

**NORTH BAY SCHOOLS  
INSURANCE AUTHORITY**

**JOINT POWERS AGREEMENT**

# JOINT EXERCISE OF POWERS AGREEMENT

Pursuant to the provisions of Title I, Division 7, Chapter 5, Article I of the Government Code for the State of California (commencing with Section 6500) relating to the joint exercise of common powers, this Agreement is entered into among those public educational agencies as defined in this Agreement, which are or may hereafter become parties to this Agreement for the purpose of operating and maintaining a joint powers authority to be known and designated as "North Bay Schools Insurance Authority," hereinafter referred to as NBSIA or the Authority.

## WITNESSETH

**WHEREAS**, it is to the mutual benefit of the parties herein subscribed and in the best interest of said parties to join together to establish this Joint Exercise of Powers Agreement to accomplish the purposes hereinafter set forth; and

**WHEREAS**, the development, organization, implementation and on-going management of NBSIA is of such magnitude that it is desirable for aforesaid parties to join together in this Joint Exercise of Powers Agreement in order to accomplish the purposes hereinafter set forth; and

**WHEREAS**, the signatories hereto have determined that there is a need by public educational agencies for a self-insurance and/or group purchase system for their workers' compensation, property/liability and other types of insurance which school districts are either required to have or believe it to be in their best interest to have; and

**WHEREAS**, it has been determined by the signatories hereto that self-insured or group purchase of insurance programs is of value and beneficial for all signatories, and

**WHEREAS**, Title I, Division 7, Chapter 5, Article 1, of the California Government Code authorizes joint exercise by two or more public agencies of any power common to them; and

**WHEREAS**, it is the desire of the signatories hereto to jointly provide for a self-insurance and/or group purchase system for workers' compensation, and other types of insurance, including but not limited to property, liability, employee benefits or any other insurance program authorized by law for their mutual advantage and concern;

**NOW, THEREFORE, FOR AND IN CONSIDERATION OF THE MUTUAL ADVANTAGES TO BE DERIVED THEREFROM, AND IN CONSIDERATION OF THE EXECUTION OF THIS AGREEMENT BY OTHER PUBLIC EDUCATIONAL AGENCIES, EACH OF THE PARTIES HERETO DO HEREBY AGREE AS FOLLOWS:**

**1. Creation of the Joint Powers Entity**

Pursuant to Title I, Division 7, Chapter 5, Article 1, of the California Government Code, there is hereby created a Joint Powers Entity, separate and apart from the public agencies signatory hereto, which shall hereafter be designated as the North Bay Schools Insurance Authority (hereinafter referred to as NBSIA or the Authority).

**2. Assumption of Responsibility**

On July 1, 1990 NBSIA assumed all obligations, assets, claims, responsibilities, and authority of the Solano County Schools Insurance Authority (SCSIA), a self-funded workers' compensation authority, the North Bay Schools Insurance Authority (NBSIA), as originally established on 9/1/85, a self-funded liability and property authority; the Solano County Schools Medical Insurance Authority (SCSMIA), a self-funded employee medical benefits authority, and the Solano County Schools Dental Insurance Authority (SCSDIA), a self-funded dental benefits authority.

**3. Powers of NBSIA**

NBSIA shall have the power and authority to exercise any power common to the public educational agencies which are parties to this Agreement, as well as those rights and powers expressly and impliedly extended to independent local public agencies under California law, provided that the same are in furtherance of the functions and objectives of this Agreement. The debts, liabilities and obligations of NBSIA shall be solely the debts, liabilities and obligations of NBSIA and not those of any party to this Agreement.

**4. Purpose of NBSIA**

The purpose of NBSIA shall be to administer this Agreement, pursuant to the joint powers provisions of the California Government Code, and to provide members the capabilities of self-insurance, pooling, and/or joint purchase of insurance and to provide a forum for discussion, study, development and implementation of recommendations of mutual interest regarding insurance, employee benefits and other programs related thereto.

**5. Functions of NBSIA**

The functions of NBSIA include, but are not limited to, any or all of the following:

- A. To establish and maintain funds to pay self-insured losses.
- B. To establish and maintain funds to pay for desired insurance coverages.

- C. To perform, or contract for the performance of, the financial administration, claims service, legal representation, safety services and other services as necessary for the payment and handling of claims against members.
- D. To enter into contracts.
- E. To pursue the member's right of subrogation against a third party when appropriate.
- F. To acquire, hold and dispose of property, real and personal, including but not limited to, the acquisition of facilities and equipment, the employment of personnel for the operation and maintenance of the programs.
- G. To incur debts, liabilities and obligations necessary to accomplish the purposes of this Agreement.
- H. To receive gifts, contributions, and donations of property, funds, services, and other forms of assistance from persons, firms, corporations, associations and any governmental entity.
- I. To invest funds in accordance with policies and procedures as approved by the NBSIA Board of Directors, and as subject to law.
- J. To sue and be sued in its own name.
- K. To perform such other functions as may be necessary or appropriate to carry out this Agreement, so long as such other functions so performed are not prohibited by any provision of law.
- L. To join other joint powers authorities to provide coverages and services to NBSIA.
- M. To provide or contract for educational workshops on related insurance topics.

## **6. Governing Board of NBSIA**

NBSIA shall be governed by a Joint Powers Board of Directors which shall have the authority to carry out all functions of NBSIA and establish the Bylaws therefore. The representation, duties and powers of the Joint Powers Board of Directors shall be set forth in the Bylaws.

## **7. Bylaws of NBSIA**

NBSIA shall be governed pursuant to Bylaws adopted by the Board of Directors and by such Amendments to the Bylaws as may from time to time be adopted by the Board of Directors. Each party to this Agreement agrees to comply with and be bound by the provisions of said

Bylaws and further agrees that NBSIA shall be operated pursuant to this Agreement and said Bylaws.

## **8. Program Addendums**

The rules governing the operation of each program within NBSIA shall be contained in the Bylaws and in the various Addendums to the Bylaws. Each program will have a separate Addendum which will govern the operation of said program.

## **9. NBSIA Membership**

Each party to this Agreement must be eligible for membership in NBSIA as defined in the Bylaws. Those public educational agencies belonging to NBSIA on the effective date of this Agreement, shall automatically become Members without having to apply for membership. All Members are entitled to the rights and privileges, and are subject to the liabilities and obligations of membership, all as are provided in this Agreement, Bylaws and any Program Addendum(s). Public educational agencies desiring membership after the effective date of this Agreement, shall apply for membership under the provisions of the Bylaws and Program Addendum(s).

## **10. Withdrawal or Termination of Membership**

A member may terminate its status as a Member and party to the Joint Exercise of Powers Agreement or one or more of its Programs, or be involuntarily terminated, pursuant to the requirements set forth in the Bylaws and Program Addendum(s) which are in effect at the time of termination.

## **11. Finances**

NBSIA shall be strictly accountable for all funds received and disbursed by it and, to that end, shall establish and maintain such funds and accounts as may be required by generally accepted accounting principles, or by any provision of law or any resolution or policy of the NBSIA Board of Directors.

Pursuant to Government Code Section 6505.6, the Auditor of NBSIA shall be elected from the membership and shall serve as an officer of the Board of Directors. The Executive Director shall serve as the Treasurer.

## **12. Limitation on Coverage**

Except as expressly agreed to by an individual Member and the Board of Directors, NBSIA's handling and payment of claims against Members shall only be for claims or legally insurable risks and programs arising out of facts occurring during the period of membership in NBSIA, and only for those Programs and Plans joined by the Member. Further, except as

otherwise agreed to, NBSIA shall not pay for or handle any claim arising out of facts occurring before membership in NBSIA or after membership in NBSIA.

### **13. Dissolution of NBSIA**

Should all parties to this Agreement terminate their membership or be removed from membership in NBSIA, NBSIA and this Agreement shall continue to exist for the purposes of disposing of all claims, distribution of assets, and for all other functions necessary to conclude the affairs of NBSIA. Each district which was a party to the Agreement on the date the Agreement was terminated, or which has any financial interest in NBSIA, shall appoint a representative to the Board of Directors, whose duty it shall be to govern NBSIA until all liabilities are dismissed and all assets distributed. The disposition of claims and liabilities, and the distribution of assets, if any; or the assessment of funds to cover outstanding claims and liabilities shall be in accordance with the Bylaws.

### **14. Non-Discrimination Policy Statement**

It shall be the policy of the Board of Directors of NBSIA to exercise fair and impartial practices in employment and program administration, recognizing applicants and employees on the basis of personal and professional merit and claimants on the basis of merits, thereby reaffirming the dignity of individuals without regard to race, color, national origin, religion, ancestry, age, sex, mental or physical disability, veteran status, medical condition, marital status, sexual orientation or pregnancy in accordance with applicable Federal and State laws.

### **15. Enforcement of Agreement**

The Board of Directors is hereby given authority to enforce this Agreement. Any and all disputes between NBSIA and member districts regarding this Agreement, Bylaws or Program Addendum(s) shall be subject to non-binding arbitration pursuant to the provisions of the California Code of Civil Procedure Section 1280, or any successor or replacement statutes. NBSIA and member(s) shall each share equally the cost of the arbitrator, court reporter, if any, and any incidental costs of arbitration. In the event suit is subsequently brought and a judgment is awarded to NBSIA, the Member(s) shall pay all costs incurred by NBSIA, including reasonable attorney's fees as fixed by the court.

**16. Amendments to Agreement**

This Agreement may be amended by a three-fourths (3/4) vote of the member agencies present at a Board meeting, provided a quorum exists.

**17. Term of the Agreement**

This Agreement shall be effective and binding on any signatory thereto upon execution. This Agreement shall continue in effect until lawfully terminated as provided herein.

**IN WITNESS WHEREOF**, the parties hereto have caused this Agreement to be duly executed by their authorized officers as set forth herein below.

Member School District: \_\_\_\_\_

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

By: \_\_\_\_\_

Title: \_\_\_\_\_