RESTATED AND AMENDED JOINT POWERS AGREEMENT
FOR
INTEGRATED LAW & JUSTICE AGENCY FOR ORANGE COUNTY
(ILJAOC)

This Amended Joint Powers Agreement (Agreement) is made and entered into by and between the listed cities, other entities, and County of Orange listed below, collectively referred to as "Member Agencies." This Agreement is dated September 16, 2014 for reference purposes.

Member Agencies

Anaheim	Fountain Valley	La Palma	Santa Ana
Brea	Fullerton	Laguna Beach	Seal Beach
Buena Park	Garden Grove	Los Alamitos	Superior Court of CA, County of Orange
Costa Mesa	Huntington Beach	Newport Beach	Tustin
County of Orange	Irvine	Orange	Westminster
Cypress	La Habra	Placentia	University of CA, Irvine Police Department
California State University Fullerton Police Department			

RECITALS

WHEREAS, the Member Agencies entered into an Agreement entitled "Joint Powers Agreement For Integrated Law & Justice Agency For Orange County" dated as of February 21, 2006 to create the Integrated Law and Justice Agency for Orange County; and

WHEREAS, the Member Agencies desire to restate and amend said Joint Powers Agreement; and

WHEREAS, the Member Agencies have and possess the power and authorization to finance, organize, and establish a public agency to facilitate the integration and sharing of criminal justice information for the benefit of the lands and inhabitants within their respective boundaries; and

WHEREAS, the Member Agencies propose to join together to establish, operate, and maintain an agency for the benefit of their respective lands and inhabitants; and

WHEREAS, it is in the public interest to provide a means by which other public agencies may request services for the benefit of their lands and inhabitants.

WHEREAS, the Member Agencies anticipate that from time to time it may be necessary to amend this Agreement and/or consider adding new Member Agencies,

NOW, THEREFORE, for and in consideration of the mutual promises and covenants contained herein, the parties hereto agree as follows:

I
PURPOSE

1.01 The purpose of the Integrated Law and Justice Agency for Orange County (ILJAOC), is to cooperate with each Member Agency in the exercise of some or all of their powers to establish a separate agency to facilitate the integration and sharing of criminal justice information/data in the manner set forth in this Agreement.

1.02 Each Member Agency expressly retains all rights and powers to finance, plan, develop, construct, equip, maintain, repair, manage, operate, and control equipment, facilities, properties, projects, and information that it deems in its

sole discretion to be necessary or desirable for its own information system needs, and that are authorized by the laws governing it. This Agreement shall not be interpreted, and the ILJAOC created herein, shall not have authority to impair or control any of the Member Agencies' respective rights, powers, or title to such equipment, facilities, properties, information, and projects, nor shall any Member Agency be required to provide additional personnel, equipment, or services to the ILJAOC, which are not already a part of the Member Agency's current operational costs, or which requires them to modify their non-ILJAOC systems or services, without their consent and full cost reimbursement from other Member Agencies or other revenue sources.

1.03 Each Member Agency expressly retains all rights and powers to use other funds or funding sources to finance, plan, develop, construct, equip, maintain, repair, manage, operate, and control equipment and facilities for their information services. Nothing in this Agreement shall be construed to require a Member Agency (i) to disclose any information that the Member Agency determines, in its sole discretion, it does not have the ability or authority to disclose, or (ii) to do any act that the Member Agency determines, in its sole discretion, is contrary to law or public policy.

1.04 The ILJAOC is intended to provide criminal justice and law enforcement officials who have a need and right to know, with comprehensive, timely, and accurate information about a criminal suspect or offender, including identity, criminal history, and current justice status. In addition, it is intended to:

a) Allow criminal justice practitioners to maintain legacy databases and share only information that has been agreed upon in advance by a majority vote of the Board or the individual agency affected.
b) Reduce redundant document preparation, data entry, transmission, and storage.
c) Strive to identify and achieve common interests to enhance public safety and due process.

d) Maintain individual privacy rights, preserve protections agencies have for public records and promote appropriate access controls and security.

e) Support the development of effective criminal justice policy in keeping with the objectives of the Orange County Integrated Law & Justice Strategic Plan ("Strategic Plan") adopted by the Orange County Chiefs & Sheriff's Association in April 2001, and any amendments to that plan as approved by a majority vote of the Board.

f) Strive for the compatibility of automated systems and processes among the various components of the Orange County Criminal Justice System.

g) Acknowledge that each Member Agency is responsible for internal agency security for their records, technical support, etc.

h) Recognize that in order to achieve overall success, resources (personnel, software, hardware, etc.), will be shared willingly and in some cases unequally by the Member Agencies, as long as that cooperation does not adversely impact the mission of the sharing member.

i) Allow the Member Agencies to work together to implement the adopted Strategic Plan (and subsequent amendments to that plan), for an Integrated Law & Justice System through the information sharing which will result from that collaborative effort.

1.05 Member Agencies are not required to seek approval from the ILJAOC to purchase, install, or modify their own (non-ILJAOC owned) equipment, services, or work performed in conjunction with any legislative mandate/authority granted to or required of Member Agencies in order to carry out their respective responsibilities. Furthermore, the ILJAOC has no power or authority to control, interfere with, or inhibit Member Agencies from conducting their own internal business and/or providing their own (non-ILJAOC owned) resources or services to other entities, which may or may not be members of or served by the ILJAOC. Any changes to software or additional hardware that have been integrated into a Member Agency's existing infrastructure

as part of a requirement to implement the initiatives approved by the ILJAOC Governing Board will become the sole property of that Member Agency, when without those enhancements, the agency could no longer operate their systems independent of the ILJAOC.

1.06 Member Agencies may modify, upgrade, or otherwise alter any of their internal systems or processes without approval of the ILJAOC, as long as those modifications do not inhibit the exchange of offender data and systems implemented and/or funded by the prior action of the ILJAOC. Notwithstanding anything to the contrary herein, a Member Agency shall have no obligation to seek approval from the ILJAOC for any modification to that Member Agency's internal systems or processes that is mandated by the State, or by any law or regulation governing the affected Member Agency.

1.07 In gathering and sharing information, and in all other respects in performing acts related to this Agreement, the parties will comply with all applicable laws, rules, and regulations.

II

CREATION OF THE INTEGRATED LAW & JUSTICE AGENCY FOR ORANGE COUNTY

2.01 By this Agreement, the Member Agencies hereby create a separate legal entity to be known as the Integrated Law & Justice Agency for Orange County ("ILJAOC"). The Member Agencies may agree on a different name for the ILJAOC.

2.02 The ILJAOC shall possess in its own name, and the Member Agencies delegate to it, the following enumerated powers:

a) To make and enter into contracts consistent with this Agreement, including, but not limited to, contracts to purchase and/or dispose of supplies and equipment to carryout the

implementation of the Strategic Plan and any adopted amendments to that plan.

b) To receive compensation, gifts, contributions, and donations of property, funds, services, and other forms of financial assistance from persons, firms, corporations, and any governmental entity.

c) To sue and be sued in its own name.

d) To apply for an appropriate grant or grants under any Federal, State, or local programs for assistance in developing any of its programs or providing services to other public entities.

e) To appoint committees, adopt rules, regulations, policies, by-laws, and procedures governing the operation of the ILJAOC.

f) To add Member Agencies to the ILJAOC as approved by the ILJAOC Board in accordance with the terms of this Agreement.

g) To execute agreements and resolutions consistent with the terms of this Agreement.

h) To appoint/hire officers, employees, and/or agents.

2.03 Said powers shall be exercised in the manner provided by California law, including, without limitation, the Joint Exercise of Powers provisions of Government Code section 6500, et seq., and, except as expressly set forth herein, the Treasurer/Controller shall be subject to the restrictions upon the manner of exercising such powers as are imposed upon the Member Agency whose employee or officer is designated as the ILJAOC Treasurer/Controller pursuant to Section 3.12 below. The Member Agency's Treasurer/Controller appointed by the Governing Board shall serve a minimum three-year term at the discretion of the Board, so as to minimize any disruptions in carrying out his/her responsibilities.

2.04 Except as provided herein, the member agencies agree that all supplies and equipment purchased by the ILJAOC shall be owned and controlled by the ILJAOC as its sole and separate property and not as property of any Member Agency.

2.05 The ILJAOC shall operate as a separate legal entity and incur debt, separate and apart from the Member Agencies, and its debts, obligations, and liabilities shall be its own and not that of the Member Agencies, except as specifically provided for herein.

III
ORGANIZATION

3.01 The membership of the ILJAOC shall be the original Member Agencies, and any additional Agencies whose admission is unanimously approved, in accordance with the terms of this Agreement, by the ILJAOC Governing Board or the then-existing Member Agencies, excluding any Member Agencies that have withdrawn from the ILJAOC.

3.02 The ILJAOC shall be governed by a voting Board consisting of six (6) Member Police Chiefs, each elected for a three-year term by the Orange County Chiefs' & Sheriff's Association, along with one designated alternate, to represent those Member Agencies with Police Departments. In addition to the Police Chief representatives, other voting members of the Board will be the Sheriff, the District Attorney, the Chief Probation Officer, the Public Defender, one (1) representative from the Orange County Executive's Office, who will serve at the County of Orange CEO's pleasure, the Presiding Judge of the Orange County Superior Court, the Chief Executive Officer of the Orange County Superior Court, and three (3) City Manager representatives, who shall be elected for a minimum of three-year terms by the Orange County City Managers Association, with at least one (1) of those City Manager representatives being from a "contract city" in the County. Each Board member, or in the absence of a Board member, an alternate designated in advance by each said Board Member, shall have one vote on all matters before the Board. Such alternate members may be replaced from time-to-time at the appointing Board Member's discretion. All Board Members may be removed with or without cause by their respective appointing authorities.

3.03 Each voting Board member shall hold office until a successor is selected, elected, hired or appointed under the powers of this Agreement and each Member Agency. The term of a Board member or alternate (both voting and non-voting) who is a public official or employee of a Member Agency shall terminate upon such Board Member leaving his or her position with the Member Agency. The vacancy of such a member who has left his or her position shall be filled by selection, election, or appointment according to the selection process adopted by this Agreement and the Member Agency whose representative has left his or her position.

3.04 Board members and alternates shall not receive compensation for their service on the ILJAOC Board, but they may be reimbursed by the ILJAOC for reasonable expenses incurred in conducting the business of the ILJAOC, as provided in this Agreement, when the expenses are not paid or reimbursed by their respective employing Member Agencies.

3.05 The principal office of the ILJAOC shall be established by the Board and shall be located within the County of Orange. The Board may change the principal office from one location to another within the County of Orange. Any change of address shall be noted by the Board but shall not be considered an amendment to this Agreement.

3.06 The Board shall meet at a location as may be designated by the Board. The time and place of regular meetings of the Board shall be determined by resolution adopted by the Board. A copy of such resolution shall be furnished to the Member Agencies. All meetings of the Board, including regular, adjourned, and special meetings, shall be called and held in a manner as provided in the Ralph M. Brown Act, Chapter 9, Division 2, Title 5 of the California Government Code commencing with section 54950 et seq., as amended.

3.07 All of the powers and authority of the ILJAOC shall be exercised by the Board unless specifically delegated, to the extent permitted by law, or reserved to the Member Agencies under this Agreement. Unless otherwise provided herein,

each voting Board Member shall be entitled to one (1) vote. Except as otherwise provided herein, a majority of the full voting membership of the Board or their alternate present at a properly noticed meeting, shall constitute a quorum for purposes of transacting business. A majority vote of that quorum may adopt any motion, resolution, or order and take any other action appropriate to carry forward the objectives of the ILJAOC pursuant to this Agreement, with the exception of the adoption of the budget or other appropriations in excess of the adopted budget as outlined in Section 4.04 of this Agreement, in which case a two-thirds majority of the entire voting membership or their alternates is required for approval.

3.08 The Board shall designate a recording secretary to establish, distribute, and post agenda notices as required by law, keep the minutes of all open meetings of the Board, and cause a copy of such minutes to be forwarded to each Member Agency within a reasonable time after each meeting.

3.09 The Board may adopt policies, rules, and regulations for the conduct of its administrative affairs and that of the ILJAOC as may be required and that are consistent with this Agreement.

3.10 Where this Agreement requires an approval of a resolution or ordinance by any Member Agencies in any matter, the approval shall be evidenced by a certified copy of the resolution or ordinance of the governing body of such Member Agency filed with the ILJAOC. It shall be the responsibility of the Board to provide certified copies of said actions.

3.11 On an annual basis, the Board shall elect two Board members to act as Chair and Vice-Chair of the Agency for the purpose of conducting the Board meetings and performing other duties as required. The Vice-Chair may carry out all the duties of the Chair in his/her absence.

3.12 The Board shall appoint an officer or employee of a Member Agency to hold the offices of Treasurer and Controller ("Treasurer/Controller"), whose duties shall be in conformance with Government Code sections 6505 and 6505.5, and

whose salary, if any, shall be established by the Board. The Treasurer/Controller shall also administer all contracts subsequent to the Board's approval and shall contract with a certified public accountant to make an annual audit of the accounts and records of the ILJAOC as provided in Government Code section 6505. The annual audit shall be submitted to the Board and each Member Agency when completed. The budget, covering a budget cycle set by the Board, shall be prepared by the Treasurer/Controller for the approval by the Board. The ILJAOC's investment policies shall be the policies of the Member Agency of the Treasurer/Controller, as those may be modified by the Board of the ILJAOC. The cost of the Treasurer/Controller in carrying out his/her duties, including, with limitation, any outside professional services, shall be reimbursed by the ILJAOC.

3.13 The Board shall have the power to appoint/hire additional officers, employees, or agents. Any officer, employee, or agent of the ILJAOC who is an officer, employee, or agent of any of the Member Agencies will continue to be subject to the Member Agency's personnel system. However, the ILJAOC may hire employees that are subject to the personnel system of the ILJAOC and said employees shall not be considered employees of any Member Agency. Any person from any Member Agency appointed by the Board to fulfill a staff position with the ILJAOC shall possess appropriate qualifications to carry out his or her responsibilities.

3.14 The City Attorneys, County Counsel or their Deputies of the Member Agencies may generally serve as counsel to the ILJAOC, to the extent agreed to by the respective Member Agency and permitted by such waivers of conflicts of interest to authorize such representation as may be executed by such Member Agency and the ILJAOC Board. The specific and ongoing duties of legal counsel to the ILJAOC may be rotated no less than annually; however, preferably for a term consistent with the Treasurer/Controller appointment and shall be on a voluntary basis. The assignment of one of those individuals to perform the required duties shall be solicited from the legal counsels of the Member Agencies, and is subject to the final approval of the ILJAOC Board.

3.15 The officers of the ILJAOC Board shall perform all duties customary and appropriate to their respective offices and:

a) After approval by the ILJAOC Board, the Board Chair shall sign all contracts on behalf of the ILJAOC Board.

b) The secretary shall perform such duties as assigned by the Board and shall keep minutes of the Board meetings.

c) The Treasurer/Controller shall be bonded in the amount to be determined by the Board and the bond fee shall be paid by the ILJAOC. The Treasurer/Controller shall perform the duties as set forth in this Agreement.

3.16 The Board may appoint an Executive Director by contract or otherwise to oversee day-to-day operations of the ILJAOC. The Executive Director shall manage the daily operations of the ILJAOC and supervision of any other ILJAOC employees.

3.17 All of the privileges and immunities from liability, exemption from laws, ordinances and rules, all relief, pension, disability, worker's compensation, and other benefits which apply to the activities or omissions of officials, officers, employees, volunteers, or agents of any of the Member Agencies when performing their respective functions for their respective Member Agency shall apply to such person(s) to the same degree and extent while they are assigned to the ILJAOC to perform and are performing any of the functions and other duties of the ILJAOC pursuant to authority granted by this Agreement. None of the officials, officers, agents, volunteers, or employees of a Member Agency appointed to the Board or performing services at the direction of the ILJAOC shall be deemed by reason of their appointment or service to be employed by any of the other Member Agencies or the ILJAOC or be subject to any of the requirements of the other Member Agencies.

BUDGET AND DISBURSEMENTS

4.01 The Board shall adopt a budget for the ensuing fiscal year(s) pursuant to procedures developed by the Board. At the conclusion of each fiscal year, the Treasurer/Controller shall make a report to the Board regarding the excess or deficiency of revenues over (or under) expenditures. Such report shall include "budget to actual" comparisons based upon the previously adopted budget. Upon receipt of the report, the Board shall determine what extent, if any, unexpended budgetary appropriations shall be re-appropriated or whether any excess of revenues over expenditures shall be allocated or expended.

4.02 The Treasurer/Controller shall draw warrants upon the approval and written order of the Board or the Board's Executive Director. The Board shall requisition the payment of funds only upon approval of such claims or disbursements and such requisition for payment in accordance with rules, regulations, policies, procedures, and by-laws adopted by the Board.

4.03 All funds received by the Treasurer/Controller for services provided by the ILJAOC, will be placed in object accounts, and the receipt, transfer, or disbursement of such funds during the term of this Agreement shall be accounted for in accordance with generally accepted accounting principles applicable to governmental entities. There shall be strict accountability of all funds. All revenues and expenditures shall be reported to the Board on a quarterly basis, unless otherwise required by the Board.

4.04 All expenditures within the approved budget shall be made upon the approval of the Treasurer/Controller in accordance with the rules, policies, and procedures adopted by the Board. No expenditure in excess of those budgeted shall be made without the two-thirds majority approval of the entire Board, and the budget shall thereafter be revised and amended.

4.05 The records and accounts of the ILJAOC shall be audited annually by an independent certified public accountant and any cost of the audit shall be

paid by the ILJAOC. The minimum requirements shall be those prescribed by the State Controller under California Government Code section 26909 and in conformance with generally accepted auditing standards. Copies of such audit report shall be filed with each Member Agency no later than fifteen (15) days after receipt of said audit by the Board.

4.06 The Member Agencies have agreed by resolution through their respective Governing Authorities to fund on a shared basis, the costs of the ILJAOC operations, and capital in excess of any grant funds, through annual budget appropriations. Each Member Agency's agreement to provide such funds in fiscal years after the fiscal year in which the original ILJAOC Joint Powers Agreement was executed, is contingent upon appropriation by the governing body of that Member Agency of sufficient funds for that purpose. The subject resolutions shall not limit the authority of each Member Agency to cease appropriations for the ILJAOC operations as determined by their respective Governing Authorities, provided, however, that a decision to cease appropriations shall be subject to the terms of Section 6.02 below. In addition, where the ILJAOC has an obligation under the terms of this Agreement to reimburse a Member Agency for providing personnel, equipment, and/or services to the ILJAOC, the Member Agency providing such personnel, equipment, and/or services may waive its right to reimbursement. When a Member Agency incurs costs eligible for reimbursement under the terms of this agreement, those costs shall include only those which are not part of the Member Agency's pre-existing infrastructure/operation prior to the effective date of this Agreement. They also shall not include overhead charges. Costs for the ILJAOC operations referenced in accordance with this Section 4.06 shall be shared as follows:

a) Member Agencies with Municipal Police Departments and the Orange County Sheriff's Department, which serves the unincorporated area of the County as well as their "contract cities," shall be determined on a per capita served basis, with the combined total amount not to exceed 80% of total costs.

b) County of Orange; an amount not to exceed 15% of total costs.

c) The Superior Court of California, County of Orange; an amount not to exceed 5% of total costs.

d) The University of California Police Department; an amount not to exceed 0.75% of total costs.

e) California State University, Fullerton Police Department, an amount not to exceed 0.75% of total costs.

4.07 The Member Agencies acknowledge and agree that the ILJAOC will act as a conduit for the management, direction, and provision of integrated services to the Member Agencies and to other public agencies that contract with ILJAOC for such services.

4.08 Based on information provided by the Executive Director or other designated representatives of the ILJAOC, the Treasurer/Controller shall keep a written account of any services provided to other public agencies by the ILJAOC. All revenues received from other public agencies contracting or receiving services from the ILJAOC for services shall be used to offset the costs incurred by the ILJAOC. The Governing Board shall determine whether those funds shall be placed in a Capital Reserve or otherwise allocated in the ILJAOC's Budget and/or projected costs to Member Agencies.

4.09 In establishing rates for services to non-Member Agency public agencies, the Board shall assure that the contracts for such services provide for the reimbursement of the actual expenses of providing all services of the ILJAOC, including insurance coverage for the ILJAOC's personnel and equipment. Payment for the ILJAOC services by contracting public agencies shall be made on a monthly basis, or no less frequently than on a quarterly basis (unless paid in advance) to the Treasurer/Controller of the ILJAOC. The Treasurer/Controller shall provide a written quarterly account to the Board of all revenues and expenses of the ILJAOC services to other public agencies.

4.10 The ILJAOC budget shall include the provision for a Capital Replacement fund that will provide for, among other things, the replacement of the

equipment owned and operated by the ILJAOC. The ILJAOC Board annually shall recommend to the Member Agencies amounts needed for Capital Replacement. The amount of the provision for Capital Replacement in each ILJAOC annual budget will depend on the amounts appropriated by the Member Agencies for such purposes during each fiscal year. Said funds shall be transferred to the ILJAOC monthly by the Member Agencies for deposit in the ILJAOC's Capital Replacement fund. The actual purchase of new equipment and disposal of unneeded equipment shall be done whenever determined appropriate and justified by the Board.

4.11 All revenues derived from service contracts with other public agencies shall be maintained in a separate revenue account for the ILJAOC. The Treasurer/Controller shall be responsible for accounting for all such revenue. The Board shall be responsible for determining the appropriate allocation of such funds as part of the budget adoption process.

V
LIABILITIES

5.01 Except as provided in Section 8.05 of this Agreement, the ILJAOC and the Member Agencies agree, to the extent allowed by law, that the Member Agencies shall be fully protected from any loss, injury, liability, damage, claim, lawsuit, cost, or expense arising out of, or in any way related to, the performance of this Agreement by the ILJAOC. Accordingly, the provisions of this Agreement should be broadly construed in favor of protection for the Member Agencies and interpreted to provide the fullest possible protection to the Member Agencies and Member Agency's officials, officers, agents, volunteers, and employees. ILJAOC acknowledges that the Member Agencies would not have entered into this Agreement in the absence of the commitments of the ILJAOC as specified in this Article V.

5.02 The Member Agencies acknowledge that each Member Agency may be assigning its own personnel to a cooperative pool of personnel to provide

service to the ILJAOC. The ILJAOC shall be solely responsible for and retain all debts, liabilities, and other obligations for all activities of the ILJAOC, and shall maintain sufficient insurance coverage in effect at all times to cover any such claim, loss, liability, or obligation, as recommended by the ILJAOC Risk Manager and approved by the Board.

5.03 Except as provided in Section 8.05, the ILJAOC shall protect, defend, indemnify, and hold free and harmless the Member Agencies and their respective elected and appointed boards, officials, officers, agents, volunteers, and employees from and against any and all liabilities, damages, loss, cost, claims, expenses, actions, or proceedings of any kind or nature caused by ILJAOC employees or employees of Member Agencies who are performing ILJAOC functions, including, but not by way of limitation, injury or death of any person, injury or damage to any property, including consequential damages and attorney's fees and costs, resulting or arising out of or in any way connected with the negligent acts or failure to act in the course and scope of carrying out their responsibilities in the performance of their duties to the ILJAOC. In addition, and without limiting the foregoing indemnification obligation, except as provided in Section 5.04, the ILJAOC will maintain sufficient insurance coverage in effect at all times as recommended by their Risk Manager, to cover any such damage claim, loss, cost, expense, action, proceeding, liability, or obligation.

5.04 Any contract with a non-member public agency ("non Member Agency") receiving services from the ILJOAC shall include a mutual indemnification provision wherein the non Member Agency and the ILJAOC shall mutually agree to defend and indemnify the other in an amount equal to its proportionate share of liability on a comparative fault basis. The contract shall also provide that: 1) The indemnity obligation shall exist with respect to any claim, loss, liability, damage, lawsuit, cost, or expense that arises out of, or is in any way related to, the performance of services pursuant to the contract; and 2) The obligation of the non-Member Agency and the ILJAOC pursuant to the indemnification provision will extend, without limitation, to an injury, death, loss, or damage which occurs in the performance of the contract and that is sustained by

any third party, any agent, or contractor of the non-Member Agency or the ILJAOC. Notwithstanding the foregoing, in situations where a non-Member Agency lacks the authority to enter into an agreement containing the specific terms specified above in this Section 5.04, the ILJAOC may enter into an agreement without such terms (or including only some of those terms) only after (1) a finding by and affirmative vote of a two-thirds majority of all voting Board members, or their alternates, that the risk of entering into such an agreement is outweighed by the benefit to be obtained by entering into the agreement, and (2) a determination by the ILJAOC's Risk Manager that insurance provisions applicable to the agreement are adequate given the specific risks presented.

5.05 Member Agencies shall be responsible for the continued provision of worker's compensation coverage for the officers or employees of the Member Agencies that are assigned to provide services to the ILJAOC and/or serve as officers or employees of the ILJAOC. In this regard, each Member Agency shall defend, indemnify, and hold harmless the ILJAOC and any other Member Agencies, and their respective officials officers, employees, contractors, agents, and representatives with respect to any claim, loss, liability, damage, lawsuit, cost, or expense, including attorney's fees and costs, that arises out of, or is in any way related, to any industrial/worker compensation injury sustained by an officer or employee of the indemnifying Member Agency during the performance of service to the ILJAOC or the other Member Agencies under this Agreement.

5.06 ILJAOC shall employ the principles of sound risk management in its operations. Risks of loss shall be identified, evaluated, and treated in a manner that protects the ILJAOC and each Member Agency from adverse financial consequences. This may be accomplished in part through the purchase of appropriate commercial insurance.

The Risk Manager, or his/her designee, of one Member Agency shall be designated by the Board, with the consent of the Member Agency, as the "ILJAOC Risk Manager" and shall act in an advisory capacity to the ILJAOC Board to provide guidance in the area of risk management, loss control, insurance procurement,

and claims management. Should a Member Agency Risk Manager not be available to serve the ILJAOC, the Board may designate someone who has comparable experience to serve in that capacity. The ILJAOC Risk Manager will be responsible for maintaining the original insurance policies and other risk management and insurance documents.

During the term of this Agreement, the ILJAOC shall purchase and maintain sufficient amounts of commercial insurance coverage at the equally shared cost to the Member Agencies. The types, limits, retention levels, deductibles, policy forms, and carriers providing the above required insurance coverage's shall be recommended by the ILJAOC Risk Manager to the Board for its approval, consistent with this Agreement.

VI
ADMISSION AND WITHDRAWAL OF PARTIES

6.01 Additional public agencies may become Member Agencies of the ILJAOC upon such terms and conditions as are determined by the Board, and upon the unanimous consent of the ILJAOC Governing Board, so long as such addition(s) are not projected to increase costs to existing Member Agencies. Upon approval by the ILJAOC Governing Board, a written amendment to this Agreement shall be executed by all of the existing Member Agencies, as well as the additional Member Agency. Should increased costs to existing Member Agencies be anticipated due to the addition of a new public agency, unanimous approval must be received from the governing bodies of the existing Member Agencies, as evidenced by approval of resolutions and the execution of a written amendment to this Agreement by all of the Member Agencies, including the additional Member Agency.

6.02 Member Agencies have the right to withdraw from the ILJAOC. Such withdrawals, either voluntarily or involuntarily, shall be conditioned as follows:

a) Involuntary withdrawal shall mean those circumstances where a Member Agency must withdraw due to fiscal or budgetary impact of that Member Agency that results in the discontinuance or reduction of the funding for personnel, services, or equipment by that Member Agency.

b) In the case of a voluntary withdrawal, written notice shall be given one hundred eighty (180) days prior to the end of a fiscal year except that such notice requirement may be shortened (i) by unanimous approval of the Board members present at the meeting at which the Board considers shortening the notice requirement, or (ii) upon breach of this Agreement by the ILJAOC or any Member Agency, in which case the withdrawing Member Agency may withdraw effective at any time.

c) Neither voluntary nor involuntary withdrawal shall relieve the withdrawing Member Agency of its obligations for its proportionate share of any debts or other liabilities incurred by the ILJAOC prior to the effective date of the Member Agency's withdrawal (with the exception of new purchases of capital equipment after the date of the Member Agency's notice of withdrawal), nor any liabilities imposed upon or incurred by the Member Agency pursuant to this Agreement prior to the effective date of the Member Agency's withdrawal.

d) The withdrawing Member Agency shall retain all rights and claims relating to revenues received by the ILJAOC during the time period that the Member Agency provided personnel, services, or equipment under the ILJAOC direction.

e) The withdrawing Member Agency shall be entitled to remove its personnel and any equipment whose title was not transferred in writing to the ILJAOC from the possession and control of the ILJAOC, regardless of the impact on the ILJAOC or its continued operation. The withdrawing Member Agency may also recover any other equipment no longer needed by

the ILJAOC, including equipment it previously transferred to the ILJAOC, according to the terms and conditions determined by the Board in its sole discretion to be fair and equitable. The ILJAOC Board may choose to exempt a Member Agency from any of the listed conditions, but may not impose any conditions other than those listed.

VII
TERMINATION AND DISPOSITION OF ASSETS

7.01 The ILJAOC shall continue to exist and exercise the powers herein until this Agreement is terminated by a vote of two-thirds of the entire Board; provided, however, that no termination shall be complete and final until the ILJAOC has satisfactorily disposed of all financial obligations and claims, distributed all assets, and performed all other functions deemed necessary by the Board to conclude the affairs of the ILJAOC.

7.02 Termination shall occur upon:

a) The written consent of all Member Agencies; or
b) Upon the withdrawal from the ILJAOC of a sufficient number of the Member Agencies that results in a lack of effectiveness as determined by a two-thirds vote of the remaining Board Members; and
c) Full satisfaction of all outstanding financial obligations of the ILJAOC; and
d) All other contractual obligations of the ILJAOC have been satisfied.

7.03 In the event of the termination of this Agreement, any funds remaining following the discharge of all obligations shall be disposed of by returning to each current Member Agency of the ILJAOC immediately prior to the termination of this Agreement, a share of such funds proportionate to the

contribution made to the ILJAOC by said Member Agency, to the extent determined by the Board in its sole discretion to be fair and equitable.

7.04 Notwithstanding any other provisions of this Agreement, the Member Agencies agree to abide by the following procedure for selling of equipment in the event this Agreement is terminated. The equipment shall be given a fair market value by an appraiser agreed upon by the Board. Before the equipment is sold on the open market, the Member Agencies each shall have the right to purchase the equipment at a price and under terms as agreed upon by the Board, which may include a financing arrangement for the purchaser to allow for a transition period after the termination of this Agreement. If an agreement cannot be reached concerning a purchase of the equipment, then it shall be sold on the open market. Proceeds from the sale of equipment upon termination of the Agreement shall be distributed to the Member Agencies in a manner consistent with the cost-sharing format outlined in Paragraph 4.06 (a), (b), and (c) of this Agreement, and any modifications to that formula adopted by the Board.

VIII
MISCELLANEOUS

8.01 Amendments.

Except as otherwise specified in this Agreement, this Agreement may be amended with the unanimous approval of all Member Agencies; provided, however, that no amendment may be made that would adversely affect the interests of the owners of bonds, letters of credit, or other financial obligations of the ILJAOC.

8.02 Notices.

Any notice or instrument required to be given or delivered by depositing the same in any United States Post Office, registered or certified, postage prepaid, addressed to the Member Agencies, shall be deemed to have been received by the Member Agency to whom the same is addressed at the expiration of five (5) days after deposit of the same in the United States Post Office for transmission by registered or certified mail as aforesaid.

8.03 Effective Date.

This Agreement shall be effective at such time as this Agreement has been executed by the majority of the voting Member Agencies enumerated in the introduction of this Amended Agreement.

8.04 Conflicts of Interest.

No official, officer or employee of the ILJAOC or any Member Agency shall have any financial interest, direct or indirect, in the ILJAOC. Nor shall any such officer or employee participate in any decision relating to the ILJAOC that affects his or her financial interests or those of a corporation, partnership, or association in which he or she is directly or indirectly interested, in violation of any State law or regulation.

8.05 Mediation

a) Any controversy or claim between any Member Agencies, or between any such Member Agency or Member Agencies and the ILJAOC, with respect to the ILJAOC's operations, or to any claims, disputes, demands, differences, controversies, or misunderstandings arising under, out of, or in relation to this Agreement, shall be submitted to and determined by mediation.

b) The Member Agency desiring to initiate mediation shall give notice of its intention to every other Member Agency and the ILJAOC. Such notice shall designate such other Member

Agencies as the initiating Member Agency intends to have bound by any award made therein.

c) Each Member Agency involved in the mediation shall bear its own legal costs, including attorney fees.

8.06 Partial Invalidity

If any one or more of the terms, provisions, sections, promises, covenants or conditions of this Agreement shall to any extent be adjudged invalid, unenforceable or void for any reason whatsoever by a court of competent jurisdiction, each and all of the remaining terms, provisions, sections, promises, covenants and conditions of this Agreement shall not be affected thereby and shall be valid and enforceable to the fullest extent permitted by law.

8.07 Successors

This Agreement shall be binding upon and shall inure to the benefit of the successors of the Member Agencies hereto.

8.08 Assignment

A Member Agency shall not assign any rights or obligations under this Agreement without the written consent of all other Member Agencies.

8.09 Execution

The Governing Authorities of the Member Agencies enumerated herein have each authorized execution of this Agreement, as evidenced by the authorized signatures below, respectively.

8.10. Entire Agreement

This Agreement supersedes any and all other agreements whether oral or written, between the parties hereto with respect to the subject matter hereof and contains all of the covenants and agreements between the parties with respect to said matter, and each party to this Agreement acknowledges that no representations, inducements, promises, or agreements, orally or otherwise, have been made by any

party, or anyone acting on behalf of any party, which are not embodied herein, and that any other agreement or modification of this Agreement shall be effective only if executed in writing and signed by the ILJAOC and all Member Agencies.

Dated:

October 7, 2014

CITY OF: Costa Mesa

[redacted]

By: _____

Mayor

ATTEST:

[redacted]

Clerk of the City of: Costa Mesa

APPROVED AS TO FORM:

[redacted]

City Attorney