

Aitkin County Board of Commissioners
Request for County Board Action/Agenda Item Cover Sheet



To: Chairperson, Aitkin County Board of Commissioners Date: 3/14/12

Via: Patrick Wussow, County Administrator

From: James Ratz, County Attorney

Title of Item: Amended and Restated Joint Powers Agreement

Requested Meeting Date: 3/20/12 Estimated Presentation Time: _____

Presenter: _____

Type of Action Requested (check all that apply)

- For info only, no action requested Approve under Consent Agenda
- For discussion only with possible future action Adopt Ordinance Revision
- Let/Award Bid or Quote (attach copy of basic bid/quote specs or summary of complex specs, each bid/quote received & bid/quote comparison)
- Approve/adopt proposal by motion Approve/adopt proposal by resolution (attach draft resolution)
- Authorize filling vacant staff position
- Request to schedule public hearing or sale Other (please list) _____
- Request by member of the public to be heard
- Item should be addressed in closed session under MN Statute _____

Fiscal Impact (check all that apply)

- Is this item in the current approved budget? Yes No (attach explanation)
- What type of expenditure is this? Operating Capital Other (attach explanation)
- Revenue line account # that funds this item is: _____
- Expenditure line account # for this item is: _____

Staffing Impact (Any yes answer requires a review by Human Resources Manager before going to the board)

- Duties of a department employee(s) may be materially affected. Yes No
- Applicable job description(s) may require revision. Yes No
- Item may impact a bargaining unit agreement or county work policy. Yes No
- Item may change the department's authorized staffing level. Yes No



Supporting Attachment(s)

- Memorandum Summary of Item
- Copy of applicable county policy and/or ordinance (excerpts acceptable)
- Copy of applicable state/federal statute/regulation (excerpts acceptable)
- Copy of applicable contract and/or agreement
- Original bid spec or quote request (excluding complex construction projects)
- Bids/quotes received (excluding complex construction projects, provide comparison worksheet)
- Bid/quote comparison worksheet
- Draft County Board resolution
- Plat approval check-list and supporting documents
- Copy of previous minutes related to this issue
- Other supporting document(s) (please list) _____

Provide eleven (11) copies of supporting documentation NO LATER THAN Wednesday at 12:00 pm to make the Board's agenda for the following Tuesday. Items WILL NOT be placed on the Board agenda unless complete documentation is provided for mailing in the Board packets. (see reverse side for details)

JAMES P. RATZ
AITKIN COUNTY ATTORNEY
217 SECOND STREET N.W., ROOM 231
AITKIN, MINNESOTA 56431


TELEPHONE (218) 927-7347
TOLL FREE 1-888-422-7347
FAX (218) 927-7365

SENIOR ASSISTANT COUNTY ATTORNEY
LISA ROGGENKAMP RAKOTZ

ASSISTANT COUNTY ATTORNEYS
SARAH WINGE
BENJAMIN M. SMITH
REBECCA A. TRAPP

PARALEGALS
MICHELE J. MOTHERWAY
TAMMY K. SPELDRICH

CRIME VICTIM COORDINATOR
JESSICA L. BROWN
TELEPHONE (218) 927-7446

To: Patrick Wussow, County Administrator
From: James P. Ratz, County Attorney 
Date: March 14, 2012
Subject: **MCCC Amended and Restated Joint Powers Agreement**

Our primary software in which we store, organize, and assemble documents is MCAPS. MCCC, Minnesota Counties Computer Cooperative, is the joint power entity (of which we already are a member) responsible for the development, maintenance, and support of MCAPS. MCCC is requesting each member of the JPE sign an amended joint powers agreement to amend the insurance and indemnification language. These services are already in my current approved budget. No additional funds are requested.

JPR:mjm

**AMENDED AND RESTATED
JOINT POWERS AGREEMENT**

THIS AMENDED AND RESTATED JOINT POWERS AGREEMENT, made as of the 6th day of June, 2007, by and between the Minnesota Counties Computer Cooperative (“MCCC”) and _____ (“Member”), to amend, restate and redefine the operation of MCCC, and the rights, benefits, obligations and liabilities of MCCC members.

WITNESSETH:

WHEREAS, MCCC and its participating members have established by agreement an organization through which the parties may jointly and cooperatively provide for the establishment, operation, and maintenance of data processing facilities and management information systems for the use and benefit of the parties; and

WHEREAS, Minnesota Statutes, Section 471.59, authorizes two or more units of government jointly or cooperatively to exercise any power common to the contracting parties or any other similar power and by agreement to provide for a joint board representing the parties to the agreement;

NOW THEREFORE, in consideration of the mutual covenants and agreements hereinafter set forth, and pursuant to Minnesota Statutes, Section 471.59, as amended, and any other applicable statutes, the parties hereto do hereby mutually agree, affirm and contract with each other as follows:

**Article I
Purpose**

Member and the other members of MCCC have established a cooperative mechanism whereby they may jointly exercise powers common to each participating member to:

- A. Develop and acquire or license software programs and related information systems and services of interest to MCCC members and licensees;
- B. Provide for post-installation training, maintenance, enhancement and related services for software programs and related information systems;
- C. Pursue government and related technology grants and related opportunities to acquire or improve software programs and information systems of interest to MCCC members and eligible licensees;
- D. Assess, collect, hold and disburse dues, contract payments and other member contributions authorized by the Board;
- E. Employ a full time Executive Director to administer MCCC operations and directives of the Board, and such other employees as may be necessary or desirable to administer MCCC operations;

- F. Rent, purchase or otherwise acquire and hold property and other assets necessary or reasonably desirable for the successful operation of the MCCC;
- G. Organize and conduct annual regional and MCCC conferences, User Group training sessions, workshops and other meetings of members and licensees; and
- H. Engage in such other similar or related services and programs as determined by the Board as are incident to and proper or reasonable to carry out the foregoing.

It is further the intent of the members to establish procedures whereby additional qualifying members may be added to Agreement, and to establish a mechanism whereby additional and/or alternative programs and services may be developed for the benefit of MCCC members and eligible software licensees.

Article II Name

The name of this joint powers entity shall be the MINNESOTA COUNTIES COMPUTER COOPERATIVE, hereinafter sometimes referred to as the "MCCC".

Article III Membership

Membership in the MCCC shall be open to any governmental unit or other political subdivision of the State of Minnesota as contemplated by M.S. 471.59 Subdivision 1. The Board may impose such conditions on membership, and may create or modify different classes, levels or types of membership within the MCCC with differing member rights, privileges or obligations as it deems appropriate to protect the interest of the MCCC and to provide for the benefit of its members; and in compliance with such conditions as are required by this Agreement, then-current Bylaws as amended ("Bylaws"), or by applicable statutes, rules or regulations for joint powers organizations. During the term of membership, Member shall be entitled to use MCCC software and related services for all software in use by any User Group that Member belongs to and has paid all applicable User Group fees or other associated charges relating to such Software.

All Members agree that they will not sell, license, distribute, or otherwise transfer the Cooperative's source or object code or system or user documentation or any derivatives thereof without the permission of the Board and that all copies of such Cooperative source code, object code or system or user documentation or any derivatives will be maintained in confidence; will not be disclosed or distributed to third parties without the Cooperative's prior written consent and that all such Cooperative or third party licensor property (including copies thereof) will be removed from such Member's computer system and returned to the Cooperative or destroyed promptly following such Member's termination or withdrawal of Cooperative membership. In the event that any Member or Licensee is authorized to and modifies the source code, such Member or Licensee shall indemnify, defend and hold the Cooperative harmless for any claims resulting from such modifications or any unauthorized disclosure or use of such source code.

Article IV
Board of Directors; MCCC Executive Committee

There is hereby created a Board of Directors of the MCCC, herein referred to as the “Board”, which shall be empowered to oversee and administer the MCCC, in the manner provided in the Bylaws. The Board shall be fully empowered to oversee and direct all the affairs of the MCCC and to do all things necessary or convenient for the furtherance of the purposes of the MCCC, including but not limited to: expending and receiving funds; entering into contracts, leases, and other agreements and obligations; employing personnel either as employees or by contract, including consultants, such as technology advisors, attorneys, accountants or others. Member and each other MCCC member shall elect its Board representative as provided in the Bylaws, who shall serve for an indefinite term until such representative dies, resigns, retires from employment with, or is otherwise removed or replaced by the ultimate governing body of such member.

At all times between meetings of the Board, and in a manner consistent with this Agreement, the Bylaws, and all applicable laws, the MCCC Executive Committee, as established and defined in the Bylaws, shall have the full authority and direction of the Board to oversee and manage the business of the MCCC, except as may be limited or otherwise modified from time to time by Board resolution, and/or except for matters of long range policy or any proposed amendment of this Agreement or the Bylaws, which shall be the exclusive province of the full Board. The MCCC Executive Committee shall be comprised of the officers and regional representatives designated in the Bylaws, and will be subject at all time to the direction and control of the Board.

Article V
User Groups

The Board shall be empowered to create, manage, modify, or terminate MCCC user groups, to be comprised of members and other licensed end users of similar software programs and other information systems (“User Groups”). As may be permitted from time to time by the Board, User Groups may elect and replace User Group officers; create and administer annual User Group budgets; and prepare recommendations for User Group software or information systems acquisitions, enhancements or related services of interest to that User Group’s participants. Operation of each User Group is subject at all times to compliance with the then-current form of User Group Rules and Regulations for that User Group, which may be modified from time to time by the Executive Committee, and given immediate or delayed effect, as specified therein.

Article VI
Bylaws and Operating Policies and Procedures

The Board shall adopt, and shall have the sole power and authority to amend or replace the Bylaws, which shall provide for the operation and administration of the MCCC. The Board may also adopt and modify User Group Rules and Regulations, Operating Policies and Procedures, or other policies or agreements that may be created or utilized from time to time to direct and document the specific activities of the MCCC, consistent with this Agreement and the Bylaws.

Article VII
Financial Matters/Limitation of Liability

MCCC shall have a calendar fiscal year beginning January 1 and ending each December 31. On or before June 1 of each year, the MCCC Executive Committee shall prepare and circulate to each member a proposed annual budget for the following calendar fiscal year, comprised of budgeted operating costs, other expenses, capital costs and other revenues and expense categories, which budget will be subject to review, adjustment and/or approval for the next year by the full Board on or before each June 30. During each fiscal year, the approved MCCC budget and individual line items therein may be adjusted by the Executive Committee in order to reflect actual costs incurred; changes in estimated expenses, costs or revenues; or reallocation of budgeted costs and expenses, with any such adjustments promptly reported to all members. Each User Group shall be responsible for determining and providing amounts to MCCC's Executive Director by June 30 of each fiscal year, which will be invoiced to participating User Group members for the following year's participation and other shared fees and expenses and as otherwise provided in the Bylaws.

Member agrees to promptly pay its proportional share of all MCCC expenses, as well as such member's User Group fees or other contributions upon receipt of and in the manner designated in MCCC invoices. All software licenses and similar agreements will include comparable provisions for User Group members who are not eligible for membership as defined in Article III above. Any member whose invoices are not paid at the time of any Board vote will be temporarily ineligible to vote until such invoice(s) and any interest or other expenses are paid. Minnesota Statutes Chapter 118A shall govern all depositories and investments of MCCC funds.

The Board may, at its discretion and from time to time, determine that an assessment is necessary to insure the financial integrity of the MCCC, to operate and maintain the MCCC or to carry out other purposes of the MCCC pursuant to this Agreement. Such assessments shall be in a form, manner and amount as determined by the Board, and shall be payable by members in the manner specified by the Board, provided that any proposed member assessment exceeding \$50,000 will not be binding on any member unless and until such assessment has also been ratified by the applicable County Board of Commissioners or other ultimate governing body of a majority of MCCC members.

To the extent contemplated by Minnesota Statutes Section 471.59, Subd. 1a, Member shall not be liable for the acts or omissions of any other MCCC member or participating MCCC governmental units, in the absence of a written agreement by such governmental unit to be responsible for the acts or omissions of another participating governmental unit.

Article VIII
Withdrawal of Member

Member or any other MCCC members may only withdraw from this Agreement, or any MCCC User Group created pursuant to Article V, except as provided in this Article VIII. To withdraw from a User Group and/or the MCCC, the withdrawing member must first give at least ninety (90) days prior written notice of its intent to do so to the MCCC's Executive Director, to be delivered by certified or registered mail or national overnight courier service, with such

withdrawal to become effective as of the first day of the calendar quarter following the quarter in which such notice was given and the 90 day notice period expires.

Any member that withdraws shall remain jointly and severally liable for its full share of all fees, costs, expenses, debts, obligations and liabilities which were incurred by or on its behalf during the term of its membership, including, without limitation, any such amounts attributable to such member's participation in any User Group for then-current or pending software or other information system deliverable, service obligation, updates, enhancements or other participatory projects or other work then in progress through the expiration or conclusion of each such User Group program as approved by the User Group prior to the member's delivery of the termination notice specified in the prior paragraph. Financial liability of a member who desires to withdraw and payment arrangements for all such liabilities will be determined by the Board, who shall calculate and offer a present value discount if such liabilities are paid as a lump sum by the withdrawing member on or prior to the effective date of termination.

The withdrawal of a member shall not affect the continuance of the MCCC or any User Group by the remaining members and other participants. A member that ceases to qualify for participation in the MCCC or terminated participation, shall have no right or claim to the assets, reserves or other holdings of the MCCC. The withdrawing member may be entitled to a share of the assets of the MCCC only if deemed appropriate by the Board, who may, in its sole discretion, determine the nature and timing of any distribution of assets to a withdrawing member.

Withdrawing members may apply for post-termination use of MCCC software in use by such Member as of withdrawal, in the same manner as provided in Article X below for terminating Members.

Article IX Insurance

From time to time, MCCC may purchase and maintain liability insurance coverage with carriers and such coverage terms as are approved by the Executive Committee in order to insure the activities of MCCC and its joint software, information systems and services, with copies of such policies made available to members upon request.

Article X Term of Agreement/Termination

This Agreement shall remain in effect indefinitely until:

- A. Terminated by the written agreement of all MCCC members;
- B. Suspended or superseded by a subsequent agreement between the MCCC members, adopted and approved at a duly called meeting or otherwise as provided by the Bylaws;
- C. Dissolution of MCCC by affirmative vote of a majority of its members;
- D. Otherwise terminated by operation of law;

- E. Terminated by the parties' mutual written agreement; or
- F. Terminated by MCCC following delivery of any exclusion notice issued by MCCC to Member under Article VI of the then-current MCCC Bylaws, or otherwise in any manner provided for therein.

In the event that the MCCC is terminated as specified in subsections (A)-(D) above, and subject to the provisions below relating to software products then in use by MCCC, any property or other assets acquired by the Board shall be distributed to the then-current members in a manner commensurate with their contributions, or otherwise as determined by the Board. However, sufficient reserves shall be retained and maintained consistent with the MCCC's obligations and known or foreseeable risks, under this Agreement, the Bylaws, and applicable laws or regulations.

Termination under subsections (E)-(F) of this Agreement, or of the MCCC as provided in subsections (A)-(D) above will also terminate that member's rights and license to use MCCC software or related services, except with MCCC's express prior written consent. MCCC agrees to grant its consent upon request and provided that such member is no longer delinquent in any payment or other pre-termination obligations for the then-current version(s) of any software owned by MCCC, and/or licensed from third parties and sublicensable after termination of such membership. Any such post-termination use of software by a former MCCC member will be on a nonexclusive, nontransferable basis; fully subject to the terms of any then-current license or sublicense agreements; and contingent on the execution of an assumption, release and indemnification agreement in a form specified by MCCC, acknowledging that such software is being acquired without warranty and in "AS IS" condition, and that the user(s) thereof will indemnify, defend and hold MCCC, its members, employees, licensees and other affiliates harmless from any liability for post- termination use thereof.

Article XI Entire Agreement; Amendments

This Agreement and the Bylaws constitutes the parties' entire agreement and understanding regarding the organization and operation of the MCCC, and replaces all prior oral or written agreements or understandings regarding the subject matter thereof. Any member may propose one or more amendments to this Agreement, which shall be forwarded to all members upon receipt. In order to amend this Agreement, at least two-thirds of all members must affirmatively approve of such amendment, effective as of the date of the last required member approval obtained.

Article XII Remedies

Amounts not paid by Member within 30 days of invoice (or such other time period as may be specified by the Board) shall bear interest on the unpaid balance from date of invoice at the lower of : (a) 9 percent per annum, compounded quarterly; or (b) the highest legal rate allowed by applicable law. MCCC shall also be entitled to recover or be reimbursed from Member for any collection costs or expenses, including, without limitation, its reasonable attorney's fees.

Article XIII
Governing Law/Jurisdiction and Venue

This Agreement will be governed by the internal laws of the State of Minnesota, applicable to contracts to be entered into and performed wholly within this state. Each party irrevocably submits to the jurisdiction of the applicable federal or state courts located in Ramsey County, Minnesota, and Member and MCCC each agree that such courts shall be the exclusive venues for any disputes arising hereunder.

IN WITNESS WHEREOF, the undersigned Member and MCCC have caused this agreement to be signed in duplicate or counterpart originals, all of which are considered to be a single agreement dated and effective as of the date hereof and delivered on their behalves.

County of _____ (MEMBER)

MINNESOTA COUNTIES
COMPUTER COOPERATIVE (MCCC)

ATTEST:

Name:
Chair Board

By: _____
Lisa Christine Meredith, Executive Director

By: _____

By: _____
MCCC Board Chair

By: _____

By: _____

**AMENDMENT NO. 1 TO MINNESOTA COUNTIES COMPUTER COOPERATIVE
AMENDED AND RESTATED JOINT POWERS AGREEMENT**

This Amendment No. 1 to the Amended and Restated Joint Powers Agreement (“Agreement”) is entered into by and between the Minnesota Counties Computer Cooperative (“MCCC”) and its participating members.

WHEREAS, MCCC and its participating members entered into an Amended and Restated Joint Powers Agreement, dated June 6, 2007, which states and defines the operation of the MCCC, and the rights, benefits, obligations and liabilities of MCCC members;

WHEREAS, Article XI of this Agreement allows for its amendment upon the affirmative approval of at least two-thirds of MCCC members;

WHEREAS, participating MCCC members raised concerns regarding certain provisions of the Agreement subsequent to its adoption on June 6, 2007;

AND WHEREAS, the MCCC and its’ participating members wish to address these concerns;

NOW THEREFORE, the parties hereby mutually agree to amend the Agreement as follows:

FIRST - At page 1 of the Agreement, the second Whereas clause shall be amended as follows (deletions in ~~strikeout~~, additions in underline):

WHEREAS, Minnesota Statutes, Section 471.59, authorizes two or more units of government jointly or cooperatively to exercise any power common to the ~~contracting~~ parties or any other similar power and by agreement to provide for a joint board representing the parties to the agreement.

SECOND – At page 4 of the Agreement, the third and fourth paragraphs of Article VII – Financial Matters / Limitation of Liability, shall be amended to read as follows (deletions in ~~strikeout~~, additions in underline):

The Board may, at its discretion and from time to time, determine that an assessment is necessary to insure the financial integrity of the MCCC, to operate and maintain the MCCC or to carry out other purposes of the MCCC pursuant to this Agreement. Such assessments shall be a form, manner and amount as determined by the Board, and shall be payable to by members to MCCC in the manner specified by the Board, provided that any proposed member assessment exceeding ~~\$50,000~~ the amount equivalent to a member's one-year current MCCC membership dues will not be binding on any member unless and until such assessment has also been ratified by the applicable County Board of Commissioners or other ultimate governing body of a majority of the MCCC members.

~~To the extent contemplated by Minnesota Statutes Section 471.59, Subd. 1a, Member shall not be liable for the acts or omissions of any other MCCC member or participating MCCC governmental units, in the absence of a written agreement by such governmental unit to be responsible for the acts or omissions of another participating governmental unit.~~

THIRD - At page 5 of the Agreement, Article IX – INSURANCE is deleted in its entirety and replaced with the following:

“ARTICLE IX-INSURANCE AND INDEMNIFICATION

From time to time, MCCC may purchase and maintain liability insurance coverage with carriers and such coverage terms as are approved by the Executive Committee in order to insure the activities of MCCC and its joint software, information systems and services, with copies of such policies made available to MCCC members upon request.

- A. MCCC shall be considered a separate and distinct public entity to which the parties have transferred all responsibility and control for actions taken pursuant to

this Amended and Restated Joint Powers Agreement. MCCC shall comply with all laws and rules that govern a public entity in the State of Minnesota, and shall be entitled to the protections of Minnesota Statutes, Chapter 466.

- B. MCCC shall defend, indemnify and hold Member harmless against all claims, losses, liability, suits, judgment, costs and expenses by reason of the action or inaction of the Board and/or employees and/or the agents of MCCC. This Agreement to indemnify and hold harmless does not constitute a waiver by any participant of limitations on liability provided under Minnesota Statutes, Section 466.04.
- C. To the full extent permitted by law, actions by the parties pursuant to this Agreement are intended to be and shall be construed as a “cooperative activity”, and it is the intent of the parties that they shall be deemed a “single governmental unit” for the purposes of liability, all as set forth in Minnesota Statutes, Section 471.59, Subd. 1a(a); provided further that for purposes of that statute, each party to this Agreement expressly declines responsibility for the acts or omissions of the other party.

The parties to this Agreement are not liable for the acts or omissions of the other participants to this Agreement, except to the extent to which they have agreed in writing to be responsible for acts or omissions of the other MCCC members.”

FOURTH – At page 7 of the Agreement, Article XIII – Governing Law/Jurisdiction and Venue shall be amended as follows (deletions in ~~strikeout~~, additions in underline):

This Agreement will be governed by the ~~internal~~ laws of the State of Minnesota, ~~applicable to contracts to be entered into and performed wholly within the state.~~ Each party submits to the jurisdiction of the applicable federal or state courts located in

Ramsey County, Minnesota, ~~and~~. Member and MCCC each agree that ~~said~~ such courts shall be the exclusive venue for any disputes arising hereunder.

IN WITNESS WHEREOF, the undersigned member and MCCC have caused this Amendment No. 1 to be signed in duplicate or counterpart originals, all of which are considered to be a single amendment and, pursuant to Article XI, this amendment will become effective upon the approval of at least two-thirds of all MCCC members, effective as of the date of the last required MCCC member approval obtained.

County of _____ (MEMBER)

MINNESOTA COUNTIES
COMPUTER COOPERATIVE (MCCC)

ATTEST:

Name:
Chair Board

By: _____
Lisa Christine Meredith, Executive Director

By: _____

By: _____
MCCC Board Chair

By: _____

By: _____