

ORDINANCE
OF THE MAYOR AND COUNCIL OF THE CITY OF COLLEGE PARK AMENDING
CHAPTER 54, "LOCAL GOVERNMENT INSURANCE TRUST" BY REPEALING AND
RE-ENACTING ARTICLE I, "FINDINGS", §54-1, "STATUTORY AUTHORITY" AND
REPEALING IN THEIR ENTIRETY ARTICLE I, §54-2 "ESTABLISHMENT OF
TRUST", §54-3 "AUTHORITY TO ENTER INTO AGREEMENT", §54-4 "ADDITIONAL
CAPITAL PROVIDED", §54-5 "DOCUMENTS", §54-6 "EFFECT OF AGREEMENTS",
§54-7 "DETERMINATION TO PARTICIPATE", §54-8 "CAPITAL CONTRIBUTION",
AND ARTICLE II, "PARTICIPATION IN TRUST", § 54-9 "PROGRAM AND
PARTICIPATION APPROVED", § 54-10 "CONTRIBUTION AUTHORIZED", § 54-
11, "AGREEMENTS APPROVED", § 54-12, "EXECUTION OF PROGRAM", AND
§ 54-13, "DECLARATION", TO DELETE UNNECESSARY PROVISIONS AND
CONTINUE TO AUTHORIZE THE PARTICIPATION BY THE CITY IN INSURANCE
POOLS, INCLUDING THE LOCAL GOVERNMENT INSURANCE TRUST, FOR THE
PURPOSE OF PURCHASING CASUALTY, HEALTH OR PROPERTY INSURANCE
OR SELF-INSURING CASUALTY, HEALTH OR PROPERTY RISKS.

WHEREAS, pursuant to §5-201 *et seq.* of the Local Government Article, Annotated Code of Maryland, the City of College Park, Maryland (hereinafter, the "City") has the power to pass such ordinances as it deems necessary to protect the health, safety and welfare of the citizens of the municipality and to prevent and remove nuisances; and

WHEREAS, Chapter 54 was adopted by the Mayor and Council pursuant to §19-602 *et seq.* of the Insurance Article, Annotated Code of Maryland, as amended; and

WHEREAS, a number of the provisions in Chapter 54 were adopted to authorize the initial participation by the City in insurance pools for the purpose of purchasing casualty, HEALTH or property insurance or self-insuring casualty, or property risks; and

WHEREAS, these provisions are no longer necessary; and

WHEREAS, Chapter 54 as amended will continue to authorize the City to participate in and fund insurance pools for the purpose of purchasing casualty, or property insurance or self-

CAPS	: Indicate matter added to existing law.
[Brackets]	: Indicate matter deleted from law.
Asterisks * * *	: Indicate matter remaining unchanged in existing law but not set forth in Ordinance
CAPS	: Indicate matter added in amendment
[Brackets]	: Indicate matter deleted in amendment

insuring casualty, or property risks, and also for insuring the health of its employees by such means, including specifically the Local Government Insurance Trust; and

WHEREAS, the Mayor and Council have determined that it is in the public interest to revise and update Chapters 54.

Section 1. NOW THEREFORE, BE IT ORDAINED AND ENACTED, by the Mayor and Council of the City of College Park, Maryland that Chapter 54, “Local Government Insurance Trust”, Article I, “Findings”, §54-1 “Statutory authority” be and is hereby repealed, re-enacted and amended to read as follows:

§ 54-1 [~~Statutory authority~~]. **AUTHORITY TO ENTER INTO INSURANCE POOLS**

~~[Political subdivisions and municipal corporations of the State of Maryland (collectively "local governments"), including the City of College Park, are authorized by Article 48A, § 482B, of the Annotated Code of Maryland (1991 Replacement Volume)]~~ A. PURSUANT TO §19-602 *ET SEQ.*

OF THE INSURANCE ARTICLE, ANNOTATED CODE OF MARYLAND, AS AMENDED, THE CITY IS AUTHORIZED ~~[(the "Act"),]~~ to pool together WITH OTHER POLITICAL SUBDIVISIONS AND MUNICIPAL CORPORATIONS OF THE STATE for the purpose of purchasing casualty, HEALTH or property insurance or self-insuring casualty, HEALTH or property risks, AND TO APPROVE BY RESOLUTION ANY MEASURES REQUIRED TO DO SO, INCLUDING WITHOUT LIMITATION ENTERING INTO TRUSTS AND CAPITALIZATION AGREEMENTS, AND EXECUTING AND DELIVERING ALL NECESSARY AND APPROPRIATE ENABLING DOCUMENTS, INSTRUMENTS, CERTIFICATES AND OPINIONS.

B. THE CITY IS AUTHORIZED TO CONTINUE TO PARTICIPATE IN THE LOCAL GOVERNMENT INSURANCE TRUST FOR THE PURPOSE OF PURCHASING CASUALTY, HEALTH OR PROPERTY INSURANCE OR SELF-INSURING CASUALTY,

HEALTH OR PROPERTY RISKS, THROUGH ITS TRUST AGREEMENT, AS AMENDED, WHICH IS HEREBY CONFIRMED AND RATIFIED, AND OTHER REQUIRED AGREEMENTS, AND TO FUND SAID PARTICIPATION.

Section 2. BE IT FURTHER ORDAINED AND ENACTED by the Mayor and Council of the City of College Park that Chapter 54, “Local Government Insurance Trust”, Article I, “Findings”, §54-2 “Establishment of trust” be and it is hereby deleted in its entirety as follows:

~~[§ 54-2 Establishment of trust.~~

~~The Local Government Insurance Trust (the "trust") was established on July 1, 1987, pursuant to the Act and the local government insurance trust agreement for the purpose of enabling local governments to pool together to provide insurance protection for casualty and property risks and to provide risk management and loss control services for local governments, all for the public purpose of minimizing the cost of casualty insurance and property insurance claims and administration to local governments.]~~

Section 3. BE IT FURTHER ORDAINED AND ENACTED by the Mayor and Council of the City of College Park that Chapter 54, “Local Government Insurance Trust”, Article I, “Findings”, §54-3 “Authority to enter into agreement” be and it is hereby deleted in its entirety as follows:

~~[§ 54-3 Authority to enter into agreement.~~

~~The Act, as amended by Chapter 459 of the Laws of Maryland of 1988, authorizes any local government to enter into an agreement to capitalize or otherwise fund an insurance pool established under the Act. The Act, as amended by Chapter 459 of the Laws of Maryland of 1988, further provides that:~~

~~A. Such agreement may have such provisions, terms and conditions and may be of such duration as the local government, by resolution, may determine.~~

~~B. Any payment obligation in such agreement shall be a general obligation of the local government to which its full faith and credit and unlimited taxing power is pledged and may not be subject to annual appropriation by the local government.~~

~~C. Such payment obligation may be undertaken without regard to any limitations set forth in the Charter of the local government or other applicable public local or public general law that would otherwise apply and without complying with any procedures set forth in the Charter of the local government or other applicable public local or public general law that would otherwise be required.]~~

Section 4. BE IT FURTHER ORDAINED AND ENACTED by the Mayor and Council of the City of College Park that Chapter 54, “Local Government Insurance Trust”, Article

I, "Findings", §54-4 "Additional capital provided" be and it is hereby deleted in its entirety as follows:

~~[§ 54-4 Additional capital provided.~~

~~Pursuant to the authority granted in the Act, as amended by Chapter 459 of the Laws of Maryland of 1988, the trust and certain local governments, including the City of College Park, have determined that it is necessary and desirable to provide additional capital and surplus for the insurance pools administered by the trust for the benefit of local governments covered by the insurance pools administered by the trust (the "capitalization program").]~~

Section 5. BE IT FURTHER ORDAINED AND ENACTED by the Mayor and Council of the City of College Park that Chapter 54, "Local Government Insurance Trust", Article I, "Findings", §54-5 "Documents" be and it is hereby deleted in its entirety as follows:

~~[§ 54-5 Documents.~~

~~Pursuant to the authority of the Act, as amended by Chapter 459 of the Laws of Maryland of 1988, the trust has prepared and submitted to the City of College Park for approval the following documents in order to implement the capitalization program:~~

~~A. A cash contribution coverage and capitalization agreement to be dated as of July 1, 1989 (the "cash capitalization agreement"), by and among the trust and certain local governments participating in the capitalization program (collectively the "cash capital participants").~~

~~B. The second amended and restated trust agreement to be dated as of July 1, 1989 (the "LGIT agreement"), by and among the trust and those local governments participating in the trust.]~~

Section 6. BE IT FURTHER ORDAINED AND ENACTED by the Mayor and Council of the City of College Park that Chapter 54, "Local Government Insurance Trust", Article I, "Findings", §54-6 "Effect of agreements" be and it is hereby deleted in its entirety as follows:

~~[§ 54-6 Effect of agreements.~~

~~Collectively, the cash capitalization agreement and the LGIT agreement, when approved, executed and delivered, will:~~

~~A. Enable the trust to raise the capital necessary to support additional coverages, including excess liability coverage, environmental cleanup coverage and environmental liability coverage (the "capital coverage").~~

~~B. Enable the trust to make the capital coverage available to each cash capital participant.~~

~~C. Require each cash capital participant to make a capital contribution in cash on or before the date specified in the cash capitalization agreement.]~~

Section 7. BE IT FURTHER ORDAINED AND ENACTED by the Mayor and Council of the City of College Park that Chapter 54, "Local Government Insurance Trust", Article

I, "Findings", §54-7 "Determination to participate" be and it is hereby deleted in its entirety as follows:

~~[\§ 54-7 Determination to participate.~~

~~The City of College Park has determined that it is in the best interests of the citizens of the City of College Park for the City of College Park to participate in the capitalization program and to adopt this chapter, pursuant to the Act, approving and directing the execution and delivery of the cash capitalization agreement and the LGIT agreement.]~~

Section 8. BE IT FURTHER ORDAINED AND ENACTED by the Mayor and Council of the City of College Park that Chapter 54, "Local Government Insurance Trust", Article I, "Findings", §54-8 "Capital contribution" be and it is hereby deleted in its entirety as follows:

~~[\§ 54-8 Capital contribution.~~

~~A. By means of this chapter, the City of College Park approves, accepts and agrees to pay a capital contribution in the principal amount of \$32,859 under the terms and conditions of the cash capitalization agreement.~~

~~B. Under the terms of the Act, as amended by Chapter 459 of the Laws of Maryland of 1988, the capital contribution approved by this chapter and any interest payable thereon will be a general obligation of the City of College Park to which its full faith and credit and unlimited taxing power is pledged and will not be subject to annual appropriation by the City of College Park.]~~

Section 9. BE IT FURTHER ORDAINED AND ENACTED by the Mayor and Council of the City of College Park that Chapter 54, "Local Government Insurance Trust", Article II, "Participation in trust", §54-9 "Program and participation approved" be and it is hereby deleted in its entirety as follows:

~~[\§ 54-9 Program and participation approved.~~

~~A. The capitalization program is hereby approved.~~

~~B. The participation of the City of College Park in the capitalization program is hereby authorized and approved.]~~

Section 10. BE IT FURTHER ORDAINED AND ENACTED by the Mayor and Council of the City of College Park that Chapter 54, "Local Government Insurance Trust", Article II, "Participation in trust", §54-10 "Contribution authorized" be and it is hereby deleted in its entirety as follows:

~~{§ 54-10 Contribution authorized.~~

~~The City of College Park is hereby authorized and directed to make a capital contribution to the trust in the amount of \$32,859 pursuant to the terms and conditions of the cash capitalization agreement. Pursuant to the Act, the capital contribution in the amount of \$32,859 and any interest payable thereon under the terms and conditions of the cash capitalization agreement shall be a general obligation of the City of College Park to which its full faith and credit and unlimited taxing power is pledged and may not be subject to annual appropriation by the City of College Park.]~~

Section 11. BE IT FURTHER ORDAINED AND ENACTED by the Mayor and Council of the City of College Park that Chapter 54, “Local Government Insurance Trust”, Article II, “Participation in trust”, §54-11 “Agreements approved” be and it is hereby deleted in its entirety as follows:

~~{§ 54-11 Agreements approved.~~

~~A. The cash capitalization agreement, in substantially the form attached hereto as Exhibit A,^[1] is hereby approved, and the City Manager is hereby authorized and directed to execute and deliver to the trust and the other cash capital participants the cash capitalization agreement in substantially the form attached hereto as Exhibit A, with such changes as the City Manager may approve, such approval to be evidenced conclusively by the City Manager's execution and delivery of the cash capitalization agreement.~~

~~B. The LGIT agreement, in substantially the form attached hereto as Exhibit B,^[2] is hereby approved, and the City Manager is hereby authorized and directed to execute and deliver to the trust the LGIT agreement in substantially the form attached hereto as Exhibit B, with such changes as the City Manager may approve, such approval to be evidenced conclusively by the City Manager's execution and delivery of the LGIT agreement.]~~

Section 12. BE IT FURTHER ORDAINED AND ENACTED by the Mayor and Council of the City of College Park that Chapter 54, “Local Government Insurance Trust”, Article II, “Participation in trust”, §54-12 “Execution of program” be and it is hereby deleted in its entirety as follows:

~~{§ 54-12 Execution of program.~~

~~All officials, employees and agents of the City of College Park are hereby authorized and directed to take any and all action necessary or appropriate to effect the participation of the City of College Park in the capitalization program and to execute and deliver all documents, instruments, certificates and opinions necessary or appropriate in connection therewith.]~~

Section 13. BE IT FURTHER ORDAINED AND ENACTED by the Mayor and Council of the City of College Park that Chapter 54, “Local Government Insurance Trust”, Article II, “Participation in trust”, §54-13 “Declaration” be and it is hereby deleted in its entirety as follows:

~~{§ 54-13 Declaration.~~

~~Article I of this chapter is hereby declared to be and shall at all times and for all purposes be deemed to be the findings of the City of College Park in connection with its decision to participate in the capitalization program, to make a capital contribution in the amount of \$32,859 and to approve, execute and deliver the cash capitalization agreement and the LGIT agreement.]~~

Section 14. BE IT FURTHER ORDAINED AND ENACTED by the Mayor and Council of the City of College Park that the designations of Article I and Article II are no longer required for Chapter 54, “Local Government Insurance Trust”, and so are hereby deleted.

Section 15. BE IT FURTHER ORDAINED AND ENACTED by the Mayor and Council of the City of College Park that, upon formal introduction of this proposed Ordinance, which shall be by way of a motion duly seconded and without any further vote, the City Clerk shall distribute a copy to each Council member and shall maintain a reasonable number of copies in the office of the City Clerk and shall post at City Hall, to the official City website, to the City-maintained e-mail LISTSERV, and on the City cable channel, and if time permits, in any City newsletter, the proposed ordinance or a fair summary thereof together with a notice setting out the time and place for a public hearing thereon and for its consideration by the Council.

The public hearing, hereby set for 7:30 p.m. on the 29th day of January, 2019, shall follow the publication by at least seven (7) days, may be held separately or in connection with a regular or special Council meeting and may be adjourned from time to time. All persons interested shall have an opportunity to be heard.

After the hearing, the Council may adopt the proposed ordinance with or without amendments or reject it. This Ordinance shall become effective on February 19, 2019 provided that, as soon as practicable after adoption, the City Clerk shall post a fair summary of the Ordinance and notice of its adoption at City Hall, to the official City website, to the City-maintained e-mail LISTSERV, on the City cable channel, and in any City newsletter.

INTRODUCED by the Mayor and Council of the City of College Park, Maryland at a regular meeting on the 15th day of January, 2019.

ADOPTED by the Mayor and Council of the City of College Park, Maryland at a regular meeting on the 29th day of January 2019.

EFFECTIVE the 19th day of February, 2019.

ATTEST:

CITY OF COLLEGE PARK

By: Janeen S. Miller
Janeen S. Miller, CMC, City Clerk

By: Patrick L. Wojahn
Patrick L. Wojahn, Mayor

**APPROVED AS TO FORM AND
LEGAL SUFFICIENCY:**

Suellen M. Ferguson
Suellen M. Ferguson, City Attorney