

**RESOLUTION NO. 1496**

**A RESOLUTION OF THE COMMISSION OF PUBLIC UTILITY DISTRICT NO. 1 OF OKANOGAN COUNTY, WASHINGTON DECLARING ITS APPROVAL OF THE RESOLUTIONS ENACTED BY THE BOARD FOR THE PUBLIC UTILITY RISK MANAGEMENET SERVICES (PURMS) SELF-INSURANCE FUND AT ITS ANNUAL MEETING ON NOVEMBER 12, 2009, ON THE SUBJECTS IDENTIFIED BY RESOLUTION NUMBER AND NAME BELOW**

**PUBLIC UTILITY DISTRICT NO. 1 OF OKANOGAN COUNTY, WASHINGTON**

**BE IT RESOLVED** by the Commission of Public Utility District No. 1 of Okanogan County, Washington, as follows:

**WHEREAS**, Public Utility District No. 1 of Okanogan County, Washington (“District”) is a municipal corporation organized and existing under and by virtue of the Constitution and the laws of the State of Washington;

**WHEREAS**, the District is a Signatory to the Public Utility Risk Management Services (“PURMS”) Joint Self-Insurance Agreement, originally dated December 20, 1976, as most recently amended by PURMS’ Resolution on November 13, 2008 (hereinafter, the “SIA”);

**WHEREAS**, PURMS is an unincorporated association of Local Government Entities organized and existing under the laws of the State of Washington, including RCW 48.62 et. Seq., and other applicable statutes enacted to permit and facilitate the joint exercise by Local Government Entities of their powers;

**WHEREAS**, PURMS exists and operates pursuant to the terms of the SIA for the purpose, among other things, of providing its Members with joint self-insurance coverage and jointly purchased excess or stop-loss coverage for liability claims, property losses and health and welfare benefits, and joint administration and handling of such claims, through three separate Risk Pools known as the Liability Pool, the Property Pool and the Health & Welfare Pool;

**WHEREAS**, the District currently participates as a Member in one or more of these Risk Pools and receives the benefits and costs savings of joint self-insurance coverage and administration through such Risk Pool(s);

**WHEREAS**, pursuant to § I, ¶ 6 of the SIA, the business and affairs of PURMS are managed and governed by and through its Board of Directors (“Board”);

**WHEREAS**, § I, ¶ 5.2 of the SIA permits amendment of the Agreement and its various Sections by the Board by specifically stated Voting Standards contained in the SIA;

**WHEREAS**, the SIA can be amended by the Board by a Super-Majority Vote, which is 85% of the nineteen (19) Members of PURMS, or 17 of the 19 voting Members;

**WHEREAS**, the district received timely notice of the Annual Meeting of the PURMS Board, by means of an Agenda mailed ten (10) days prior to the meeting, as required in the SIA, along with a cover letter that identified five (5) separate Resolutions that the Board would consider and vote upon at its Annual Meeting:

**Resolution No. 11-12-09-1** re: "Approving Action to Comply with 2009 WAC's for Liability and Property Pools."

**Resolution No. 11-12-09-2** re: "Program Treasurer's Bond and Bond or Insurance Coverage and Indemnification for PURMS' Directors, Officers and Committees."

**Resolution No. 11-12-09-3** re: "Approving Amended Administrator Service Agreement and Related SIA Amendments."

**Resolution No. 11-12-09-4** re: "Terms of \$100,000 Limited 'In Lieu Of' Bond Coverage under SIA for Members' Treasurers."

**Resolution No. 11-12-09-5** re: "Authorizing Voting Procedures re Resolutions for 11-12-09 Board Meeting."

**WHEREAS**, the Agenda was also accompanied by a document titled "Summary of Resolutions and SIA Voting Standards", and PURMS Resolution No. 11-12-09-5;

**WHEREAS**, Resolution No. 11-12-09-5, for the reasons stated therein, provides that Members that cannot participate in the Annual Board Meeting and vote on the Resolutions may vote thereafter by means of this Authorizing Resolution passed by their respective Boards of Commissioners;

**WHEREAS**, the District has been provided with copies of all five of the Resolutions to be considered by the PURMS Board, along with a draft of the proposed Amended Administrator Service Agreement between PURMS and its Administrator which is the subject of Resolution No. 11-12-09-3;

**WHEREAS**, on November 11, 2009, the Executive Committee for PURMS met, along with the Administrator and General Counsel, and discussed in detail the five separate Resolutions;

**WHEREAS**, the Executive Committee recommended to the PURMS Board that the Board adopt all five Resolutions as proposed, as well as the basic terms of the draft Amended Administrator Service Agreement;

**WHEREAS**, on November 12, 2009, the PURMS Board met for its Annual Meeting and, among other things, considered and voted on each of the five Resolutions;

**WHEREAS**, the Commission for the District ("Commission") has reviewed and discussed the Resolution and the proposed Amended Administrator Service Agreement and finds them acceptable and consistent with the insurance needs of the District as a Member of PURMS.

**NOW, THEREFORE, IT IS HEREBY FOUND, DETERMINED AND ORDERED** as follows:

Section 1: The Commission hereby acknowledges receipt of PURMS' Board Resolutions Nos. 11-12-09-1 through 11-12-09-5 and the documents related thereto identified above;

Section 2: The Commission finds that the Resolutions and the Amended Administrator Service Agreement adequately and appropriately assist PURMS in prudent and efficient operation and administration of PURMS' Risk Pools, and therefore, benefits the District as a Member thereof;

Section 3: The Commission finds that approving the Resolutions and Amended Administrator Service Agreement as submitted to and approved by the PURMS Board, is in the best interest of the District.

Section 4: Specifically, the Commission approves each of the following identified Resolutions, as signified by a Commissioner's initials next to the name of the Resolution;

**Resolution No. 11-12-09-1** re: "Approving Action to Comply with 2009 WAC's for Liability and Property Pools." \_\_\_\_\_ (initials)

**Resolution No. 11-12-09-2** re: "Program Treasurer's Bond and Bond or Insurance Coverage and Indemnification for PURMS' Directors, Officers and Committees." \_\_\_\_\_ (initials)


**Resolution No. 11-12-09-3** re: "Approving Amended Administrator Service Agreement and Related SIA Amendments." \_\_\_\_\_ (initials)

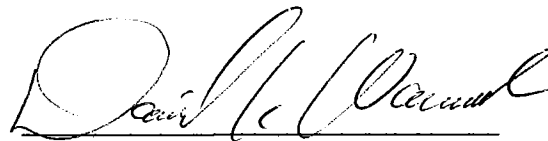
**Resolution No. 11-12-09-4** re: "Terms of \$100,000 Limited 'In Lieu Of' Bond Coverage under SIA for Members' Treasurers." \_\_\_\_\_ (initials)

**Resolution No. 11-12-09-5** re: "Authorizing Voting Procedures re Resolutions for 11-12-09 Board Meeting." \_\_\_\_\_ (initials)

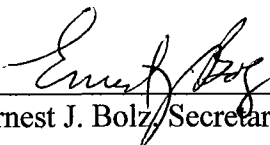
Section 5: This Resolution shall be in effect from and after its date of passage.

**ADOPTED** by the Commission of Public Utility District No. 1 of Okanogan County, Washington, at a regular meeting thereof, held on the 1<sup>st</sup> day of December, 2009.

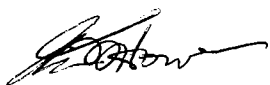
  
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Trish Butler, President

  
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David A. Womack, Vice President

ATTEST:

  
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Ernest J. Bolz, Secretary

APPROVED:

  
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Michael D. Howe, Legal Counsel