCIP Defense Attorney list recommended by the Litigation Management Committee and approved by the Board of Directors.

15.2 As the UCIP defense counsel is provided to assist the County Attorney in fulfilling their statutory obligation to defend officers and employees of the county under U.C.A. 63G-7-902 and 17-18a-5-501, UCIP defense counsel must be approved by the Member County Attorney. If the Member County Attorney waives the use of UCIP defense counsel by not approving defense counsel selected by UCIP from the UCIP Defense Attorney list, UCIP will owe no obligation to provide defense counsel to the Member or any of its officers or employees.

- 15.3 Attorneys listed on the UCIP Defense Attorney list shall not represent or consult with any plaintiff in any civil action in which any defendant is a UCIP Member.
- 15.4 Attorneys employed by, or associated with, law firms listed on the UCIP Defense Attorney List shall not represent or consult with any party in a civil action adverse to any person or entity covered by UCIP.
- 15.5 Attorneys employed by, or associated with, law firms listed on the UCIP Defense Attorney List shall not represent or consult with any defendant in a criminal action prosecuted by the County Attorney's Office of any Member County.
- 15.6 Attorneys listed on the UCIP Defense Attorney List shall not represent or consult with any elected official or employee of any Member county in their official or individual capacity without the express consent of UCIP. Attorneys listed on the UCIP Defense Attorney List shall agree that such consent may place them in a conflict of interest position which would exclude them from consideration of being assigned as defense counsel on actions filed against the elected official or the Member with which they serve.
- 15.7 Conflicts as described above may be waived only after full disclosure to, and written agreement of, the involved Member and UCIP.

ARTICLE 16. Effective Date and Term.

- 16.1 The effective date of these Bylaws is June 9, 2023 and shall remain in effect until amended by the UCIP Board of Directors in accordance with the Interlocal Agreement.

Dated this 19 day of December, 2024

By: Bruce Adams

Print Name: Bruce Adams

Title: President

ATTEST:

By: Michael W. Wilkins

Print Name: Michael Wilkins

Title: Secretary/Treasurer

Date: 12/19/2024

SEVENTH AMENDED INTERLOCAL COOPERATION AGREEMENT

THIS IS THE SEVENTH AMENDED INTERLOCAL COOPERATION AGREEMENT made and entered into by and between members of the Utah Counties Indemnity Pool, a political subdivision of the State of Utah, each of which hereby agrees to abide by the terms and conditions of this Seventh 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 liability reserve fund (referred to in the Code as a “public agency insurance mutual”); and

WHEREAS, the governing bodies of counties located in the State of Utah, by entering into an Interlocal Cooperation Agreement, formed the Utah Association of Counties Insurance Mutual, which began operations on or about January 1, 1992, as a public agency insurance mutual; and

WHEREAS, the governing bodies of the Members of the Utah Association of Counties Insurance Mutual, on or about August, 21, 2003, amended the original Interlocal Cooperation Agreement, making various corrections and updating references, by approving and adopting the first Amended Interlocal Agreement; and

WHEREAS, the governing bodies of the Members of the Utah Association of Counties Insurance Mutual amended the first Amended Interlocal Cooperation Agreement, on or about June 2, 2006, changing the name of the Utah Association of Counties Insurance Mutual to the Utah Counties Insurance Pool, by approving and adopting the second Amended Interlocal Agreement; and

WHEREAS, the governing bodies of the Members of the Utah Counties Insurance Pool amended the second Amended Interlocal Cooperation Agreement, on or about January 22, 2008, making various corrections and updating references, by approving and adopting the Third Amended Interlocal Agreement; and

WHEREAS, the governing bodies of the Members of the Utah Counties Insurance Pool amended the Third Amended Interlocal Cooperation Agreement, on or about December 3, 2010, making various corrections and updating references, by approving and adopting the Fourth Amended Interlocal Cooperation Agreement; and

WHEREAS, the Members of the Utah Counties Insurance Pool approved the amendments to the Fourth Amended Interlocal Cooperation Agreement, on or about December 1, 2011, changing the name of the Utah Counties Insurance Pool to the Utah Counties Indemnity Pool, by approving and adopting the Fifth Amended Interlocal Cooperation Agreement; and

WHEREAS, the governing bodies of the Members of the Utah Counties Indemnity Pool approved the amendments to the Fifth Amended Interlocal Cooperation Agreement on or about December 1, 2013, to make various changes, corrections and updating references by approving and adopting the Sixth Amended Interlocal Cooperation Agreement; and

WHEREAS, the governing bodies of the Members of the Utah Counties Indemnity Pool now desire to amend the Sixth Amended Interlocal Cooperation Agreement to make various changes, corrections and updating references by approving and adopting this Seventh Amended Interlocal Cooperation Agreement;

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

Section 1. EFFECTIVE DATE; DURATION.

1. This Seventh Amended Interlocal Cooperation Agreement shall become effective and shall enter into force, within the meaning of and in accordance with the Interlocal Cooperation Act, upon the:
 - (a) Submission of this Seventh Amended Interlocal Cooperation Agreement to, and the approval and execution hereof by resolution of the governing bodies of each of the parties
 - (b) Approved as to form and compliance with applicable law by the attorney for the governmental entity entering into this Agreement; and
 - (c) Filed with the person who keeps the records of the governmental agency entering into this Agreement, and with the keeper of records of the Pool.
2. The term of this Seventh 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 the Utah Counties Indemnity Pool to provide the services described herein.

Section 3. PURPOSES.

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

1. To comply with the Utah Interlocal Cooperation Act and other applicable laws of the State of Utah; and
2. To ratify the previous formation of a group-funded Pool to fund losses through a joint liability reserve fund for liability losses, joint self-insurance for loss to member property, joint purchase of insurance, joint purchase of reinsurance or 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 of the Pool (herein referred to as the Amended Bylaws); and
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.

Section 4. MEMBERS.

1. Membership in the Pool is limited to Utah counties and such other governmental entities allowed under its Amended Bylaws.
2. Members shall have such powers and authorities as provided herein and as set forth in the Amended Bylaws. Such powers shall include, but not be limited to:
 - (a) 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.
 - (b) Appoint or select members of the Pool Board of Directors, in accordance with this Agreement, the Amended Bylaws and the Interlocal Cooperation Act.

Section 5. BOARD OF DIRECTORS.

The Pool shall be governed by a Board of Directors. The Members delegate powers and authorities to the Board of Directors as provided herein and as set forth in the Amended Bylaws.

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

- (c) One Director, appointed by the governing body of Weber County, representing Weber County;
- (d) One Director, elected by Member counties of the third class, representing counties of the third class;
- (e) One Director, elected by Member counties of the fourth class, representing counties of the fourth class;
- (f) One Director, elected by Member counties of the fifth and sixth class, representing counties of the fifth and sixth class;
- (g) Three Directors, elected by all Member counties, representing all counties at large;
- (h) One Director, appointed by the Board, shall be an Auditor of a Member county, who serves as the Chair of the Audit Committee;
- (i) One Director, appointed by the Board, shall be a Sheriff of a Member county, who serves as the Chair of the Law Enforcement Committee;
- (j) One Director, appointed by the Board, shall be a County Attorney or Deputy County Attorney of a Member county, who serves as the Chair of the Litigation Management Committee and;
- (k) One Director, appointed by the Board, shall be a Personnel Director of a Member county, who serves as the Chair of the Personnel Committee.

2. The terms of the members of the Board of Directors shall be as follows:

- (a) Directors serving pursuant to subsections (a)-(c) shall serve at the pleasure of the governing bodies of the Member.
- (b) Directors serving pursuant to subsections (d)-(g) shall be designated as “Elected Directors” and serve four-year overlapping terms.
- (c) Directors serving pursuant to subsections (h)-(k) shall serve four-year terms and may be reappointed to subsequent terms by the Board.
- (d) Directors serving pursuant to subsections (h) and (i) shall serve a four-year term ending on December 31 in even numbered years between presidential elections.

- (e) Directors serving pursuant to subsections (j) and (k) shall serve four-year terms ending on December 31 of presidential election years.
- 3. Each Director must be a resident of the State of Utah.
- 4. No person convicted of a felony may serve as a Director.
- 5. Each Director shall be an elected or appointed officer or an employee of a Member.
 - (a) Directors serving pursuant to subsections (a)–(c) shall be a member of the Member’s governing body.
 - (b) Directors serving pursuant to subsections (d)-(i) shall be elected or appointed officers of the Member.
 - (c) Directors serving pursuant to subsections (j)-(k) shall be an elected or appointed officer or an employee of a Member
- 6. Election of Directors shall take place at the annual Membership Meeting. Elected Directors shall assume office at the first Board meeting of the calendar year following their election.
- 7. The Board of Directors shall elect a Nominating Committee from its members. The Nominating Committee shall solicit nominations for available elected Director positions in accordance with the Amended Bylaws.
- 8. A vacancy shall occur on the Board when a Director:
 - (a) Submits a written resignation to the Board; or
 - (b) Dies; or
 - (c) Is no longer an elected or appointed officer or employee of a Member; or
 - (d) Fails to attend three consecutive regular meetings of the Board without the Board having excused such absences except that such additional absence or absences shall be excused for temporary mental or physical disability or illness; or
 - (e) Is removed by the Members by a two-thirds vote of the Members present at a Membership Meeting; or
 - (f) Is convicted of a felony; or

(g) The Member of which the Director is an official or employee terminates their membership in the Pool.

9. Any vacancy in the position of an Elected Director may be filled by majority vote of the remaining Directors until the next annual meeting of the Members, at which time the Members shall elect a person to fill the vacancy for the unexpired term.
10. Any vacancy in the position of an appointed Director under Article 5.1(a)-(c) shall be filled by appointment from the respective county and the Director shall serve for the remainder of the unexpired term. If the county is no longer a Member, the Director position shall revert to an at large position, adding to the number of such positions under Section 5.1(g), and be filled by a majority vote of the remaining Directors until the next annual meeting of the Members, at which time the Members shall elect a person to fill the vacancy.
11. Any vacancy in the position of an appointed Director under Article 5.1(h)-(k) shall be filled by majority vote of the remaining Directors and shall fill the unexpired term of the Director.
12. To the extent permitted by law, Directors may be reimbursed for expenses incurred in the performance of their duties, as authorized by the Board.
13. The powers of the Board shall include, but not be limited to, the powers to:
 - (a) Delegate, by resolution adopted at a meeting of the Board and specifically defined in the written minutes of the Board's 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 the Amended Bylaws.
 - (b) Establish Member contributions, including premiums and service fees, 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 jointly obtain insurance, 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 the Seventh Amended Interlocal Cooperation Agreement or the Amended Bylaws of the Pool.
- (l) Provide for an independent audit of the financial statements and operations of the Pool, including claim handling procedures, handling of receipts and payments, investments, adequacy of reserves, compliance with financial reporting requirements 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) Create various Committees of the membership to assist in the oversight and operation of the Pool. The members of such Committees, including the chair, shall be appointed by the Board.
- (o) Approve a list of attorneys or law firms authorized to represent Members in claims covered by or through the Pool.
- (p) Obtain the services of agents, attorneys, brokers, consultants, employees, and service providers as necessary or appropriate for the operation of the Pool.
- (q) Terminate a Member from the Pool as provided for in the Amended Bylaws.

- (r) Create levels of membership within the Pool to provide for appropriate representation and control. Levels of membership may include, but are not limited to, voting and non-voting members and equity and non-equity members.
- (s) Amend the Bylaws by a two-thirds vote of all Board members.
- (t) 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 Bylaws, and the Utah Code. The Board is responsible for all operations of the Pool.

Section 6. OFFICERS.

The Board of Directors shall elect officers and establish the duties of officers of the Pool in accordance with Utah law and the Amended Bylaws.

Section 7. COMMITTEES.

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

Section 8. MANNER OF FINANCING.

- 1. The Utah Counties Indemnity Pool shall be funded by contributions or service fees from the Members:
 - (a) The amount of such contributions or fees including any interest penalty thereon shall be established by the Board of Directors.
 - (b) Contributions or fees established by the Board may be audited and additional contributions or fees charged based on the rate used to establish the original contribution or fee.
 - (c) The Board may not charge assessments to the Members.
- 2. All monies of the Pool, and earnings thereon, shall be held in the name of and for the use and benefit of the Pool.
- 3. The Board of Directors shall prepare an annual budget consistent with Utah Code Ann. 17A-1-408 et. seq., as amended.

Section 9. PROPERTY USED IN COOPERATIVE UNDERTAKING.

- 1. Any real or personal property acquired, held, and used pursuant to this cooperative undertaking shall be administered and controlled by the Board of Directors established in Section 5 hereof. Any disposition of

said real or personal property shall also be administered and controlled by said Board of Directors, pursuant to the terms of this Agreement.

2. The provisions of this 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.
3. 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.

1. Other governmental entities may become parties to this Seventh Amended Interlocal Cooperation Agreement, subject to the approval of the Board of Directors by executing an Addendum to this Agreement.
2. In order for a governmental entity to be added to this Agreement by Addendum, the Addendum must be:
 - (a) Approved by the governing body of the governmental entity to be added;
 - (b) Reviewed as to form and compliance with applicable law by the attorney for the governmental entity to be added; and
 - (c) Filed with the person who keeps the records of the public agency being added to this Agreement, and with the keeper of records of the Pool.

Section 11. WITHDRAWAL AND TERMINATION.

1. Any Member may withdraw their participation in a joint purchase program of the Pool, which does not include the Property/Casualty joint self-insurance program, but only at the end of a Pool fiscal year 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 180 days prior to the Member's intended date of withdrawal. The Board shall consider a timely written notice of withdrawal to be a final decision unless the notice is rescinded by the Member no later than 150 days prior to the Member's intended date of withdrawal. The Board may, by a

three-fourths vote and at its sole discretion, agree to permit an earlier date of withdrawal. A Member withdrawn from a joint purchase program shall lose any voting rights inured as a result of participation in that program and any claim of title or interest to any asset of the Pool resulting from that program upon the effective date of that withdrawal with the exception of the right to payment of claims covered by a policy of insurance purchased on behalf of the member by UCIP either jointly or individually, but only to the extent of the terms and conditions of such policy.

2. Any member may terminate its membership in the Pool by terminating its participation in the Property/Casualty self-insurance program, but only at the end of a Pool fiscal year, after giving the Board timely written notice of such termination, pursuant to a resolution of the Member's governing body. Timely written notice of such termination must be provided to the Board no later than 180 days prior to the Member's intended date of termination. The Board shall consider a timely written notice of termination to be a final decision unless the notice is rescinded by the Member at least 150 days prior to the Member's intended date of termination. A terminating Member shall lose all voting rights and any claim of title or interest to any asset of the Pool upon the effective date of termination, and any continuing obligation of the Pool to the member or of the member to the Pool, after the termination of membership, shall end. Termination of membership in the Pool will also be considered a withdrawal of participation in any joint purchase programs the terminating member has participated in, and no member may continue participation in any joint purchase program of the Pool after termination of membership in the Pool.

Section 12. DISSOLUTION AND DISPOSITION OF PROPERTY.

1. The Pool may be dissolved by a majority of the entire Membership voting in favor of dissolution at a Membership 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. The Members of the Pool at the time the vote is held to dissolve the Pool shall continue to be considered Members of the Pool until the final disposition of property and dissolution of the Pool is complete.
2. Upon partial or complete dissolution of the Pool by the Members, the Board shall determine all other matters relating to the disposition of property and dissolution of the Pool by a two-thirds vote of all Directors.
3. Each member's interest in the property of the Pool shall be calculated as follows:

- (a) 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.
- (b) 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.
- (c) 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 termination of membership, the terminated Member shall lose and have no claim to any Pool property or assets. The property interest and equity formerly attributed to that Member for each fund year shall be allocated to the remaining counties that were Members during that year.
5. The Board shall serve as directors for the disposition of property or funds, payment of obligations, dissolution and winding up of the affairs of the Pool. Any vacancy on the Board after dissolution has begun shall be filled in accordance with the Bylaws.

Section 13. INDEMNIFICATION.

1. It is the intent of the Pool to provide the broadest possible immunity from personal liability to each director, 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 directors, 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.
2. The Pool shall purchase liability or other appropriate insurance providing coverage for the directors, 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.

3. Neither this Seventh Amended Interlocal Cooperation Agreement nor any action of the governing body of a county in adopting this Seventh Amended Interlocal Cooperation 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 Seventh Amended Interlocal Cooperation Agreement shall be placed on file in the office of the County Clerk of each of the Members to this Seventh Amended Interlocal Agreement, and shall remain on file for public inspection during the term of this Seventh Amended Interlocal Cooperation Agreement.

Section 15. JOINT AND SEVERAL LIABILITY.

Except as provided herein, and to the extent of the financial contributions to the Pool agreed to herein or such additional obligations as may come about through amendments to this agreement or the Bylaws, no Member agrees or contracts herein to be held responsible for any claims made against any other Member. The contracting parties intend in the creation of the Pool to establish an organization to operate only within the scope herein set out and have not herein created as between Member and Member any relationship of partnership, surety, indemnification, or responsibility for the debts of or claims against any other Member.

Section 16. AMENDMENTS.

This Seventh Amended 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 17. SEVERABILITY.

If any term or provision of this Seventh Amended Interlocal Cooperation Agreement or the application thereof shall to any extent be invalid or unenforceable, the remainder of this Seventh 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 Seventh Amended Interlocal Cooperation Agreement unenforceable.

Section 18. GOVERNING LAW.

All questions with respect to the construction of this Seventh 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 19. EXECUTION BY COUNTERPART.

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

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

Dated this _____ day of _____, 20____.

VERMILLION CLIFFS SPECIAL SERVICE DISTRICT
BOARD

By: _____
Vermillion Cliffs Special Service District
Board Chair

ATTEST:

By: _____
Vermillion Cliffs Special Service District Director

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

By: _____
Vermillion Cliffs Special Service District Attorney

Agenda Item # 2

Approve Resolution R-2025-3

A RESOLUTION APPROVING AND
AUTHORIZING THE EXECUTION OF A SEVENTH
AMENDED INTERLOCAL COOPERATION
AGREEMENT WITH OTHER MEMBERS OF
UTAH COUNTIES INDEMNITY POOL, RELATING
TO THE ESTABLISHMENT, FUNDING AND
OPERATION OF UTAH COUNTIES INDEMNITY
POOL

Resolution No. 2025-3

**RESOLUTION APPROVING AND AUTHORIZING THE EXECUTION OF A
SEVENTH AMENDED INTERLOCAL COOPERATION AGREEMENT WITH
OTHER MEMBERS OF UTAH COUNTIES INDEMNITY POOL, RELATING
TO THE ESTABLISHMENT, FUNDING AND OPERATION OF UTAH
COUNTIES INDEMNITY 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 Vermillion Cliffs Special Service District, Utah, has determined that the interests and welfare of the public within Vermillion Cliffs Special Service District's jurisdiction will best be served by a Seventh Amended Interlocal Cooperation Agreement with other members of Utah Counties Indemnity Pool relating to the establishment, funding and operation of Utah Counties Indemnity Pool.

NOW, THEREFORE, be it resolved by the Board of Vermillion Cliffs Special Service District, Utah, that Vermillion Cliffs Special Service District approve and authorize the Chair to execute a Seventh Amended Interlocal Cooperation Agreement with other members of Utah Counties Indemnity Pool relating to the establishment, funding and operation of Utah Counties Indemnity Pool.

Resolution No. 2025-3

page 2

APPROVED AND ADOPTED this _____ day of _____, 20____.

VERMILLION CLIFFS SPECIAL SERVICE DISTRICT BOARD

By: _____
Vermillion Cliffs Special Service District
Board Chair

ATTEST:

By: _____
Director

APPROVED AS TO FORM:

By: _____
Attorney

Agenda Item # 3

Discussion of the R&PP Lease Application for Fire Station

Kane County Fire Station Plan of Development

Kane County is seeking to acquire approximately 20 acres of property located about 7.5 miles east of Kanab, near the intersection of Zion Road and Bryce Canyon Way.

Located on the eastern section of the parcel, the main fire station building would include multiple bays, office space, and parking. The position of the station will be adjacent to Zion Road to optimize emergency response times and easier access. The fire station will face south to allow for quick entry/exit of emergency vehicles.

Parking and Access

- Gravel Parking Area is located around the building and concrete driveway areas that will be able to accommodate fire personnel and other county vehicles.
- Driveway Access and paved areas will connect directly to Zion Road.

Storage / Mechanical Shed

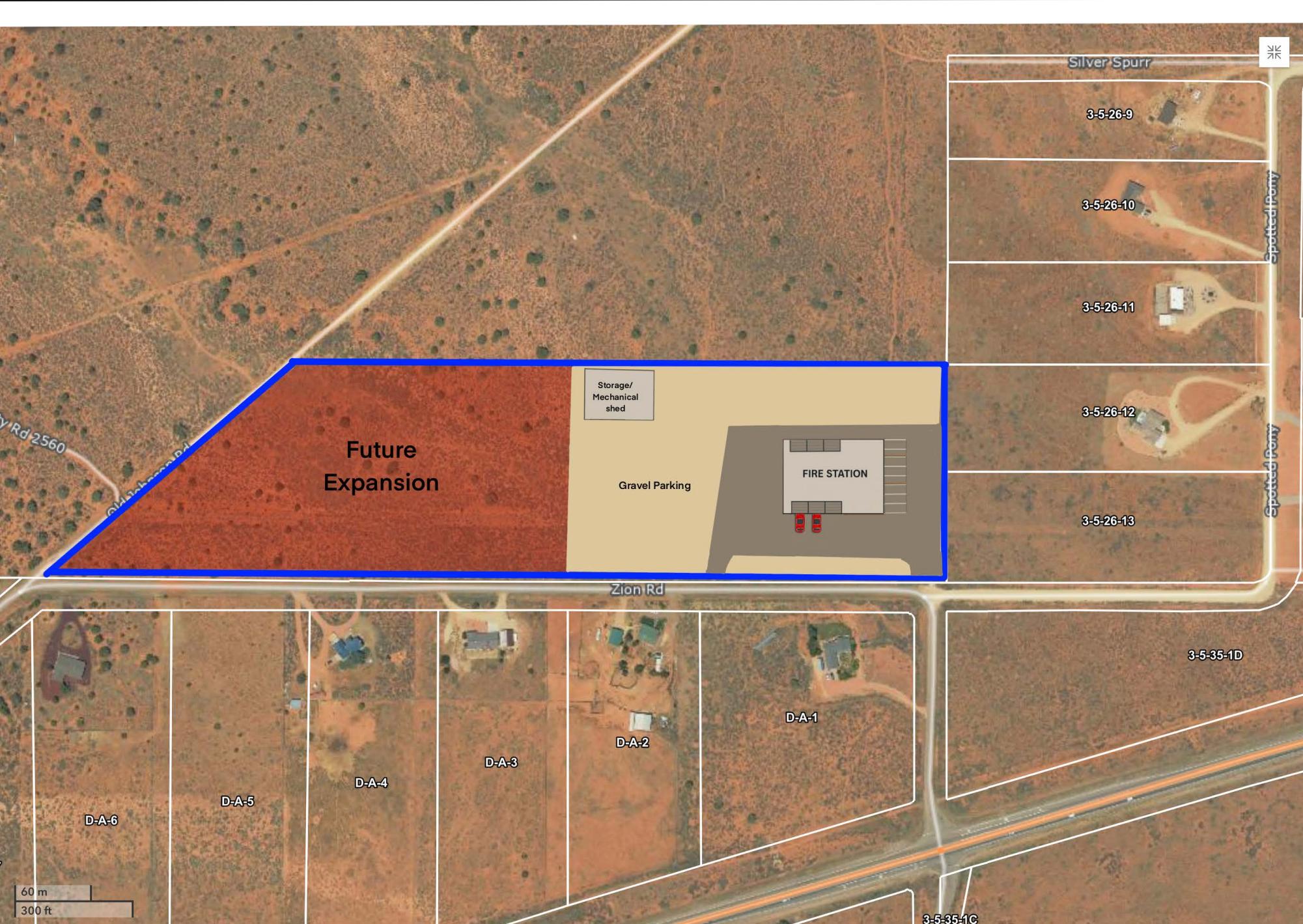
To the northwest of the main station, a Storage/Mechanical Shed is designated for housing maintenance equipment, tools, and other support vehicles.

Future Expansion Area

The western portion of the parcel is reserved for Future Expansion. This area, shown in red, may support the addition of a training facility or area, more equipment storage, or even a staging EMS building depending on long-term needs. This allows the county to scale the facility over time as community demands increase.

Site Considerations

- All development stays entirely within the county-owned boundary marked in blue.
- Access to the fire station will be exclusively via Zion Road; no entry points will be established through private or residential property.
- The facility layout maximizes usable space while maintaining open land for operational flexibility, fire training, and future development.



Agenda Item # 4

Discussion on Volunteer Fire Fighting Program

Agenda Item # 5

Review and Discuss Previous Meeting Items