

Presented By:
City Manager

Action Taken:
Yes 6
No 0
Abstain 0

CITY OF NOME, ALASKA

RESOLUTION NO. R-20-06-09

**A RESOLUTION OF THE NOME COMMON COUNCIL AUTHORIZING THE CITY MANAGER
TO ENTER INTO A THREE-YEAR MEMBERSHIP AGREEMENT WITH ALASKA MUNICIPAL
LEAGUE JOINT INSURANCE ASSOCIATION**

WHEREAS, the Alaska Municipal League Joint Insurance Association (AMLJIA) is a municipal insurance pool authorized under Alaska Statute 21.76 providing risk financing to Alaskan municipalities; and,

WHEREAS, the City of Nome is currently a member of and insured by AMLJIA and wishes to remain so; and,

WHEREAS, the AMLJIA membership, and therefore the City of Nome, benefits from a stable long term membership; and,

WHEREAS, the AMLJIA offers a five percent discount to members entering into a three-year agreement;

BE IT HEREBY RESOLVED that the City of Nome authorizes the City Manager to enter into a three-year membership agreement with the AMLJIA.

APPROVED and SIGNED this 22nd day of June, 2020.



JERALD BROWN
Acting Mayor

ATTEST:



BRYANT HAMMOND
Clerk

000

— H. H. H.

THREE-YEAR PARTICIPANT MEMBERSHIP AGREEMENT

This Three-Year Participant Membership Agreement ("Agreement"), dated _____, is between the _____ ("the Participant") and Alaska Municipal League Joint Insurance Association, Inc. ("AMLJIA").

WHEREAS, AMLJIA is a joint insurance arrangement as authorized under AS 21.76.010 et seq., whose participating members have agreed to pool contributions in order to assume risks for losses to the participants on a group basis; and

WHEREAS, the Participant desires either to renew its current membership in AMLJIA or to become a participating member of AMLJIA; and

WHEREAS, it is in the mutual interests of AMLJIA, the Participant, and other participating members that AMLJIA maintain a stable membership in order to more effectively administer the joint insurance arrangement and serve the needs of the participating members; and

WHEREAS, the Board of Trustees of AMLJIA has determined that in order to encourage participating members to make a multi-year membership commitment, it is efficient and cost-effective, both for participating members and for AMLJIA, to offer a discount on the annual contributions required to be paid

by all participating members that commit to a three-year AMLJIA membership term; and

WHEREAS, the Participant desires to commit to a three-year membership in AMLJIA, subject to the terms and conditions stated herein as well as in the AMLJIA Cooperative Participation Agreement ("CPA") and the AMLJIA Participant Coverage Memorandum ("PCM");

NOW THEREFORE, in consideration of the mutual representations, warranties, covenants, and agreements set forth below, the Participant and AMLJIA agree as follows:

1. The Participant agrees to become a participating member of, or to renew its membership in, AMLJIA effective July 1, ~~2020~~ 2019.

2. The Participant shall continue its membership in AMLJIA for a period of not less than three (3) years, through and including June 30, 2023, subject to the terms and conditions stated herein as well as in the CPA and the PCM. The period of the Participant's membership under this Agreement encompasses the Fiscal Years 2021, 2022, and 2023.

3. The Participant's annual AMLJIA membership contribution for each of the Fiscal Years 2021, 2022, and 2023 shall be discounted by five percent (5%) off the amount of the membership contribution that the Participant would be charged in

the absence of this Agreement, provided the Participant remains a participating member of AMLJIA throughout the three-year effective period of this Agreement.

4. Should AMLJIA determine that the rate upon which the Participant's annual membership contribution is increased by more than ten percent (10%) for either of the Fiscal Years 2022 or 2023, AMLJIA shall notify the Participant of the amount of the anticipated rate increase not later than 45 days prior to the end of the then-current Fiscal Year. In the event of such a rate increase, the Participant shall have the option to cancel this Agreement and to provide written notice of such cancellation and written notice of intent to withdraw from AMLJIA effective at the end of the then-current Fiscal Year. Notice of cancellation of this Agreement and notice of intent to withdraw from AMLJIA pursuant to this paragraph must be received by AMLJIA not later than thirty (30) days after the Participant's receipt of AMLJIA's notice of rate increase, and must comply with the provisions of Section 19 of the CPA except to the extent that the period in which the Participant is permitted to provide notice of intent to withdraw may be shorter under this paragraph than under Section 19 of the CPA.

5. Should the Participant give notice of intent to withdraw from AMLJIA effective at any time prior to the end of

the Fiscal Year 2023 (June 30, 2023), except as provided in paragraph 4 of this Agreement, the Participant shall, within thirty (30) days of the date of such notice pay to AMLJIA the total principal amount of the annual membership contribution discounts it received pursuant to this Agreement, plus interest at the rate of five percent (5%) per annum. In addition, the Participant shall pay liquidated damages in an amount equal to 20 percent of the Participant's estimated deposit for each year remaining in the term of this Agreement, to compensate the Association for the loss of its contribution to the Association's surplus for the remainder of the term of this Agreement.

6. Should the Participant fail to pay to AMLJIA any amount as and when due under paragraph 5 of this Agreement, AMLJIA, in addition to any and all other rights it may have under applicable law, shall have the express right to:

(a) Intercept revenue-sharing, municipal assistance, and other funds due to be paid or administered by or through the State of Alaska to or for the benefit of the Participant, up to and including an amount equal to the unpaid portion of the principal and interest due under this Agreement until paid in full;

(b) Initiate a lawsuit against the Participant in the appropriate court for the State of Alaska, Third Judicial District at Anchorage, to recover any unpaid amounts under this Agreement as well as any other relief to which AMLJIA may be entitled.

7. This Agreement constitutes the entire agreement of the parties, and no other agreement, statement, or promise shall be valid or binding on any party. This Agreement may not be amended, modified, altered, or supplemented other than by means of a written addendum duly executed by the parties.

8. In the event that any provision of this Agreement or the application of any such provision to any person or set of circumstances, shall be determined to be invalid, unlawful, void, or unenforceable to any extent, the remainder of this Agreement, and the application of such provision to persons or circumstances other than those as to which it is determined to be unlawful, void, or unenforceable, shall not be impaired or otherwise affected and shall continue to be valid and enforceable to the fullest extent permitted by law.

9. The waiver by any party hereto of any breach of any term, covenant, or condition of this Agreement shall not be deemed to be a waiver of such term, covenant, or condition or any subsequent breach of the same or any other term, covenant,

or condition of this Agreement. Any waiver of a term, covenant, or condition of this Agreement shall be valid only if in writing.

10. This Agreement shall be interpreted and construed under and pursuant to the laws of the State of Alaska. Venue for any action to enforce any obligation under this Agreement shall lie solely in the state courts of Alaska situated in Anchorage, Alaska.

11. No party to this Agreement may assign its rights nor delegate its duties under this Agreement at any time without the express written consent of the other party. Subject to the foregoing, the provisions of this Agreement shall be binding upon and inure to the benefit of both parties and their respective legal representatives, successors, and assigns.

12. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original. Facsimile and electronic document copies hereof shall be deemed to be originals.

13. If it shall be necessary for either the Participant or AMLJIA to employ an attorney to enforce its rights pursuant to this Agreement because of the default of the other party, the prevailing party in any such action shall be entitled to recover its actual reasonable attorney's fees and costs.

DATED this ____ day of _____, ____.

By: _____

Its: _____

DATED this ____ day of _____, 20__.

ALASKA MUNICIPAL LEAGUE JOINT
INSURANCE ASSOCIATION, INC.

By: Kevin Smith

Its: Executive Director

