

RESOLUTION R 3153

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KIRKLAND AUTHORIZING THE MAYOR TO SIGN ON BEHALF OF THE CITY OF KIRKLAND, AN AMENDED INTERLOCAL GOVERNMENTAL AGREEMENT WITH RESPECT TO THE CREATION AND OPERATION OF THE PUGET SOUND CITIES INSURANCE AUTHORITY.

Whereas, the Puget Sound Cities Insurance Authority (hereinafter referred to as PSCIA) has been functioning and operating for the past four years pursuant to an interlocal governmental agreement between its member cities; and

Whereas, the City of Kirkland is a signatory party to said agreement as authorized by Kirkland Resolution R-2751 adopted August 18, 1980; and

Whereas, Article 26 of the interlocal agreement creating PSCIA allows for amendment of the interlocal agreement; and

Whereas, the Board of Directors of PSCIA has identified certain articles of said interlocal agreement creating PSCIA as in need of amendment to promote the future efficient operation of PSCIA; and

Whereas on February 21, 1985, the Board of Directors of PSCIA unanimously approved the adoption of certain proposed changes to sections of the interlocal agreement creating PSCIA and approved the presentation of same to each of the member cities for their ratification and approval to amend the interlocal governmental agreement; and

Whereas, the City of Kirkland has reviewed the proposed amendments and find that they merit adoption, now, therefore,

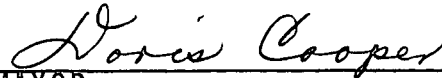
Be it resolved by the City Council of the City of Kirkland as follows:

Section 1. The City Council of the City of Kirkland hereby approves the adoption of those certain proposed changes to specified sections of the interlocal governmental agreement creating the Puget Sound Cities Insurance Authority, all as set forth in Exhibit A to this resolution and by this reference incorporated herein.

Section 2. The Mayor of the City of Kirkland is hereby authorized and directed to sign on behalf of the City of Kirkland, the amended interlocal agreement creating the Puget Sound Cities Insurance Authority, all in accordance with the provisions contained in Exhibit A.


Passed by majority vote of the Kirkland City Council in regular, open meeting this 18th day of March, 1985.

Signed in authentication thereof this 18th day of March, 1985.



MAYOR

ATTEST:



Director of Administration & Finance
(ex officio City Clerk)

EXHIBIT A TO KIRKLAND RESOLUTION R 3153

ARTICLE 1

(h) (Insurance Manager) Executive Director shall mean that employee of the Authority who is appointed by the Board of Directors, and responsible for the management and administration of the joint protection program of the Authority.

ARTICLE 2

This agreement is entered into by Cities in order to provide more comprehensive and economical liability coverage, to provide for the economical or self insurance pooling of insurance coverage for all forms of insurance available or required by law for municipal corporations and for which State law authorizes the formation of pooling organizations to provide such insurance, to reduce the amount and frequency of Cities' losses, and to decrease the cost incurred by Cities in the handling and litigation of claims. This purpose shall be accomplished through the exercise of the powers of Cities jointly in the creation of a separate entity, the Puget Sound Cities Interlocal Insurance Authority (Authority), to administer a joint protection program wherein Cities will pool their losses and claims, jointly purchase excess insurance and administrative and other services including claims adjusting, data processing, risk management consulting, loss prevention, legal and related services.

It is also the purpose of this Agreement to provide, to the extent permitted by law, for the inclusion (of the) at a subsequent date of such additional municipal corporations organized and existing under the Constitution or laws of the State of Washington as may desire to become parties to this Agreement and members of the Authority, subject to approval by the Board of Directors.

It is also the purpose of this agreement to provide, to the extent permitted by law, that the "Authority" may, in the discretion of its Directors, contract with non-member Cities or other municipal corporations in the State of Washington to provide, at a reasonable charge, such non-member Cities or municipal corporations administrative and other services including claims adjusting, data processing, risk management consulting, loss prevention and training.

ARTICLE 7

(a) The Authority shall be governed by the Board of Directors which is hereby established and which shall be composed of one representative from each Member City who is an employee or official of that City as appointed by the City Council, Commission, or appointing official, of that City. Each City Council, Commission, or appointing official, in addition to appointing a member of the Board shall appoint at least one alternate who also shall be an officer or employee of that City.

ARTICLE 8

(j) The (Insurance Manager) Executive Director shall have the power to hire such persons as the Board authorizes for the administration of the Authority, including the "borrowing" of management-level employees from one or more of the Member Cities to assist in the development phase of the joint protection program of the Authority, subject to the approval of the Member City. Any Member City whose employee is so "borrowed" according to this provision shall be reimbursed by the Authority for that employee's time spent or services rendered on behalf of the Authority.

(k) The (Insurance Manager) Executive Director shall have the general supervisory control over the day-to-day decisions and administrative activities of the Authority.

(l) The Board shall have such other powers and functions are provided for in this agreement, including, but not limited to, the power to authorize the contracts with non-member Cities or municipal corporations and the "Authority", to provide services to such nonmembers as set forth in Article 2, upon such terms and conditions as the Directors shall decide appropriate.

ARTICLE 10

The Board of Directors may appoint at any time of the year during a board meeting an Executive Committee of the Board of Directors which shall consist of an odd number of not less than five nor more than nine members, as determined by the Board of Directors. (One) Two of the members of the Executive Committee shall be the President of the Board of Directors, (or in his or her absence) and the Vice president of the Board of Directors; the remainder of the members, after their original election, shall be elected by the Board of Directors at the same time the officers of the Board are elected in January of each calendar year. The President of the Authority, or the Vice President in his or her absence, shall serve as the Chairperson of the Executive Committee. The Board of Directors may delegate any of the powers of the Board as outlined in Article 8 to the Executive Committee and may establish and delegate any other powers and duties the Board deem appropriate.

ARTICLE 11

(b) (Insurance Manager) Executive Director. The (Insurance Manager) Executive Director shall have the general administrative responsibility for the activities of the joint protection program and shall appoint all necessary employees thereof.

ARTICLE 12

(a) The insurance coverage provided for Member Cities by the Authority shall (include) allow or require protection for comprehensive liability, personal injury, errors and omissions, contractual liability, and such other areas of coverage as the state shall require or the Board shall determine.

ARTICLE 13

(c) The initial premium for each City shall be determined by the Board, (on the basis of the City's payroll as compared to the total payroll of all Member Cities, excluding such portion of a City's payroll as may be attributable to operations not covered by the joint protection program. The total initial premium for a Member City in the first year of operation of the joint protection program shall not exceed the total premium paid by such City for the preceding year, except that if during that preceding year a City was partially self-insured, that City's premium shall take into account the City's loss experience under said self-insurance program.) in its discretion, based upon a fair formula which shall consider, but not be limited to, total City payroll, administrative experience of the City, the previous loss experience of the City, the liability risks of the City and the costs to the Authority of adding the City as a member.

ARTICLE 14

(c) (Insurance Manager's) Executive Director's Report. The (Insurance Manager) Executive Director, within one hundred and twenty (120) days after the close of each fiscal year, shall give a complete written report of all financial activities for such fiscal year to the Board and to each Member City.

ARTICLE 15

(c) The Treasurer's duties shall include:
(4) Pay any other sums due from Authority money only upon request for payment signed by the President of the Board of the (Insurance Manager) Executive Director.

ARTICLE 16

(h) Conduct risk management audits to review the participation of each City in the program. The audit (team) shall (include a representative from the Authority, the City involved and at least one other City) be performed by the Executive Director or, at the discretion of the Board, an independent auditor may be retained by contract to conduct the audits.

ARTICLE 17

(a) The City Council, Commission, or appointing official of each City shall appoint a representative and at least one alternate representative to the Board of Directors, pursuant to Article 7 of this Agreement.

ARTICLE 19

After the effective date of the joint protection program is established by the Authority, according to the provisions of Article 18, additional cities shall be permitted to become signatories to this Agreement, or to enter the joint protection program, during the first year of operation. Following the first year of operation, the Authority shall allow entry into the program of new members approved by the Board (only at the end of the fiscal year) at such time during the year as the Board deem appropriate.