

Special District Risk
Management Authority

Maximizing Protection
Minimizing Risk

1112 I Street, Suite 300
Sacramento, California 95814-2865
T 916.231.4141
T 800.537.7790
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www.sdrma.org



June 19, 2013

Ms. Gay A. Giles
Finance Director
Mountain House Community Services District
230 S. Sterling Drive, Suite 100
Mountain House, California 95391

Dear Ms. Giles,

Thank you for the opportunity to provide Mountain House Community Services District with this 2013-14 Property/Liability and Workers' Compensation Program quotations. Established in 1986, the Special District Risk Management Authority has a proven reputation for competitive rates, actuarially based fiscal management, and sound underwriting practices. We are confident that our Programs offer the highest level of protection and service at the lowest possible rate.

Valid for sixty (60) days from the date of this letter, the following quotation represents twelve (12) months of coverage and is subject to verification and final underwriting review. Coverage bound mid-year will be prorated based on effective dates. Mountain House Community Services District's quotation is as follows:

PROPERTY/LIABILITY PROGRAM QUOTATION

Coverage Limits: \$2.5 Million - July 1, 2013 through June 30, 2014 \$128,152
(Includes a 5% Multi-Program Discount, based on net package contribution)

WORKERS' COMPENSATION PROGRAM QUOTATION

Coverage: July 1, 2013 through June 30, 2014 \$16,463
(Includes a 5% Multi-Program Discount, based on an experience modification of 100%)

SCHEDULED PROPERTY

| COVERAGE | TOTAL INSURED VALUE | DESCRIPTION |
|--------------------------|---------------------|--|
| Property Inventory | \$59,233,175 | 7 scheduled structures and contents |
| Vehicle Inventory | \$59,570 | 3 scheduled vehicles |
| Comp and Collision | \$59,570 | 3 scheduled vehicles \$250/\$500 Comp/Coll Deductibles |
| Mobile Floater Equipment | \$15,577 | 1 mobile equipment items |
| Trailer Inventory | \$1,800 | 1 scheduled trailers |

Special District Risk Management Authority's Credit Incentive Program (CIP) awards points up to 15% of the annual contribution for completion of approved risk management and training programs and have been applied to the above Workers' Compensation quotation. Members can continue to reduce future contributions each year by earning CIP points or not experiencing any paid claims.

California Special Districts Association
1112 I Street, Suite 300
Sacramento, California 95814-2865
T 877 924 CSDA (2732)
F 916 442 7889

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CSDA Finance Corporation
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Mountain House Community Services District

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Please be advised that coverage may be bound upon submitting the following documentation:

- Adoption of a Resolution by the Mountain House Community Services District Board of Directors approving the form and authorizing the Execution of the Sixth Amended Joint Powers Agreement and agreeing to membership in the SDRMA Property/Liability and Workers' Compensation Programs for an initial 3-year commitment. Members are eligible for future longevity distributions after satisfying the initial 3-year commitment.
- Execution and delivery of the Sixth Amended Joint Powers Agreement of the Special District Risk Management Authority.
- Submission of six (6) years of Property/Liability loss history.
- Completion of the Alliant Crime Policy application.
- Approval by SDRMA's Board of Directors of Mountain House Community Services District's membership in the Property/Liability program. (In the event the Mountain House Community Services District requires coverage prior to approval by SDRMA's Board of Directors, the SDRMA CEO is authorized to issue a 60-day conditional binder).
- Annual Membership in California Special Districts Association is required and separate from this quotation.
- Upon receipt of all membership documents, SDRMA will forward pro-rated invoices for the annualized Property/Liability and Workers' Compensation Program contributions.

We look forward to Mountain House Community Services District's participation in the SDRMA Property/Liability and Workers' Compensation Programs. Should you have any questions, or if we can provide any additional information, please do not hesitate to contact us at 800.537.7790. All necessary membership documents will be sent to you upon notification of the District's decision to proceed with membership in the program.

Sincerely,
Special District Risk Management Authority

A handwritten signature in cursive script, appearing to read "Ellen Mirabal Doughty".

Ellen Mirabal Doughty
Manager of Member Services

Workers' Compensation Program

Special District Risk Management Authority (SDRMA) offers an alternative workers' compensation program for special districts and other public agencies. Established in 1982, this program has a proven reputation for stable, competitive rates, actuarially based fiscal management and sound underwriting practices. Moreover, responsive claims management and cost containment, combined with tailored safety and loss prevention, provides members an unequalled full-service workers' compensation program. We offer multi-program discounts and also reward members through longevity distributions.

COVERAGE

- Statutory Workers' Compensation
- \$5 Million Employer's Liability
- Zero Member Deductible
- SDRMA maintains a Self-Insured Retention that is periodically adjusted based on market conditions

CLAIMS MANAGEMENT PROGRAM

Our primary objective is to prevent employee injuries and positively impact the overall cost of workers' compensation coverage, as well as provide employees and employers fair and equitable claims management and resolution. Under the supervision of Special District Risk Management Authority Chief Risk Officer, York Risk Services Group, Inc. (York) provides members efficient claims management.

SDRMA takes a very proactive approach to claims management. We believe claims management and handling are critical components of risk management and are the strength of our program. Our philosophy and established practice is to work with and on behalf of our members to satisfactorily resolve claims, not only within the self-insured retention level, but also with the excess insurance carrier.

LOSS CONTROL AND PREVENTION PROGRAM

Each new member will receive a comprehensive on-site safety analysis by a certified safety professional and will be provided a written safety report. Additionally, we provide our members with a safety claims procedure manual and training sessions to assist with preliminary claims processing. Our claims management team evaluates reported claims to determine coverage and liability, and if needed, coverage counsel reviews claims. All claims activity is closely communicated and discussed with our members. SDRMA and York use state-of-the-art claims management software to provide accurate up-to-date claims information, including loss run reports and payment activity.

MEMBERPLUS SERVICES

Members participate in a complimentary safety management program including:

- Personalized On-line Member Resources – MemberPlus Online™
- State-of-the-Art On-line Safety Training - TargetSolutions™
- Telephone Based Nurse Triage Program – Company Nurse
- Loss Prevention Allowance Fund for Reimbursement of Safety Equipment up to \$1,000 per year
- On-Site Loss Control Visits and Risk Analysis
- Training Workshops (safety, loss prevention)
- Safety, Claims Handling and Risk Reduction Training
- Comprehensive Safety & Risk Management Multimedia Library
- Contribution-reduction Credit Incentive Program (CIP)
- Occupational Safety & Health Program
- Hazard Identification Survey Manual
- Safety & Claims Policy Manual
- Monthly Review of Claims Loss Reports
- Monthly Safety Management Meeting Materials
- Ergonomic Evaluations of Work Areas

CREDIT INCENTIVE PROGRAM

Members are able to reduce their workers' compensation premiums through Special District Risk Management Authority Workers' Compensation Credit Incentive Program. Credit incentives up to 15% of the workers' compensation annual contribution amount can be earned for completion of approved program criteria guidelines.



Workers' Compensation Program

PAYROLL AUDITS

Payroll audits are not required. They may however, be performed periodically by random selection of an account. However, all accounts are required to annually submit copies of their Employment Development Department quarterly payroll tax report (form DE-9) for the fiscal year ending June 30. SDRMA Member Services will provide a self-audit packet to the agency in early July to be completed and returned to SDRMA by the second week in August.

ELIGIBILITY REQUIREMENTS

SDRMA's eligibility requirements provide that member agencies:

- Must be a public agency formed under the California Government Code
- Execute the SDRMA Joint Powers Agreement
- Commit to an initial three program year member enrollment (thereafter coverage may be renewed annually)
- Have at least one full-time employee on staff
- Maintain annual membership in California Special Districts Association (CSDA)

CONTRIBUTION AND PAYMENT TERMS

SDRMA's workers' compensation program policy period for all accounts is July 1 through June 30. Invoices are billed quarterly based on estimated payroll. For new members, the first quarter is pro-rated based on the policy effective date followed by equal quarterly payments. Quarterly invoices are billed and payable as follows:

| QUARTERLY SCHEDULE | INVOICE DATE | DUE DATE |
|--------------------------------------|------------------------|-----------------------|
| 1st Quarter: July 1 – September 30 | Third Week in May | Last Day in June |
| 2nd Quarter: October 1 – December 31 | Third Week in August | Last Day in September |
| 3rd Quarter: January 1 – March 31 | Third Week in November | Last Day in December |
| 4th Quarter: April 1 – June 30 | Third Week in February | Last Day in March |

CONTACT INFORMATION:

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Property/Liability Coverage Program

Special District Risk Management Authority (SDRMA) offers a straightforward, uncomplicated program for special districts and other public agencies. Coverage documents are broad form manuscript policies written on an "occurrence form" to ensure the highest level of coverage and maximum protection of assets for governmental entities providing municipal services. Established in 1986, this program has a proven reputation for stable, competitive rates, actuarially based fiscal management, and sound underwriting practices. We offer multi-program discounts and also reward members through longevity distributions.

COVERAGE

- General Liability Limits \$2.5 Million - \$10 Million Per Occurrence (Higher limits available upon request)
- Property Limits \$1,000,000,000 Per Occurrence
- Ancillary coverages are offered on a member-by-member basis
- SDRMA maintains a Self-Insured Retention that is periodically adjusted based on market conditions

CLAIMS MANAGEMENT PROGRAM

SDRMA recognizes that claims management is a critical component and serves as the strength of our risk management program. Under the supervision of Chief Risk Officer Dennis Timoney, property and liability claims are processed, managed and adjusted "in-house". Our primary objective is to positively impact the overall cost of property and liability coverages, as well as provide employees and employers fair and equitable claims management and resolution. SDRMA uses state-of-the-art claims management software to provide an accurate up-to-date status of each claim, loss run reports and financial information. Moreover, SDRMA's role is not to be adversarial, but to create a partnership with its members.

LOSS CONTROL AND PREVENTION PROGRAM

SDRMA believes the key to a successful loss control and prevention program is quality, relevant education. Our members are provided with a variety of loss prevention programs, at no additional cost, including an online certified safety training program, free webinars and training seminars, on-site educational programs (upon request) and access to a library containing more than 200 training videotapes & DVD's.

MEMBERPLUS SERVICES

Members participate in a complimentary safety management program including:

- Personalized On-line Member Resources – MemberPlus Online™
- State-of-the-Art On-line Safety Training – TargetSolutions™
- Loss Prevention Allowance Fund for Reimbursement of Safety Equipment up to \$1,000 per year
- On-Site Loss Control Visits and Risk Analysis
- Training Workshops (safety, loss prevention)
- Safety, Claims Handling and Risk Reduction Training
- Comprehensive Safety & Risk Management Multimedia Library
- Premium-reduction Credit Incentive Program (CIP)
- Occupational Safety & Health Program
- Hazard Identification Survey Manual
- Safety & Claims Policy Manual
- Monthly Review of Claims Loss Reports
- Monthly Safety Management Meeting Materials
- Ergonomic Evaluations of Work Areas
- Contract Review and Transfer of Risk Analysis
- DMV Record Review
- Special Events Liability Assistance
- Employment Law Hotline

RISK MANAGEMENT SERVICES

Property and liability coverage protection is just one component of SDRMA's overall risk management program. Our risk management program includes risk assessment, risk analysis, risk protection (insurance coverage) and loss control. Asset protection for Agency exposures, assisting in preventing future losses, educating Agency staff, monitoring the Agency's regulatory environment and providing the Agency with access to a risk manager are all elements of the overall risk management program.

ELIGIBILITY REQUIREMENTS

SDRMA's eligibility requirements provide that member agencies:

- Must be a public agency formed under the California Government Code
- Execute the SDRMA Joint Powers Agreement
- Commit to an initial three program year member enrollment (thereafter coverage may be renewed annually)
- Maintain annual membership in California Special Districts Association (CSDA)

Please do not hesitate to call Special District Risk Management Authority at 800.537.7790, should you have any questions.

Property and Liability Package Coverage Description

GENERAL LIABILITY

General liability coverage provides protection for claims and losses arising from third-party personal injury, bodily injury and property damages. Coverage includes: subsidence (associated with main leaks and breaks), sudden and accidental release of chlorine, water and wastewater as a completed product (not pollution), failure to supply, sewer overflow/backups, hazardous material loading/unloading, volunteers/employees and inverse condemnation and dam failure liability (by endorsement). There are no general liability policy sub-limits. Defense costs are outside policy limits. Limit: \$2,500,000 per occurrence; no annual aggregate. Deductible: None; \$500 (property damage only) per occurrence.

AUTO LIABILITY

Auto liability coverage protects members from lawsuits for bodily injury and property damages to the public arising out of ownership, maintenance or use of a covered vehicle. Coverage includes: owned vehicles, non-owned and hired vehicles and uninsured motorists. Limit: \$2,500,000 per occurrence; no annual aggregate. Deductible: None (bodily injury); \$1,000 (property damage) per occurrence.

AUTO PHYSICAL DAMAGE

Auto physical damage (comprehensive and collision) provides protection for damage or loss to a member's owned vehicle. Comprehensive coverage includes: fire, theft, vandalism, windstorm, hail, flood, glass breakage, damage caused by riot or civil commotion and damage from hitting or being hit by birds and animals. Collision coverage provides coverage for repair or replacement for like kind, type and condition based on actual cash value. Valuation: Actual Cash Value (ACV) or agreed upon value. Deductible: Member selectable \$250 comprehensive/\$500 collision or \$500 comprehensive/\$1,000 collision per occurrence.

ELECTED OFFICIALS PERSONAL LIABILITY PROTECTION (OUTSIDE COURSE AND SCOPE)

This highly specialized, unique coverage protects elected/appointed officials from claims and settlements arising outside the course and scope of their duties. Coverage includes: invasion of privacy, libel, slander, defamation of character, discrimination, false arrest and malicious prosecution. Limit: \$500,000 per official per year; annual aggregate. Deductible: \$500 per claim.

EMPLOYMENT PRACTICES LIABILITY

Employment practices liability provides coverage for claims and losses arising from "wrongful" employment practices. Coverage includes: wrongful termination, sexual harassment and discrimination. Limit: \$2,500,000 per occurrence; annual aggregate. Deductible: None.

EMPLOYEE BENEFITS LIABILITY

Employee benefits liability coverage for claims and settlements resulting from the negligent administration of employee benefit plans. Limit: \$2,500,000 per occurrence; annual aggregate. Deductible: None.

EMPLOYEE AND OFFICIALS FIDELITY BLANKET BOND

Employee and officials fidelity blanket bond provides coverage protection for member losses resulting from fraudulent or dishonest acts committed by employees, volunteers or board members. Coverage includes: larceny, theft, embezzlement, forgery and wrongful misappropriation. Limit: \$400,000. Deductible: None.

PUBLIC OFFICIALS ERRORS AND OMISSIONS

Public officials errors and omissions coverage for public officials' and director's "wrongful acts", alleged or actual negligence, errors or omissions, breach of duty, misfeasance, malfeasance and nonfeasance, and defamation. Limit: \$2,500,000 per occurrence; annual aggregate. Deductible: None.

Property/Liability Coverage Program



PROPERTY COVERAGE (INCLUDING FLOOD AND MOBILE EQUIPMENT)

Property coverage provided for the replacement cost value of building and contents. Additional extensions provided for accounts receivable, builders risk, business interruption, commandeered property, cost of construction, debris removal, electronic data processing (items not scheduled) extra expense, fine arts (appraised value), flood coverage (annual aggregate), pollution clean-up (related to property loss), personal property of others and valuable papers. Valuation: replacement cost (without depreciation). Limit: \$1,000,000,000, no annual aggregate. Deductible: \$1,000 per occurrence.

BOILER AND MACHINERY

Boiler and machinery coverage provides coverage for the "sudden and accidental" breakdown of mechanical and electrical machinery. Coverage includes: expediting expenses, business income, extra expense, spoilage, water damage, ammonia contamination, hazardous substances, error in description and newly acquired property. Limit: \$100,000,000 repair/replacement. Deductible: \$1,000 per occurrence.

ANCILLARY COVERAGES

Ancillary coverages are available on a member-by-member basis (such as: pollution liability and earthquake).

CREDIT INCENTIVE PROGRAM

Members are able to reduce their auto and general liability net premiums through Special District Risk Management Authority Property/Liability Credit Incentive Program. Credit incentives up to 15% of the auto and general liability net premium contribution can be earned for completion of approved program criteria guidelines.

This information is provided as a general description only, and is not intended to supercede specific policy documents. In the event of a conflict in language, the policy(ies) will be the controlling document.

CONTACT INFORMATION:

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**BYLAWS
OF
SPECIAL DISTRICT RISK MANAGEMENT AUTHORITY**

THESE BYLAWS are for the regulation of Special District Risk Management Authority (the "Authority"). The definitions of terms used in these Bylaws shall be those definitions contained in the Fifth Amended and Restated Joint Powers Agreement relating to the Authority (the "Agreement"), supplements to such Agreement, and subsequent amendments to such Agreement, unless the context requires otherwise.

**ARTICLE I
MEMBERSHIP**

1. Eligibility

Any district, public agency, or public entity organized under the laws of the State of California, which is a member of the California Special Districts Association ("CSDA") is eligible for membership in the Authority upon approval by the Board of Directors of the Authority.

2. Participating Member

A "Member," as that term is used herein, is any public entity described in Section 1 above in the State of California whose participation in the Authority has been approved by the Board of Directors, and which (a) has executed the Joint Powers Agreement or successor document pursuant to which these Bylaws are adopted, and (b) which participates in a Joint Protection Program or other Program. Absent specific approval of the Board of Directors, all members shall at all times be a participant in at least one program established by the Authority.

3. Successor Member Entity

Should any Member reorganize in accordance with the statutes of the State of California, the successor in interest, or successors in interest, if a member of CSDA, may be substituted as a Member upon approval by the Board of Directors of the Authority.

4. Annual Membership Meeting

An annual meeting of the members of the Authority shall be held at a time and place to be determined by the Board of Directors. The annual meeting shall be conducted in accordance with policies established by the Board of Directors. Each and every entity that is a Member of the Authority shall be mailed, no less than thirty (30) calendar days prior to such meeting, written notice of the time, place and tentative agenda of the meeting, in the manner provided by the Ralph M. Brown Act (California Government Code Section 54950 *et seq.*) (the "Brown Act"). The notice shall include:

- a. Those matters which are intended to be presented for action by the Board of Directors;
- b. The general nature of any proposal to be presented for action; and
- c. Such other matters, if any, as may be expressly required by statute or by the Agreement.

**ARTICLE II
BOARD OF DIRECTORS**

1. Powers

Under the Agreement or successor document, the Authority is empowered to carry out all of its powers and functions through a Board of Directors. The Board of Directors shall have the powers set forth as follows, or as otherwise provided in the Agreement:

- a. to make and enter into contracts, including the power to accept the assignment of contracts or other obligations which relate to the purposes of the Authority, or which were entered into by a Member or Former Member prior to joining the Authority, and to make claims, acquire assets and incur liabilities;
- b. to accept an assignment from SDWCA of all its assets, obligations and liabilities prior to the dissolution of SDWCA (including claims and contracts in existence prior to such dissolution) in order to benefit the Members or Former Members participating in the SDWCA workers compensation program; provided, that except for the fair and equitable allocation of administrative and overhead expenses, funds from such assignment shall not be co-mingled and shall be separately accounted for as provided for in this Agreement and the Bylaws.

- c. to incur debts, liabilities, or other obligations, including those which are not debts, liabilities or obligations of the Members or Former Members, or any of them;
- d. to charge and collect Contributions and Assessments from Members or Former Members for participation in Programs;
- e. to receive grants and donations of property, funds, services and other forms of assistance from persons, firms, corporations and governmental entities;
- f. to acquire, hold, lease or dispose of property, contributions and donations of property and other forms of assistance from persons, firms, corporations and governmental entities
- g. to acquire, hold or dispose of funds, services, donations and other forms of assistance from persons, firms, corporations and governmental entities;
- h. to employ agents and employees, and/or to contract for such services;
- i. to incur debts, liabilities or other obligations to finance the Programs and any other powers available to the Authority under Article 2 or Article 4 of the Act;
- j. to enter into agreements for the creation of separate public entities and agencies pursuant to the Act;
- k. to sue and be sued in its own name; and
- l. to exercise all powers necessary and proper to carry out the terms and provisions of this Agreement (including the provision of all other appropriate ancillary coverages for the benefit of the Members or Former Members), or otherwise authorized by law or the Act.

2. **Nomination of Directors**

Members may nominate candidates to the Board of Directors in the following manner:

- a. A Member may place into nomination its candidate for any open position on the Board of Directors in accordance with election guidelines established by the Board of Directors.
- b. Each candidate for election as a director must be a member of the board of directors or a management employee of a Member (as determined by the Member's governing board). Only one representative from any Member may serve on the Board of Directors at the same time.
- c. Nominating forms must be completed and received by the Authority at least fifty (50) days before the date the election will occur.
- d. This nomination process shall be the sole method for placing candidates into nomination for the Board of Directors.

3. **Terms of Directors**

The composition of the Board shall be as set forth in the Agreement. The election of directors shall be held in each odd-numbered year. The terms of the directors elected by the Members will be staggered. Four directors will serve four-year terms, to end on December 31 of one odd-numbered year. Three directors will serve four-year terms, to end on December 31 of the alternate odd-numbered year.

With respect to the election to be held in 2005, the terms of all nine members of the initial Board of Directors (following adoption of the Agreement) shall terminate upon the certification of the election results. In such election, the seven candidates receiving the most votes will be elected to the board, with the four (4) directors receiving the most votes elected to 4-year terms, and the remaining three (3) directors elected to a 2-year term that will terminate December 31, 2007. Prior to December 31, 2007, an election will be held to fill the positions terminating on that date, which positions shall thereafter automatically and permanently become four-year positions. In the event of a tie, the election to the Board, and/or the designation of a 4-year or 2-year position, shall be determined by a coin flip to be conducted by the Chief Executive Officer.

The failure of a director to attend three (3) consecutive regular meetings of the Board (provided such meetings shall occur in a period of not less than three (3) successive months), except when prevented by sickness, or except when absent from the State with the prior consent of the Board, as provided by Government Code, Section 1770 shall cause such director's remaining term in office to be considered vacant. A successor director shall be selected for the duration of such director's term as set forth in Section 5 hereof.

4. **Election of Directors**

Members may vote for directors either at the Annual Meeting or by mail-in (absentee) ballot, in accordance with the balloting process guidelines established herein or as otherwise established by policy of the Board of Directors. Each Member shall have one vote in the election per elected position.

The Board of Directors shall have the option to conduct the election of directors to serve on the Board of Directors by all-mail ballot. In the event the Board of Directors decides to conduct the election of directors to serve on the Board of Directors by all-mail ballot, written notice of the use of an all-mail ballot for election to the Board of Directors shall be sent by certified mail to each Member no later than ninety (90) days prior to the date scheduled for such election. Said notice shall (i) inform each Member of the positions to be filled on the Board of Directors at such election; and (ii) inform each Member of its right to nominate candidates for any office to be filled at the election to Article II, Section 2 of the Bylaws. A form of mail ballot containing all mailed nominations accepted for any office to be filled at the election shall be mailed by certified mail, return receipt requested, to each Member no later than forty (40) days prior to the date scheduled for such election. Said mailed ballot shall indicate that each Member may return the ballot by certified mail to the principal business address of the Authority and that only those ballots received prior to the close of business on the date designated for the election shall be considered valid and counted.

5. Vacancy

Upon the death or resignation of any member of the elected Board of Directors, or the determination such member's remaining term is vacant pursuant to Section 3 hereof, the vacancy shall be filled for the balance of the unexpired term by appointment in accordance with policy established by the Board of Directors.

6. Meetings

The business of the Board of Directors shall be conducted and exercised only at a regular or special meeting of the Board of Directors held in accordance with law. Written notice of each meeting shall be given to each director of the Board by mail or other means of written communication, in the manner provided by the Brown Act. Such notice shall specify the place, the date, and the hour of such meeting.

Special meetings of the Board of Directors, for the purpose of taking any action permitted by statute and the Agreement, may be called at any time by the President, or by the Vice President in the absence or disability of the President, or by a majority of the members of the Board.

Any annual regular or special Board of Directors' meeting, whether or not a quorum is present, may be adjourned from time to time, as provided by the Brown Act.

Minutes of any and all open meetings shall be available to Members upon request and distributed by mail, electronically, or available on the Authority's web site.

7. Quorum and Required Vote

A quorum of the Board of Directors shall be a majority of the total number of directors. A quorum must be present at any meeting before the business of the Board of Directors can be transacted. The vote of a majority of the Board of Directors shall be required for any act or decision of the Board of Directors, except as otherwise specifically provided by law or the Agreement. The directors present at a duly called or held meeting at which a quorum is present may continue to do business until adjournment, notwithstanding the withdrawal from the meeting of enough directors to leave less than a quorum.

8. Expenses

Board members shall be reimbursed by the Authority in accordance with policy approved by the Board of Directors for all reasonable and necessary travel expenses when required or incurred by any director in connection with attendance at a meeting of the Board of Directors or a committee thereof and for such other expenses as are approved by the Board. These expenses shall include, but shall not be limited to, all charges for meals, lodging, airfare, and the costs of travel by automobile at a rate per mile established by the Board of Directors.

ARTICLE III
OFFICERS AND EMPLOYEES

1. President, Vice President and Secretary

There shall be three officers of the Board: a president, a vice president and a secretary, who shall be members of the Board of Directors.

Election of officers shall be held at the first meeting following January 1 of each year, and each officer's term shall begin immediately thereafter, and shall end following adjournment of the first meeting following January 1 of the next year, or as soon thereafter as a successor is elected.

In the event the president, vice president or secretary so elected ceases to be a member of the Board of Directors, the resulting vacancy in the office shall be filled by election at the next regular meeting of the Board of Directors after such vacancy occurs. The president or vice president may be removed, without cause, by the Board of Directors at any regular or special meeting thereof, by a two-thirds vote of the voting members of the Board.

The president shall preside at and conduct all meetings of the Board of Directors, and shall carry out the resolutions and orders of the Board of Directors and shall exercise such other powers and perform such other duties as the Board of Directors shall prescribe. The president shall be ex-officio a member of all standing committees, if any. In the absence of the president, the vice president shall carry out the duties of the president. The secretary shall keep, or cause to be kept, minutes of all meetings, and shall have such other powers and perform such other duties as may be prescribed by the Board of Directors.

2. Board Committees

Committees of the Board may be appointed in accordance with policy established by the Board of Directors, and membership on such committees may be open to non-members of the Board of Directors. A minimum of one (1) standing committee for the Workers Compensation Program and one (1) standing committee for the Property/Liability Program shall be appointed. Committees shall include at least one (1) member of the Board of Directors, but may not include a majority of the Board of Directors.

3. Chief Executive Officer/Risk Manager

The Board shall appoint a Chief Executive Officer/Risk Manager who shall have general administrative responsibility for the activities of the Authority. The Chief Executive Officer/Risk Manager shall be paid by the Authority.

The Chief Executive Officer/Risk Manager shall record or cause to be recorded, and shall keep or cause to be kept, at the principal executive office or such other place as the Executive Committee may order, a book of minutes of actions taken at all meetings of the Board of Directors, whether regular or special (and, if special, how authorized), the notice thereof given, the names of those present at the meetings, and the proceedings thereof. The Chief Executive Officer/Risk Manager shall keep, or cause to be kept, at the principal executive office of the Authority a list of all designated representatives and alternates of each Member. The Chief Executive Officer/Risk Manager shall give, or cause to be given, notice of all the meetings of the Board of Directors required by the Bylaws or by statute to be given, and shall have such other powers and perform such other duties as may be prescribed by the Board, the Agreement or the Bylaws.

The Chief Executive Officer/Risk Manager shall have the duty of administering the Programs of the Authority, as provided for in the Agreement, shall have direct supervisory control of and responsibility for the operation of the Authority including appointment of necessary employees thereof, subject to the approved budget and prior authorization of each position by the Board, and such other related duties as may be prescribed by the Board or elsewhere in these Bylaws or the Agreement.

4. Execution of Contracts

The Board may authorize any officer or officers, agent or agents, to enter into any contract or execute any instrument in the name of and on behalf of the Authority, and such authorization may be general or confined to specific instances except as otherwise provided by these Bylaws or the Agreement. Unless so authorized by the Board, no officer, agent or employee shall have any power or authority to bind the Authority by any contract or engagement or to pledge its credit or to render it liable for any purpose or to any amount.

5. Resignation

Any officer may resign at any time by giving written notice to the president or to the Chief Executive Officer of the Authority, without prejudice, however, to the rights, if any, of the Authority under any contract to which such officer is a party. Any such resignation shall take effect at the date of the receipt of such notice or at any later time specified therein; and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

ARTICLE IV
DESIGNATED ENTITY

The Lewiston Community Services District is hereby designated as the applicable entity for defining the restrictions upon the manner of exercising power as set forth in the California Government Code Section 6509, and as provided for in the Agreement of which these Bylaws are a part.

Should the Lewiston Community Services District terminate its membership or be involuntarily terminated in accordance with provisions of these Bylaws, the Board of Directors shall, by resolution, name a successor Member as the "designated entity" until such time as this Article can be amended.

ARTICLE V
JOINT PROTECTION PROGRAMS

1. Implementation of Joint Protection Programs

The Board of Directors may, at any time, offer such Programs as it may deem desirable. Such Program or Programs shall be offered on such terms and conditions as the Board of Directors may determine. Members must participate in at least one Joint Protection Program, but participation in any additional Programs or plans will be optional. Those Programs currently include: Property/Liability, Workers Compensation and various optional ancillary coverages. The Board of Directors shall establish the amount of Contributions, Estimated Contributions and Assessments, determine the amount of loss reserves, provide for the handling of claims, determine the amount of excess insurance to be purchased, and otherwise establish the policies and procedures necessary to provide a particular Program for Members. As soon as feasible after development of the details of a Program, the specific rules and regulations for the implementation of such Program shall be adopted by the Board, which shall cause them to be set forth in written form in a policy and procedures manual prepared by the Authority for the Members.

2. Method of Calculating Contributions

The Board of Directors shall establish the method of calculating contributions for Members in each Program or plan annually.

ARTICLE VI
FINANCIAL AFFAIRS

1. Accounts and Records

The Authority shall establish and maintain such bank accounts and maintain such books and records as determined by the Board of Directors and as required by good accounting practice. Books and records of the Authority shall be open to inspection at all reasonable times by authorized representatives of Members. Periodically, but not less often than annually, financial reports shall be made available to all Members.

As provided in the Agreement, the funds, reserves and accounts of each Program shall not be commingled and shall be separately accounted for; provided, however, that administration and overhead expenses of the Authority not related to a specific Program or Programs may be allocated among Programs as determined by the Board of Directors.

2. Audit

The Authority shall obtain an annual audit of its financial statements, which audit shall be made by an independent certified public accountant and shall conform to generally accepted auditing standards. A copy of said audit report shall be available, upon request, to each of the Members. Such audit report shall be obtained and filed within six months after the end of the fiscal year under examination.

3. Annual Budget

Prior to the beginning of each Fiscal Year (or Program Year, as appropriate) the Board shall annually approve an operating budget for the Authority, including a budget for each Joint Protection Program.

4. Risk Sharing

Except as otherwise determined by the Board, all Programs established and/or operated under the Agreement or these Bylaws are intended to be risk-sharing programs. Notwithstanding this intention, and upon findings by the Board of Directors of the Authority that confirm the value thereof, the Board of Directors may recognize sound risk management and loss control by the members through contribution modifications.

5. Distribution of Retained Earnings

Any Retained Earnings from the operation of any Program, in such amounts and under such terms and conditions as may be determined by the Board of Directors, may be distributed to the Members in such Program. Any distribution of such funds shall be made on a pro rata basis in relation to net contributions paid to that Program and shall be made only to those Members which participated in the Program during the Program Year in which the Retained Earnings were generated. Such distributions may be made to Members based on the Program Year(s) during which the Member participated, even if the Member is not a Member at the time of the distribution.

6. Assessments

- a. If, in the opinion of the Board of Directors, claims against Members in any particular Program or plan for any particular Program Year are of such a magnitude as to endanger the ability of the Authority to continue to meet its obligations for that Program for that Program Year, each Member who has participated in that particular Program or plan of the Authority during the applicable Program Year shall be assessed a pro rata share of the additional amount determined necessary by the Board of Directors to restore the ability of the Authority to continue to meet its obligations for the applicable Program Year.
- b. Each Member's pro rata share of the total Assessment shall be in the same proportion as that Member's gross contributions paid during or due for the applicable Program Year bears to the total gross Contributions paid by or due from all Members during the applicable Program Year. In calculating these amounts, the Assessment shall not be included in gross Contributions.
- c. Failure of any Member to pay any regular Contribution or Assessment when due shall be cause for the involuntary termination of that entity's membership in the Authority. Such Assessment shall be a debt due by all Members who have participated in the applicable Program or plan during the applicable Program Year, and shall not be discharged by termination of membership.

7. Fiscal Year

The Authority shall operate on a fiscal year commencing on July 1 and ending on the following June 30. Such fiscal year shall also be the Program Year for any Member in any Joint Protection Program.

8. Agency Funds; No Loans

All funds received within a Joint Protection Program, as determined by the Board, for the purposes of the Authority shall be utilized solely for the purposes of such Joint Protection Program, and all expenditures of funds shall be made only upon signatures authorized by the Board of Directors, which shall establish the necessary procedures for doing so. Any funds not required for the immediate need of the Authority, as determined by the Board of Directors, may be invested in any manner authorized by law for the investment of funds of a special district.

Except for the allocation of administrative and overhead expenses, and for investment purposes as set forth in the Agreement, Program funds shall not be co-mingled and shall be separately accounted for.

The Board may not approve loans between Programs.

9. Grants and Donations

Without in any way limiting the powers otherwise provided for in the Agreement, these Bylaws, or by statute, the Authority shall have the power and authority to receive, accept, and utilize the services of personnel offered by any Member, or their representatives or agents; to receive, accept, and utilize property, real or personal, from any Member or its agents or representatives; and to receive, accept, expend, and disburse funds by contract or otherwise, for purposes consistent with the provisions of the Agreement, which funds may be provided by any Member, their agents, or representatives.

10. Subrogation

In the event of any payment by the Authority, the Authority shall be subrogated to all rights of recovery therefor of the participating Member against any person or organization, and the participating Member shall execute and deliver such instruments and papers, shall do whatever else is necessary, to secure such subrogation rights in the Authority, and shall do nothing to impair such rights.

ARTICLE VII
WITHDRAWALS; TERMINATION OF MEMBERSHIP

1. **Withdrawal from Programs**
A Member may voluntarily withdraw from any particular Program only in accordance with the applicable provision of the Agreement or any successor document thereto. A Member may withdraw from a Program without withdrawing from the Agreement if it is a participant in another Joint Protection Program of the Authority. Notice of intention to withdraw from a Program must be given to the Authority at least ninety (90) days prior to the end of the Program Year. No withdrawal shall become effective until the end of the applicable Program Year.
2. **Involuntary Termination**
A Member may be involuntarily terminated from a Program or the Agreement for any one of the following reasons:
 - a. Failure to pay any contribution, deposit, contribution to loss reserve, or assessment when due.
 - b. Failure to comply with the Bylaws or with the policies and procedures established by the Authority.
 - c. Failure to maintain membership in CSDA.
 - d. Based on a Member's loss experience where the Authority Board of Directors has determined it to be detrimental to the stability of the pool, and as set forth in the policies and procedures.
 - e. Dissolution of a Member.
3. **Voluntary Withdrawal from Agreement**
A Member may withdraw voluntarily only as provided in the Agreement. Notice of intention to withdraw from the Agreement must be given to the Authority at least 90 days prior to the end of the Program Year of any Program in which the Member participates at the time of the notice.
4. **Payment Upon Termination of Membership**
In the event of a termination of the membership of any Member by involuntary or voluntary termination, said Member shall thereafter be entitled to receive its pro rata share of any distribution of Retained Earnings declared by the Board of Directors that pertains to a coverage year during which the terminated Member participated in any particular Program for which such distribution is made. Such payment shall be in full settlement and satisfaction of any and all claims that said terminated Member may have against the Authority.
5. **Continued Liability**
Upon withdrawal or involuntary termination of a Member, that Member shall continue to be responsible for any unpaid Contributions and for any Assessment(s) levied in accordance with the provisions of the Agreement or these Bylaws.

ARTICLE VIII
TERMINATION OF THE AUTHORITY; TERMINATION OF PROGRAMS

1. After having made proper provision for the winding up of the affairs of the Authority and each of the Programs operated by the Authority, the Authority shall distribute the net assets of the Authority as follows:
 - a. The net assets of the General Liability and Property Damage Joint Protection Program shall be paid on a pro rata share basis to each Member who is a member of said Joint Protection Program at the time of termination of the Authority. A Member's pro rata share shall be in the same proportion as the total Contributions and Assessments paid by that Member to said Joint Protection Program or its predecessor in interest from its inception of 1986 and continuing throughout said Members period of participation bears to the total Contributions and Assessments paid to said Joint Protection Program and its predecessor in interest during its period of operation by all members of said Joint Protection Program at the time of termination.
 - b. The Authority shall pay to each Member who is a member of the Workers' Compensation Coverage Joint Protection Program at the time of termination its pro rata share of the net remaining assets of said Joint Protection Program. A member's pro rata share shall be in the same proportion as the total Contributions and Assessments paid by that Member to said Joint Protection Program and its predecessor in interest offered by SDWCA, from its inception to 1982 and continuing throughout that Members participation, bears to the total Contributions and Assessments paid to said Joint Protection Program and its predecessor in interest offered by SDWCA, during its period of operation by all members of said Joint Protection Program at the time of termination.
 - c. The Authority shall pay to each Member who is a member of any additional Program operated by the Authority at the time of termination its pro rata share of the remaining assets of said Program. A Member's



pro rata share shall be in the same proportion as the total Contributions and Assessments paid by that Member to such Program during its period of participation bears to the total Contributions and Assessments paid to that Program during its entire period of operation by all Members of that Program at the time of termination.

2. The Board of Directors is also vested with the power to terminate individual Programs operated by the Authority without terminating the Agreement or terminating the Authority. In the event of termination of a Program operated by the Authority, said Program shall continue to exist for the purpose of paying or making provision for the payment of all known claims arising within said Program; for insuring, reinsuring or making other provision for the payment of any and all unknown claims covered by such Program; for the payment of all debts, liabilities, administrative expenses, and obligations of that Program out of the assets of that Program; and to perform all other functions necessary to wind up the business affairs of that Program. After having made proper provisions for the winding up the business affairs of a terminated Program, the Authority shall pay to each Member who is a member of that Program at the time of termination its pro rata share of remaining assets of that Program. A Member's pro rata share of the assets of each such terminated Program shall be computed as set forth in paragraph (1) above.
3. In lieu of terminating this Agreement, the Board, with the written consent of two-thirds of the existing Members, may elect to assign and transfer all of the Authority's rights, assets, claims, liabilities and obligations to a successor joint powers authority created under the Act.

**ARTICLE IX
PROVISIONS RELATING TO CSDA**

1. **Board of Directors; Officers**
In the event the MOU has been terminated or the Authority has withdrawn from the MOU, two (2) additional directors to be appointed by CSDA shall increase the composition of the Board of Directors. So long as the Authority is a participant in the MOU, the Board shall appoint four members of the Board to serve as members of the Alliance Executive Council.

CSDA is authorized to appoint two directors as provided in the Agreement, the terms of such appointed directors will end on December 31 of the alternate odd-numbered year to coincide with SDRMA's election of the minority number of directors.

Upon the death or resignation of a member of the Board of Directors appointed by CSDA, the vacancy shall be filled for the balance of the unexpired term by appointment by CSDA.

**ARTICLE X
AMENDMENTS: EFFECTIVE DATE**

These Bylaws may be amended at any time by majority vote of the Board of Directors following a 30-day written notice to all Members as to the amendment(s) proposed to be adopted, except that these Bylaws cannot be amended in any way that would conflict with the terms and provisions of the Agreement or successor document and any amendment thereof. Said written notice provided to members shall include notification of the Board meeting date, time and location that action will be taken by the Board on the proposed amendments. The Bylaws dated as of July 1, 2003 shall not be effective until the Board of Directors of SDWCA have voted to dissolve SDWCA.

**ARTICLE XI
PRIOR BYLAWS REVOKED**

When approved by the Board of Directors these Bylaws, upon coming effective pursuant to Article X will supersede and replace all prior bylaws.

* * * * *

Approved:



David Aranda, President - Board of Directors
SPECIAL DISTRICT RISK MANAGEMENT AUTHORITY

July 1, 2003
Date

Attested:

AYES: 9
NOES: 0
ABSTAINED: 0
ABSENT: 0



James W. Towns, ARM, Chief Executive Officer
SPECIAL DISTRICT RISK MANAGEMENT AUTHORITY



MOUNTAIN HOUSE COMMUNITY SERVICES DISTRICT
"Providing Quality Services to the Community"

STAFF REPORT

AGENDA TITLE: A Resolution of the Board Of Directors of Mountain House Community Services District (MHCS D) approving the form of and authorizing the execution of a sixth amended Joint Powers Agreement (JPA) and authorizing participation in the Special District Risk Management Authority (SDRMA) Property/Liability Programs and Workers' Compensation Programs

MEETING DATE: July 10, 2013

PREPARED BY: Janice L. McClintock, General Manager

RECOMMENDATION:

It is recommended that the Mountain House Community Services (MHCS D) Board of Directors (Board) approve the Resolution for MHCS D to fully participate in the SDRMA insurance JPA.

DISCUSSION:

In late April 2013, MHCS D was notified by the current liability insurance carrier that they would not be renewing the insurance policy. A normal lapse time for a district like MHCS D to do a new insurance Request for Proposal (RFP) period is 6 months. The time is taken up in gathering information, obtaining loss runs, writing and publishing a RFP, answering questions, reviewing the respondents, selecting a vendor, and processing the required paperwork. Each step in this process takes time. For example, the RFP is usually allowed to be "on the streets" for responses at least 4 – 6 weeks to insure respondents have sufficient time to prepare adequate responses.

The notice in April did not provide sufficient time for Staff to go through a normal RFP process as it provided only 4 months till the liability insurance has to be changed, also while MHCS D was in a state of transition to a new General Manager. Therefore, the Finance Staff called carriers as opposed to doing a formal RFP.

Due to the fact that MHCS D's insurance had effectively been cancelled, Staff found it difficult to obtain a new insurance carrier. SDRMA is a JPA providing insurance to special districts in California. After reviewing the loss runs, SDRMA submitted a proposal to become the insurance carrier for both Worker's Compensation and Liability Insurance. While SDRMA was slightly higher on the Worker's Compensation, approximately \$2,000 per year, the bundled package savings for having both Worker's Compensation and Liability with SDRMA saves MHCS D over \$50,000 per year from the current budgeted dollars. Additionally, as a JPA, all savings from

effectively managing risks comes back to the members of the JPA in the form of reduced premiums or one-time premium paybacks.

SDRMA also provides additional services not provided by other carriers. These include:

1. They're a JPA so there are no public shareholders
2. The investors are the members and there is no "profit" basis for rates
3. It is essentially self-insurance with the backing of many jurisdictions
4. Savings are returned to the members. My experience has been that we had a choice of lower rates for the next year or a payout check for the costs savings achieved although it takes up to 5 years of participation to build towards those returns.
5. The JPA provides access to service which would otherwise have to be provided by another agency incurring costs. Some of the additional services which could be valuable to MHCSD include:
 - a. Personalized Online Member Resources – MemberPlus Online™
 - b. State-of-the-Art Online Safety/Compliance Training – TargetSolutions™
 - c. Industry Leading Company Nurse Telephone Triage Program
 - d. On-site Loss Control Visits and Risk Analysis
 - e. Training Workshops (safety, loss prevention)
 - f. Safety, Claims Handling and Risk Reduction Training
 - g. Comprehensive Safety & Risk Management Multimedia Library
 - h. Premium-reduction Credit Incentive Program (CIP)
 - i. Loss Prevention Allowance Fund
 - j. Occupational Health & Safety Program
 - k. Hazard Identification Survey
 - l. Claims Policy/Procedure Manual
 - m. Monthly Claims Loss Run Reports
 - n. Monthly Safety Management Meeting Materials
 - o. Ergonomic Evaluations of Work Areas
 - p. Contract Review and Transfer of Risk Analysis
 - q. DMV Record Review
 - r. Special Events Liability Coverage and Assistance

SDRMA has a close relationship with the California Special Districts Association. More information on SDRMA can be found at <http://www.sdrma.org/about>.

A commitment of 3 years is required to joining the SDRMA JPA. Staff recommends that the Board of Directors approve this commitment.

FISCAL IMPACT:

This first year savings to MHCSD for moving our insurance to SDRMA is \$50,000 over the current budgeted amount. The liability insurance will cost \$128,152 and the Workers' Compensation is estimated to be \$16,463 based on budgeted amounts. Workers' Compensation

CONSENT ITEM 8.4

will be based on actual payroll. These expenditures will be paid out of the General Fund and this year's amounts are in the 2013-14 Budget.

| Description of Services | Selection Method | General Funds | Utility Funds | Developer Funds | | | | |
|-------------------------|------------------|---------------|---------------|-----------------|-----|-----|-----|-----|
| | | Amount | Amount | Amount | TIF | CFF | CIP | N/R |
| Liability/Prop | Quote | \$128,152 | | | | | | |
| Workers' Compensation | Quote | \$ 16,463 | | | | | | |

ATTACHMENTS:

- Attachment A: Insurance Quotes
- Attachment B: Resolution of the Board of Directors of the Mountain House Community Services District approving the Form of and authorizing the Execution of a Sixth Amended Joint Powers Agreement and Authorizing Participation in the Special District Risk Management Authority Property/Liability Program and Workers' Compensation Programs
- Attachment C: Joint Powers Agreement – Execution of the Sixth Amended and Restated Joint Powers Agreement Relating to the Special District Risk Management Authority.
- Attachment D: Resolution – Adoption of a Resolution Authorizing Application to the Director of Industrial Relations, State of California for a Certificate of Consent to Self-Insure Workers' Compensation Liabilities

c: District Counsel

Actions Required to Secure Membership in the
Special District Risk Management Authority
Workers' Compensation and Property/Liability Programs

- Attachment One: **Resolution**—Adoption of A Resolution of the Board of Directors Approving the Form of and Authorizing the Execution of a Sixth Amended and Restated Joint Powers Agreement and Authorizing Participation in the Special District Risk Management Authority Workers' Compensation and Property and Liability Programs (an electronic version is enclosed). Please note, the Board President/Chairperson or an Agency staff member with signature authorization must sign this document.
- Attachment Two: **Joint Powers Agreement**—Execution of the Sixth Amended and Restated Joint Powers Agreement Relating to the Special District Risk Management Authority (an electronic version is enclosed). Please note, the Board President/Chairperson or an Agency staff member with signature authorization must sign the original document (page 16, "Execution by Member").
- Attachment Three: **Resolution**—Adoption of A Resolution Authorizing Application to the Director of Industrial Relations, State of California for a Certificate of Consent to Self-Insure Workers' Compensation Liabilities (an electronic version is enclosed). Please note, an Agency seal or notarized signature is required; the Board President/Chairperson or an Agency staff member with signature authorization must sign this document.
- Attachment Four: **State of California Application**—Approval and completion of the State of California Application for a Public Entity Certificate of Consent to Self-Insure (an electronic version is enclosed). Please note, an Agency seal or notarized signature is required; the Board President/Chairperson or an Agency staff member with signature authorization must sign this document on page 4.
- Attachment Five: **Final Underwriting Questionnaire**—Review and Sign the Special District Risk Management Authority Final Underwriting Questionnaire (if required).
- Attachment Six: **Crime Policy Application**—Completion of the Crime Policy Application for Special District Risk Management Authority (an electronic version is enclosed) for employee and public officials' fidelity blanket bond. The General Manager or another financial administrative staff member should complete and sign this application.
- Attachment Seven: **Loss History**—Please submit complete loss history. If the Agency has no losses, please provide on Agency letterhead a no known losses letter indicating such.
- Attachment Eight: **By-Laws**—By-Laws of Special District Risk Management Authority (an electronic version is enclosed). No action is required as this item is for the Agency's review and file.

Please complete and return all items to:

Ellen Mirabal Doughty or Wendy Tucker
Special District Risk Management Authority
1112 "I" Street, Suite 300
Sacramento, California 95814

Premium and Payment Terms

Special District Risk Management Authority's (SDRMA's) policy period for both workers' compensation and property/liability programs is July 1 through June 30. Workers' compensation invoices are billed quarterly based on estimated payroll. For new accounts, the first quarter is pro-rated based on the policy effective date followed by equal quarterly payments. Property and liability payments are billed annually. Upon receipt of the Agency's membership documents, SDRMA will forward pro-rated invoices. Payments are due upon receipt of the invoices.

Actions Required to Secure Membership



New Member Packet

Each member will receive a new member packet containing SDRMA membership contact information, claim forms and a certificate of coverage. Additionally, once the Agency's membership documents have been processed, copies of the fully executed Sixth Amended and Restated Joint Powers Agreement and the State of California Certificate of Consent to Self-Insure Workers' Compensation Liabilities will be forwarded for your files.

Loss Prevention Program

Upon securing membership in SDRMA, the Agency will be contacted by SDRMA's Safety and Loss Prevention staff to schedule a comprehensive on-site safety analysis by a certified safety professional, at no additional cost to the member. This value-added service is intended to take a proactive approach to loss prevention, claims education and management. Should you have any questions regarding our safety and loss prevention program, please contact our Chief Risk Officer Dennis Timoney at 800.537.7790.

Please do not hesitate to call Ellen Mirabal Doughty or Wendy Tucker at 800.537.7790, should you have any additional questions. For more information regarding SDRMA services, please visit our website at www.sdrma.org.



**BEFORE THE BOARD OF DIRECTORS OF THE
MOUNTAIN HOUSE COMMUNITY SERVICES DISTRICT**

**RESOLUTION
R-2013-18**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE MOUNTAIN HOUSE
COMMUNITY SERVICES DISTRICT APPROVING THE FORM OF AND
AUTHORIZING THE EXECUTION OF A SIXTH AMENDED JOINT
POWERS AGREEMENT AND AUTHORIZING PARTICIPATION
IN THE SPECIAL DISTRICT RISK MANAGEMENT
AUTHORITY PROPERTY/LIABILITY PROGRAM
and WORKERS' COMPENSATION PROGRAMS**

WHEREAS, the Mountain House Community Services District, a special district duly organized and existing under and by virtue of the laws of the State of California (the "Agency"), has determined that it is in the best interest and to the advantage of the Agency to participate for at least three full years in the property/liability program and workers' compensation program offered by the Special District Risk Management Authority (the "Authority"); and

WHEREAS, California Government Code Section 6500 *et seq.*, provides that two or more public agencies may by agreement jointly exercise any power common to the contracting parties; and

WHEREAS, Special District Risk Management Authority was formed in 1986 in accordance with the provisions of California Government Code 6500 *et seq.*, for the purpose of providing its members with risk financing and risk management programs; and

WHEREAS, California Government Code Section 990.4 provides that a local public entity may self-insure, purchase insurance through an authorized carrier, or purchase insurance through a surplus lines broker, or any combination of these; and

WHEREAS, participation in Special District Risk Management Authority programs requires the Agency to execute and enter into a Sixth Amended Joint Powers Agreement (the "Amended JPA Agreement"); which states the purpose and powers of the Authority; and

WHEREAS, all acts, conditions and things required by the laws of the State of California to exist, to have happened and to have been performed precedent to and in connection with the consummation of the transactions authorized hereby do exist, have happened and have been performed in regular and due time, form and manner as required by law, and the Agency is now duly authorized and empowered, pursuant to each and every requirement of law, to consummate such transactions for the purpose, in the manner and upon the terms herein provided.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE AGENCY AS FOLLOWS:

Section 1. Findings. The Agency Board of Directors hereby specifically finds and determines that the actions authorized hereby relate to the public affairs of the Agency.

Section 2. Sixth Amended JPA Agreement. The Amended JPA Agreement, proposed to be executed and entered into by and between the Agency and members of the Special District Risk Management Authority, in the form presented at this meeting and on file with the Agency Secretary, is hereby approved. The Agency Board and/or Authorized Officers ("The Authorized Officers") are hereby authorized and directed, for and in the name and on behalf of the Agency, to execute and deliver to the Authority the Amended JPA Agreement in substantially said form, with such changes therein as such officers may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 3. Program Participation. The Agency Board of Directors approves participating for three full program years in Special District Risk Management Authority Property/Liability Program and Workers' Compensation Program.

Section 4. Other Actions. The Authorized Officers of the Agency are each hereby authorized and directed to execute and deliver any and all documents which is necessary in order to consummate the transactions authorized hereby and all such actions heretofore taken by such officers are hereby ratified, confirmed and approved.

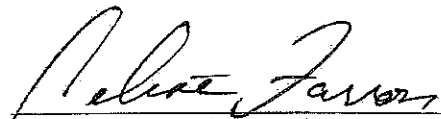
Section 5. Effective Date. This resolution shall take effect immediately upon its passage.

PASSED AND ADOPTED this 10th day of July, 2013, by the following vote:

AYES: GUTIERREZ, LAMB, SU, TINGLE

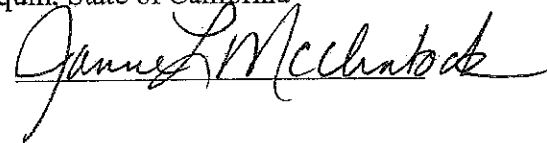
NOES:

ABSENT: FARRON



CELESTE FARRON, PRESIDENT
Board of Directors of the Mountain House
Community Services District, County of San
Joaquin, State of California

ATTEST:
Secretary of the Board of Directors
of the Mountain House Community
Services District, County of San
Joaquin, State of California

By: 

**SIXTH AMENDED
JOINT POWERS AGREEMENT**

RELATING TO THE

SPECIAL DISTRICT RISK MANAGEMENT AUTHORITY

Adopted August 1, 1986
1st Amended February 5, 1988
2nd Amended March 31, 1990
3rd Amended July 1, 1993
4th Amended February 9, 1998
5th Amended and Restated
- Approved March 24, 2003
- Effective July 1, 2003
6th Amended October 2, 2007

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**SIXTH AMENDED JOINT POWERS AGREEMENT
RELATING TO THE
SPECIAL DISTRICT RISK MANAGEMENT AUTHORITY**

THIS SIXTH AMENDED JOINT POWERS AGREEMENT (the "Agreement") is made and entered into by and among the public agencies (the "Members") organized and existing under the laws of the State of California, which are signatories to this Agreement.

RECITALS

WHEREAS, California Government Code Section 6500 *et seq.* (the "Act") provides that two or more public agencies may by agreement jointly exercise any power common to the contracting parties; and

WHEREAS, California Labor Code Section 3700(c) permits pooling by public agencies of self insurance for Workers' Compensation liability; and

WHEREAS, California Government Code Section 990.4 provides that a local public entity may self-insure, purchase insurance through an authorized carrier, purchase insurance through a surplus line broker, or any combination of these; and

WHEREAS, California Government Code Section 990.8 provides that two or more local entities may, by a joint powers agreement, provide insurance for any purpose by any one or more of the methods specified in Government Code Section 990.4; and

WHEREAS, the parties to this Agreement desire to join together for the purposes set forth in Article 2 hereof, including establishing pools for self-insured losses and purchasing Excess or Re-Insurance and administrative services in connection with joint protection programs (the "Programs") for members of the California Special Districts Association ("CSDA"); and

WHEREAS, it appears economically feasible and practical for the parties to this Agreement to do so; and

WHEREAS, the Members have previously executed that certain Fifth Amended and Restated Joint Powers Agreement (the "Original JPA"), which Original JPA the Members desire to amend and restate by this Agreement; provided that such amendment and restatement shall not affect the existence of the Authority; and

WHEREAS, CSDA exists to assist and promote special districts, and has been responsible for the original creation of the Special District Risk Management Authority ("Authority") and Special District Workers Compensation Authority ("SDWCA"), and determined the consolidation of SDWCA and the Authority on July 1, 2003 was in the best interests of special districts and other public agencies throughout the State.

NOW THEREFORE, for and in consideration of all of the mutual benefits, covenants and agreements contained herein, the parties hereto agree as follows:

Article 1. Definitions. The following definitions shall apply to the provisions of this agreement:

“Act” means Articles 1 through 4 (commencing with Section 6500) of Chapter 5, Division 7, Title 1 of the California Government Code, as amended or supplemented.

“Alliance Executive Council” means the council organized pursuant to the MOU.

“Assessment” means an additional amount, in addition to the Member’s or Former Member’s original contribution, which the Board of Directors determines in accordance herewith and/or with the Bylaws that a Member or Former Member owes on account of its participation in a Program for a given Program year.

“Authority” shall mean the Special District Risk Management Authority created by the original version of this Agreement.

“Board of Directors” or “Board” shall mean the governing body of the Authority.

“Bylaws” means the Bylaws of the Authority adopted by the Board of Directors, as they may be amended from time to time.

“Chief Executive Officer” shall mean that employee of the Authority who is so appointed by the Board of Directors.

“Claim” shall mean a demand made by or against a Member or Former Member which is or may be covered by one of the Programs approved by the Board of Directors.

“Contribution” means the amount determined by the Board of Directors to be the appropriate sum which a Member should pay at the commencement of or during the Program Year in exchange for the benefits provided by the Program.

“Coverage Documents” shall mean the Declarations, Memorandum of Coverages, Coverage Agreements, Endorsements, Policies of Insurance or any other documents that provide the terms, conditions, limits and exclusions of coverage afforded by a Program.

“CSDA” means the California Special Districts Association.

“District” shall mean a special district, public agency or public entity within the State of California which is both a Member of the CSDA and a signatory to this Agreement.

“Duly Constituted Board Meeting” shall mean any Board of Directors meeting noticed and held in the required manner and at which a Quorum was determined to be present at the beginning of the meeting.

“Estimated Contribution” means the amount which the Board of Directors estimates will be the appropriate contribution for a Member’s participation in a Program for a Program Year.

“Excess or Re-Insurance” shall mean that insurance which may be purchased on behalf of the Authority and/or the Members to protect the funds of the Members or Former Members against catastrophic losses or an unusual frequency of losses during a single year in excess of the self-insurance retention maintained by the Authority.

“Fiscal Year” shall mean that period of twelve months which is established as the fiscal year of the Authority.

“Former Member” shall mean a District which was a signatory to the Agreement but which has withdrawn from, or been involuntarily terminated from participating in, the Authority.

“Joint Protection Program” means a Program offered by the Authority, separate and distinct from other Programs, wherein Members will jointly pool their losses and claims, jointly purchase Excess or Re-Insurance and administrative and other services, including claims adjusting, data processing, risk management consulting, loss prevention, legal and related services.

“Member” shall mean a signatory to this Agreement, which is qualified as a Member under the provisions of this Agreement and the Bylaws.

“MOU” means the Memorandum of Understanding - Alliance Executive Council, dated as of September 20, 2001, among the Authority, CSDA, the CSDA Finance Corporation and SDWCA.

“Program” or “Programs” means the specific type of protection plan as set forth in the terms, conditions and exclusions of the Coverage Documents for self-insured losses, and the purchasing of Excess or Re-Insurance and administrative services.

“Program Year” shall mean a period of time, usually 12 months, determined by the Board of Directors, in which a Program is in effect.

“Retained Earnings,” as used herein, shall mean an equity account reflecting the accumulated earnings of a Joint Protection Program.

“SDWCA” means the Special Districts Workers Compensation Authority, and its successors or assigns.

Article 2. Purposes. This Agreement is entered into by the Members pursuant to the provisions of California Government Code section 990, 990.4, 990.8 and 6500 *et seq.* in order to provide, subject to the provisions of the Coverage Documents, economical public liability and workers’ compensation coverage, or coverage for other risks which the Board of Directors may determine.

Additional purposes are to reduce the amount and frequency of losses, and to decrease the cost incurred by Members in the handling and litigation of claims. These purposes shall be

accomplished through the exercise of the powers of such Members jointly in the creation of a separate entity, the Special District Risk Management Authority (the "Authority"), to establish and administer Programs as set forth herein and in the Bylaws.

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

Article 3. Parties to Agreement. Each party to this Agreement certifies that it intends to and does contract with all other parties who are signatories to this Agreement and, in addition, with such other parties as may later be added as parties to and signatories of this Agreement pursuant to Article 18. Each party to this Agreement also certifies that the withdrawal from or cancellation of membership by any Member, pursuant to Articles 19 and 20 or otherwise, shall not affect this Agreement nor such party's intent, as described above, to contract with the other remaining parties to the Agreement.

Article 4. Term of Agreement. This Agreement shall become effective as to existing Members of the Authority as set forth in Article 33 hereof. This Agreement shall continue thereafter until terminated as hereinafter provided. This Agreement shall become effective as to each new Member upon: (i) approval of its membership by the Board of Directors, (ii) the execution of this Agreement by the Member, and (iii) upon payment by the Member of its initial Contribution for a Program. Any subsequent amendments to the Agreement shall be in accordance with Article 27 of this Agreement.

Article 5. Creation of Authority. Pursuant to the Act, there is hereby created a public entity separate and apart from the parties hereto, to be known as the Special District Risk Management Authority. Pursuant to Section 6508.1 of the Act, the debts, liabilities and obligations of the Authority, including but not limited to, debts, liabilities and obligations of any of the Programs shall not constitute debts, liabilities or obligations of any party to this Agreement or to any Member or Former Member.

The Authority is not an insurer, and the coverage programs offered by the Authority do not provide insurance, but instead provide for pooled joint protection programs among the members of the Authority. The Joint Protection Programs offered by the Authority constitute negotiated agreements among the Members which are to be interpreted according to the principles of contract law, giving full effect to the intent of the Members, acting through the Board of Directors in establishing the Programs.

Article 6. Powers of Authority. (a) The Authority shall have all of the powers common to Members and is hereby authorized to do all acts necessary for the exercise of said common powers, including, but not limited to, any or all of the following:

- (1) to make and enter into contracts, including the power to accept the assignment of contracts or other obligations which relate to the purposes of the Authority, or which were entered into by a Member or Former

Member prior to joining the Authority, and to make claims, acquire assets and incur liabilities;

- (2) to accept an assignment from SDWCA of all its assets, obligations and liabilities prior to the dissolution of SDWCA (including claims and contracts in existence prior to such dissolution) in order to benefit the Members or Former Members participating in the SDWCA workers compensation program; provided, that except for the fair and equitable allocation of administrative and overhead expenses, funds from such assignment shall not be co-mingled and shall be separately accounted for as provided for in this Agreement and the Bylaws.
- (3) to incur debts, liabilities, or other obligations, including those which are not debts, liabilities or obligations of the Members or Former Members, or any of them;
- (4) to charge and collect Contributions and Assessments from Members or Former Members for participation in Programs;
- (5) to receive grants and donations of property, funds, services and other forms of assistance from persons, firms, corporations and governmental entities;
- (6) to acquire, hold, lease or dispose of property, contributions and donations of property and other forms of assistance from persons, firms, corporations and governmental entities
- (7) to acquire, hold or dispose of funds, services, donations and other forms of assistance from persons, firms, corporations and governmental entities;
- (8) to employ agents and employees, and/or to contract for such services;
- (9) to incur debts, liabilities or other obligations to finance the Programs and any other powers available to the Authority under Article 2 or Article 4 of the Act;
- (10) to enter into agreements for the creation of separate public entities and agencies pursuant to the Act;
- (11) to sue and be sued in its own name;
- (12) to exercise all powers necessary and proper to carry out the terms and provisions of this Agreement (including the provision of all other appropriate ancillary coverages for the benefit of the Members or Former Members), or otherwise authorized by law or the Act; and
- (13) to exercise all powers and perform all acts as otherwise provided for in the Bylaws.

(b) Said powers shall be exercised pursuant to the terms hereof, in the manner provided by law and in accordance with Section 6509 of the Act. The foregoing powers shall be subject to the restrictions upon the manner of exercising such powers pertaining to the Member or Former Member designated in the Bylaws.

Article 7. Board of Directors. Subject to the limitations of this Agreement and the laws of the State of California, the powers of this Authority shall be vested in and exercised by, and its property controlled and its affairs conducted by, the Board of the Authority, which is hereby established and designated as the agency to administer this Agreement pursuant to Section 6506 of the Act. The powers of the Authority shall be exercised through the Board of Directors, who may, from time to time, adopt and modify Bylaws and other rules and regulations for that purpose and for the conduct of its meetings as it may deem proper. The officers of the Board shall be as set forth in the Bylaws.

So long as the MOU has not been terminated or the Authority has not withdrawn from the MOU, the Board of Directors shall be composed of seven (7) directors elected by the Member entities who have executed the current operative Agreement and are participating in a Joint Protection Program. The terms of directors, procedures for election of directors, procedures for meetings and provisions for reimbursement of Director expenses shall be as set forth in the Bylaws. Each Member of the Board of Directors shall have one vote. Each Member of the Board shall serve as set forth in the Bylaws.

So long as the Authority is a participant in the MOU, the Board of Directors of the Authority shall appoint three (3) members of its board to serve as members of the Alliance Executive Council. No member of the Board of Directors of the Authority shall serve as a director on any other board of directors of an entity or organization that is a signatory to the MOU during the term of the MOU. In the event a director is elected to such a board, that director shall immediately resign from the Board of Directors of the Authority.

In the event SDRMA withdraws from the MOU, the Board of Directors of the Authority shall consist of those seven (7) Directors who hold seats on the Authority's Board of Directors at the time of the withdrawal and who were duly appointed by the Board, or elected or re-elected by the Member entities of SDRMA plus the additional directors appointed by CSDA as provided in Article 25.

Article 8. Compliance with the Brown Act. All meetings of the Board, including, without limitation, regular, adjourned regular and special meetings, shall be called, noticed, held and conducted in accordance with the provisions of the Ralph M. Brown Act, California Government Code Section 54950 *et seq.*

Article 9. Powers of the Board of Directors. The Board of Directors shall have such powers and functions as provided for pursuant to this Agreement and the Bylaws and such additional powers as necessary or appropriate to fulfill the purposes of this Agreement and the Bylaws, including, but not limited to, the following:

- (a) to determine details of and select the Program or Programs to be offered; from time to time, by the Authority;

- (b) to determine and select all insurance, including Excess or Re-insurance, necessary to carry out the programs of the Authority;
- (c) to contract for, develop or provide through its own employees various services for the Authority;
- (d) to prepare or cause to be prepared the operating budget of the Authority for each fiscal year;
- (e) to receive and act upon reports of committees and from the Chief Executive Officer;
- (f) to appoint staff, including a Chief Executive Officer, and employ such persons as the Board of Directors deems necessary for the administration of this Authority;
- (g) to direct, subject to the terms and conditions of the Coverage Documents, the payment, adjustment, and defense of all claims involving a Member during their period of membership in and coverage under a Program;
- (h) to fix and collect Contributions and Assessments for participation in the Programs;
- (i) to expend funds of the Authority for the purpose of carrying out the provisions of the Agreement and the Bylaws as they now exist or may be hereafter amended;
- (j) to purchase excess insurance, liability insurance, stop loss insurance, officers and directors liability insurance, and such other insurance as the Authority may deem necessary or proper to protect the Program, employees of the Authority and employees of the Members;
- (k) to defend, pay, compromise, adjust and settle all claims as provided for in the Coverage Documents;
- (l) to obtain a fidelity bond in such amount as the Board of Directors may determine for any person or persons who have charge of or the authority to expend funds for the Authority;
- (m) to establish policies and procedures for the operation of the Authority and the Programs;
- (n) to engage, retain, and discharge agents, representatives, firms, or other organizations as the Board of Directors deems necessary for the administration of the Authority;
- (o) to enter into any and all contracts or agreements necessary or appropriate to carry out the purposes and functions of the Authority;

- (p) to acquire, hold, lease, manage and dispose of, as provided by law, any and all property necessary or appropriate to carry out the purposes and functions of the Authority;
- (q) to transact any other business which is within the powers of the Board of Directors;
- (r) to invest funds on hand in a manner authorized by law, the Agreement and the Bylaws;
- (s) to provide financial administration, claims management services, legal representations, safety engineering, actuarial services, and other services necessary or proper to carry out the purposes of the Authority either through its own employees or contracts with one or more third parties;
- (t) to exercise general supervisory and policy control over the Chief Executive Officer;
- (u) to establish committees and sub-committees as it deems necessary to best serve the interests of the Authority; and
- (v) to have such other powers and functions as are provided for pursuant to the Act, this Agreement or necessary or appropriate to fulfill the purpose of this Agreement and the Bylaws.

Article 10. Officers of the Authority. The officers of the Authority shall be as set forth in the Bylaws. The Board may elect or authorize the appointment of such other officers than those described in the Bylaws as the business of the Authority may require, each of whom shall hold office for such period, have such authority and perform such duties as are provided in this Agreement, or as the Board, from time to time, may authorize or determine.

Any officer may be removed, either with or without cause, by a majority of the directors of the Board at any regular or special meeting of the Board. Should a vacancy occur in any office as a result of death, resignation, removal, disqualification or any other cause, the Board may delegate the powers and duties of such office to any officers or to any Members of the Board until such time as a successor for said office has been appointed.

Article 11. Provision for Bylaws. The Board shall promulgate Bylaws to govern the day-to-day operations of the Authority. The Board may amend the Bylaws from time to time as it deems necessary, and as provided in the Bylaws. Each Member shall receive a copy of any Bylaws and agrees to be bound by and to comply with all of the terms and conditions of the Bylaws as they exist or as they may be modified. The Bylaws shall be consistent with the terms of this Agreement. In the event any provision of the bylaws conflicts with a provision of this Agreement, the provision contained in this Agreement shall control.

Article 12. [Reserved].

Article 13. Coverage Programs.

(a) The Authority shall maintain such types and levels of coverage for Programs as determined by the Board of Directors. Such coverage may provide for binding arbitration before an independent arbitration panel of any disputes concerning coverage between the Authority and a Member.

(b) The coverage afforded under one or more Programs may include protection for general liability, auto liability, property, boiler and machinery, public officials errors and omissions, employment practices, employee benefits liability coverage, employee dishonesty coverage, public officials personal liability coverage and workers' compensation, as well as coverage for other risks which the Board of Directors may determine to be advisable. More than one type of coverage may be afforded under a single Program.

(c) The Board of Directors may arrange for group policies to be issued for Members, their board members and employees interested in obtaining additional coverage, at an appropriate additional cost to those participating Members.

(d) The Board of Directors may arrange for the purchase of Excess or Re-Insurance. The Authority shall not be liable to any Member or to any other person or organization if such excess or reinsurance policies are terminated, canceled or non-renewed without prior notice to one or more Members, or if there is a reduction in the type of coverage afforded under a program by reason of any change in coverage in a succeeding excess or reinsurance policy, even if such reduction occurs without prior notice to one or more Members.

Article 14. Implementation of the Programs. The Board of Directors shall establish the coverage afforded by each Program, the amount of Contributions and Assessments, the precise cost allocation plans and formulas, provide for the handling of claims, and specify the amounts and types of Excess or Re-Insurance to be procured. The Contributions and Assessments for each Program shall be determined by the Board of Directors as set forth herein, in the Bylaws or in the operating policies established for a Program.

Article 15. Accounts And Records.

(a) **Annual Budget.** The Authority shall, pursuant to the Bylaws, annually adopt an operating budget, including budgets for each Joint Protection Program.

(b) **Funds and Accounts.** The Authority shall establish and maintain such funds and accounts as required by the Board of Directors and as required by generally accepted accounting principles, including separate funds and accounts for each Program, including Joint Protection Programs. Books and records of the Authority shall be open to any inspection at all reasonable times by authorized representatives of Members, or as otherwise required by law.

(c) **Investments.** Subject to the applicable provisions of any indenture or resolution providing for the investment of moneys held thereunder, the Authority shall have the power to invest any money in the treasury that is not required for the immediate necessities of the Authority, as the Board determines is advisable, in the same manner as local agencies pursuant to

California Government Code Sections 53601 *et seq.* (as such provisions may be amended or supplemented).

(d) **No Commingling.** The funds, reserves and accounts of each Program shall not be commingled and shall be accounted for separately; provided, however, that administration and overhead expenses of the Authority not related to a specific Program or Programs may be fairly and equitably allocated among Programs as determined by the Board of Directors. Investments and cash accounts may be combined for administrative convenience, but a separate accounting shall be made for balances of individual funds and Program revenues and expenses.

(e) **Annual Audit.** The Board shall provide for a certified, annual audit of the accounts and records of the Authority, in the manner set forth in the Bylaws.

Article 16. Services Provided by the Authority. The Authority may provide, at the sole discretion of the Board of Directors, the following services in connection with this Agreement:

(a) to provide or procure coverage, including but not limited to self-insurance funds and commercial insurance, as well as excess coverage, re-insurance and umbrella insurance, by negotiation or bid, and purchase;

(b) to assist Members in obtaining insurance coverage for risks not included within the coverage of the Authority;

(c) to assist risk managers with the implementation of risk management functions as it relates to risks covered by the Programs in which the Member participates;

(d) to provide loss prevention and safety consulting services to Members;

(e) to provide claims adjusting and subrogation services for Claims covered by the Programs;

(f) to provide loss analysis and control by the use of statistical analysis, data processing, and record and file keeping services, in order to identify high exposure operations and to evaluate proper levels of self-retention and deductibles;

(g) to review Member contracts to determine sufficiency of indemnity and insurance provisions when requested;

(h) to conduct risk management audits relating to the participation of Members in the Programs; and

(i) to provide such other services as deemed appropriate by the Board of Directors.

Article 17. Responsibilities of Members. Members or Former Members shall have the following responsibilities, which shall survive the withdrawal from, or involuntary termination of participation in, this Agreement:

(a) Each Member shall designate a person to be responsible for the risk management function within that Member and to serve as a liaison between the Member and the Authority as to risk management.

(b) Each Member shall maintain an active safety officer and/or committee, and shall consider all recommendations of the Authority concerning unsafe practices and/or hazard mitigation.

(c) Each Member shall maintain its own set of records, including a loss log, in all categories of risk covered by each Program in which it participates to insure accuracy of the Authority's loss reporting system, unless it is no longer deemed necessary by the Board of Directors.

(d) Each Member shall pay its Contribution, and any adjustments thereto, and any Assessments within the specified period set forth in the invoice, or as otherwise may be set forth herein or in the Bylaws. After withdrawal or termination, each Former Member or its successor shall pay promptly to the Authority its share of any additional Contribution, adjustments or Assessments, if any, as required of it by the Board of Directors under Article 21 or 22 of this Agreement or the Bylaws.

(e) Each Member or Former Member shall provide the Authority with such other information or assistance as may be necessary for the Authority to carry out the Programs under this Agreement in which the Member or Former Member participates or has participated.

(f) Each Member or Former Member shall in any and all ways cooperate with and assist the Authority and any insurer of the Authority, in all matters relating to this Agreement and covered claims.

(g) Each Member or Former Member will comply with all Bylaws, rules and regulations adopted by the Board of Directors.

(h) Each Member shall remain a member in good standing of CSDA.

Article 18. New Members. The Authority shall allow entry into its Programs of new Members only upon approval of the Board, with any conditions or limitations as the Board deems appropriate. In order to become a Member and remain a Member, any District must be a member in good standing of CSDA, shall participate in at least one (1) Joint Protection Program and shall be authorized to exercise the common powers set forth in this Agreement.

Article 19. Withdrawal.

(A) Any Member may voluntarily withdraw from this Agreement only at the end of any applicable Program Year and only if:

- (i) The Member has been a signatory to this Agreement for not less than three (3) full Program Years as of the date of the proposed withdrawal;

- (ii) The Member submits a written withdrawal notification in accordance with the Bylaws;
 - (iii) In order to withdraw from the agreement the member must have completed the three (3) full program year participation requirement for each Joint Protection Program the member participated in at the time of withdrawal.
- (B) Any Member may voluntarily withdraw from any particular Joint Protection Program; and
- (i) It has participated in such Joint Protection Program for at least three (3) full Program Years;
 - (ii) it is a participant in another Joint Protection Program; and
 - (iii) the Member submits a written withdrawal notification in accordance with the Bylaws.
- (C) In the event that the three year participation requirement as required by (A)(i) or (B)(i) as to any such Joint Protection Program above has not been met, for each Program the withdrawing Member participated in at the time of its withdrawal, for less than three years such withdrawing member shall be obligated to pay all Contributions and Assessments as if that Member had remained in each such Program for the full three years from the inception of its membership in the Authority.
- (D) In the event that the notice is not provided as required by (A)(ii) or (B)(iii) above, any such withdrawing Member shall, with respect to each Program the Member participated in, be obligated to pay any and all Contributions and Assessments for the next full Program Year.
- (E) A Member may withdraw from any Program (other than a Joint Protection Program) as provided by the Coverage Documents relating to such Program.
- (F) Withdrawal of one or more Members shall not serve to terminate this Agreement.
- (G) A Member may not withdraw as a party to this Agreement until it has withdrawn, as provided in the Bylaws from all of the Programs of the Authority.

Article 20. Involuntary Termination.

- (a) Notwithstanding the provisions of Article 19, the Authority shall have the right to involuntarily terminate any Member's participation in any Program, or terminate membership in the Authority, as provided in the Bylaws.
- (b) Notwithstanding any other provisions of this Agreement, the participation of any Member of the Authority, including participation in any of the Authority's Programs, may be involuntarily terminated at the discretion of the Board of Directors whenever such Member is dissolved, consolidated, merged or annexed. A reasonable time shall be afforded, in the

discretion of the Board of Directors, to place coverage elsewhere. Any such involuntary termination shall not relieve the Member or Former Member of its responsibilities as provided for in Articles 17 or 21.

Article 21. Effect of Withdrawal or Involuntary Termination. The withdrawal from or involuntary termination of any Member from this Agreement shall not terminate this Agreement, and such Member, by withdrawing or being involuntarily terminated, shall not be entitled to payment, return or refund of any Contribution, Assessment, consideration, or other property paid, or donated by the Member to the Authority, or to any return of any loss reserve contribution, or to any distribution of assets (except payment of any Retained Earnings, as set forth in the following paragraph).

The withdrawal from or involuntary termination of any Member after the effective date of any Program shall not terminate its responsibility to pay its unpaid Contribution adjustments, or Assessments to such Program. The Board of Directors shall determine the final amount due from the Member or Former Member by way of contribution or assessments, if any, or any credit due on account thereof, to the Member or Former Member for the period of its participation. Such determination shall not be made by the Board of Directors until all Claims, or other unpaid liabilities, have been finally resolved. In connection with this determination, the Board of Directors may exercise similar powers to those provided for in Article 22(b) of this Agreement, or as otherwise set forth in the Bylaws. Upon such withdrawal from or cancellation of participation in any Program by any Member, said Member shall be entitled to receive its pro rata share of any Retained Earnings declared by the Board of Directors after the date of said Member withdraws or is involuntarily terminated.

Article 22. Termination and Distribution; Assignment.

(a) This Agreement may be terminated any time with the written consent of two-thirds of the voting Members; provided, however, that this Agreement and the Authority shall continue to exist for the purpose of disposing of all claims, distribution of net assets and all other functions necessary to wind up the affairs of the Authority.

(b) The Board of Directors is vested with all powers of the Authority for the purpose of winding up and dissolving the business affairs of the Authority. These powers shall include the power to require Members or Former Members, including those which were signatory hereto at the time the subject Claims arose or was/were incurred, to pay any Assessment in accordance with loss allocation formulas for final disposition of all Claims and losses covered by this Agreement or the Bylaws. A Member or Former Member's Assessment shall be determined as set forth in the Bylaws or the applicable Coverage Documents.

(c) Upon termination of a Program, all net assets of such Program other than Retained Earnings shall be distributed only among the Members that are participating in such Program at the time of termination, in accordance with and proportionate to their cash payments (including Contributions, adjustments, Assessments and other property at market value when received) made during the term of this Agreement for such Program. The Board of Directors shall determine such distribution within six (6) months after disposal of the last pending Claim or loss covered by such Program, or as otherwise set forth in the Bylaws.

(d) Upon termination of this Agreement all net assets of the Authority, other than of any Program distributed pursuant to (c) above, shall be distributed only among the Members in good standing at the time of such termination in accordance with and proportionate to their cash contributions and property at market value when received. The Board of Directors shall determine such distribution within six (6) months after disposal of the last pending Claim or loss covered by this Agreement, or as otherwise set forth in the Bylaws.

(e) In the event the Board of Directors is no longer able to assemble a quorum, the Chief Executive Officer shall exercise all powers and authority under this Article. The decision of the Board of Directors or Chief Executive Officer under this Article shall be final.

(f) In lieu of terminating this Agreement, the Board, with the written consent of two-thirds of the voting Members, may elect to assign and transfer all of the Authority's rights, assets, liabilities and obligations to a successor joint powers authority created under the Act.

Article 23. Enforcement. The Authority is hereby granted authority to enforce this Agreement. In the event action is instituted to enforce the terms of this Agreement, the Bylaws and/or any policies and/or procedures of the Board of Directors and the nondefaulting party(s) should employ attorneys or incur other expenses for the collection of moneys or the enforcement or performance or observance of any obligation or agreement on the part of the defaulting party(s) herein contained, the defaulting party agrees that it will on demand therefore pay to the nondefaulting party(s) the reasonable fees of such attorneys and such other expenses so incurred by the nondefaulting party(s).

Article 24. Nonliability of Directors, Officers and Employees. The Board of Directors, and the officers and employees of the Authority, including former directors, officers and employees, shall not be liable to the Authority, to any Member or Former Member, or to any other person, for actual or alleged breach of duty, mistake of judgment, neglect, error, misstatement, misleading statement, or any other act or omission in the performance of their duties hereunder; for any action taken or omitted by any employee or independent contractor; for loss incurred through the investment or failure to invest funds; or for loss attributable to any failure or omission to procure or maintain insurance; except in the event of fraud, gross negligence, or intentional misconduct of such director, officer or employee. No director, officer or employee, including former directors, officers and employees, shall be liable for any action taken or omitted by any other director, officer or employee. The Authority shall defend and shall indemnify and hold harmless its directors, officers and employees, including former directors, officers and employees, from any and all claims, demands, causes of action, and damages arising out of their performance of their duties as such directors, officers or employees of the Authority except in the event of fraud, gross negligence, corruption, malice or intentional misconduct, and the funds of the Authority shall be used for such purpose. The Authority may purchase conventional insurance to protect the Authority, and its participating Members or Former Members, against any such acts or omissions by its directors, officers and employees, including former directors, officers and employees.

Article 25. Provisions Relating to CSDA. It is agreed and understood the mandatory membership in CSDA provision in Article 18 is in consideration of CSDA's exclusive endorsement of SDRMA's programs as they exist or may be modified. CSDA and the Authority

may from time to time exchange services or enter into separate service agreements pursuant to Section 6505 of the Act, including, but not limited to, services relating to educational programs, marketing, web-site graphics and conferences.

So long as the Authority is a participant in the MOU, the Board of the Authority shall appoint three members of the Board to serve as members of the Alliance Executive Council. In the event the MOU has been terminated or the Authority has withdrawn from the MOU, the composition of the Authority Board of Directors shall be increased by two (2) additional directors to be appointed by CSDA. CSDA appointees shall be a director serving on the CSDA Board of Directors and said director(s) shall be a member of an agency who is a signatory to the current SDRMA Joint Powers Agreement.

CSDA shall be a third party beneficiary to Sections 18, 25, 27 of this Agreement.

Article 26. Notices. Notices to Members or Former Members hereunder shall be sufficient if delivered to the principal office of the respective Member or Former Member.

Article 27. Amendment. This Agreement may be amended at any time by a two-thirds vote of the Members; provided, that any amendment to Article 18, Article 25, or Article 27 shall require the prior written consent of CSDA. The Bylaws may be amended as provided therein. Upon the effective date of any validly approved amendment to this Agreement, such amendment shall be binding on all Members.

Article 28. Prohibition Against Assignment. No person or organization shall be entitled to assert the rights, either direct or derivative, of any Member or Former Member under any coverage agreement or memorandum. No Member or Former Member may assign any right, claim or interest it may have under this Agreement, and no creditor, assignee or third party beneficiary of any Member or Former Member shall have any right, claim or title or any part, share, interest, fund, contribution or asset of the Authority.

Article 29. Agreement Complete. The foregoing constitutes the full and complete Agreement of the parties. There are no oral understandings or agreements not set forth in writing herein. This Agreement supersedes and replaces the Fifth Amended Joint Powers Amendment.

Article 30. Counterparts. This Agreement may be executed in one or more counterparts and shall be as fully effective as though executed in one document.

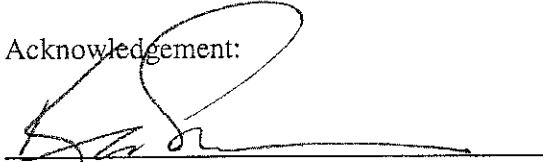
Article 31. California Law. This Agreement shall be governed by the laws of the State of California.

Article 32. Severability. Should any part, term or provisions of this Agreement be determined by any court of component jurisdiction to be illegal or in conflict with any law of the State of California or otherwise be rendered unenforceable or ineffectual, the validity of the remaining portions or provisions shall not be affected thereby.

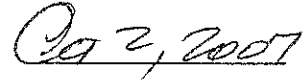
Article 33. Effective Date. This Agreement shall become effective as to existing Members of the Authority on the date on which the last of two-thirds of such Members have executed this Agreement.

IN WITNESS WHEREOF, the parties hereto have first executed this Agreement by authorized officials thereof on the date indicated below:

Acknowledgement:

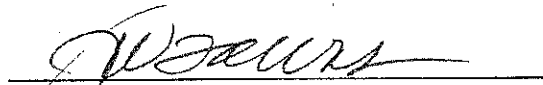


Ken Sonksen, President
Board of Directors
SPECIAL DISTRICT RISK MANAGEMENT AUTHORITY

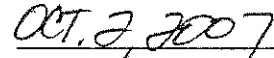


Date

I hereby certify this Amended Joint Powers Agreement has also received the required approval of not less than two-thirds of the Member entities then parties to the Fifth Amended Joint Powers Agreement.



James W. Towns, Chief Executive Officer
SPECIAL DISTRICT RISK MANAGEMENT AUTHORITY



Date

EXECUTION BY MEMBER

The Amended and Restated Joint Powers Agreement of the Special District Risk Management Authority, has been approved by the Board of Directors of the Member listed below, on the date shown, and said Member agrees to be subject to all of the terms and conditions set forth in said Agreement.

Entity Name: Mountain House Community Services District

By: Celeste Farron President

By: Janice L. McClatock Clerk

Date: 9-24-13

EXECUTION BY AUTHORITY

The Special District Risk Management Authority (the "Authority"), operating and functioning pursuant to this Sixth Amended Joint Powers Agreement, hereby accepts the entity named above as a participating member in the Authority, subject to all of the terms and conditions set forth in this Sixth Amended Joint Powers Agreement and in the Bylaws, effective as of

SPECIAL DISTRICT RISK MANAGEMENT AUTHORITY

By: _____
David Aranda, President
Board of Directors

Date: _____

State of California
Department of Industrial Relations
Self Insurance Plans
2265 Watt Avenue, Suite 1
Sacramento, CA 95825
Phone (916) 483-3392
FAX (916) 483-1535



Our File: _____

APPLICATION FOR A PUBLIC ENTITY CERTIFICATE OF CONSENT TO SELF INSURE

NOTE: All questions must be answered. If not applicable, enter "N/A".
Workers' compensation insurance must be maintained until certificate is effective.

APPLICANT INFORMATION

Legal Name of Applicant (show exactly as on Charter or other official documents):

Mountain House Community Services District

Street Address of Main Headquarters:

230 South Sterling Drive, Suite 100

Mailing Address (if different from above):

Federal Tax ID No.:

37-1542153

City:

Mountain House

State:

CA

Zip + 4:

95391

TO WHOM DO YOU WANT CORRESPONDENCE REGARDING THIS APPLICATION ADDRESSED?

Name: Gay Giles

Title: Director, Finance Department

Company Name: Mountain House Community Services District

Mailing Address: 100 South Sterling Drive, Suite 100

City: Mountain House

State: CA

Zip + 4: 95391

Type of Public Entity (check one):

City and/or County School District Police and/or Fire District Hospital District Joint Powers Authority

Other (describe): Community Services District

Type of Application (check one):

New Application Reapplication due to Merger or Unification Reapplication due to Name Change Only

Other (specify): _____

Date Self Insurance Program will begin: 9/29/13

CURRENT PROGRAM FOR WORKERS' COMPENSATION LIABILITIES

- Currently Insured with State Compensation Insurance Fund, Policy Number: 9062620
 Policy Expiration Date: 6/30/14 Yearly Premium: \$ 14,018
 Current Yearly Incurred (paid & unpaid) Losses: \$ 0.00 (FY or CY)
- Currently Self Insured, Certificate Number: _____
 Name of Current Certificate Holder: _____
- Other (describe): _____

JOINT POWERS AUTHORITY

Will the applicant be a member of a workers' compensation Joint Powers Authority for the purpose of pooling workers' compensation liabilities?

- Yes No If yes, then complete the following:

Effective date of JPA Membership: 7/10/13 JPA Certificate No.: 5806

Name and Title of JPA Executive Officer:

Gregory S. Hall, CEO

Name of Joint Powers Authority Agency:

Special District Risk Management Authority

Mailing Address of JPA:

1112 "I" Street, Suite 300

City: Sacramento State: CA Zip + 4: 95814-2865

Telephone Number: (800) 537-7790

PROPOSED CLAIMS ADMINISTRATOR

Who will be administering your agency's workers' compensation claims? (check one)

- JPA will administer, JPA Certificate No.: _____
- Third party agency will administer, TPA Certificate No.: 132
- Public entity will self administer Insurance carrier will administer

Name of Individual Claims Administrator:

York Insurance Services Group, Inc. Tom McCampbell

Name of Administrative Agency:

York Insurance Services Group, Inc.

Mailing Address:

Post Office Box 619058

City: Roseville State: CA Zip + 4: 95661

Telephone Number: (916) 960-0900 FAX Number: (916) 783-0338

Number of claims reporting locations to be used to handle the agency's claims: 1

Will all agency claims be handled by the administrator listed on previous page? Yes No

AGENCY EMPLOYMENT

Current Number of Agency Employees: 17

Number of Public Safety Officers (law enforcement, police or fire): 0

If a school district, number of certificated employees: n/a

Will all agency employees be included in this self insurance program? Yes No

If no, explain who is not included and how workers' compensation coverage is to be provided to the excluded agency employees:

INJURY AND ILLNESS PREVENTION PROGRAM

Does the agency have a written Injury and Illness Prevention Program? Yes No

Individual responsible for agency Injury and Illness Prevention Program:

Name and Title:

Harpal Singh, Director, Operations and Maintenance

Company or Agency Name:

Mountain House Community Services District

Mailing Address:

230 South Sterling Drive, Suite 100

City:

Mountain House

State:

CA

Zip + 4:

95391

Telephone Number: 209-831-2300

SUPPLEMENTAL COVERAGE

Will your self insurance program be supplemented by any insurance or pooled coverage under a standard workers' compensation insurance policy? Yes No

If yes, then complete the following:

Name of Carrier or Excess Pool: _____

Policy Number: _____

Effective Date of Coverage: _____

Will your self insurance program be supplemented by any insurance or pooled coverage under a specific excess workers' compensation insurance policy? Yes No

If yes, then complete the following:

Name of Carrier or Excess Pool: California States Association of Counties - Excess Insurance Authority

Policy Number: EIA-PE 08 EWC-30

Effective Date of Coverage: July 1, 2012 through June 30, 2013

Retention Limits: \$ 4,500,000

Will your self insurance program be supplemented by any insurance or pooled coverage under an aggregate excess (stop loss) workers' compensation insurance policy? Yes No

If yes, then complete the following:

Name of Carrier or Excess Pool: _____

Policy Number: _____

Effective Date of Coverage: _____

Retention Limits: _____

RESOLUTION OF GOVERNING BOARD

See Attached Resolution—Page 5

CERTIFICATION

The undersigned on behalf of the applicant hereby applies for a Certificate of Consent to Self Insure the payment of workers' compensation liabilities pursuant to Labor Code Section 3700. The above information is submitted for the purpose of procuring said Certificate from the Director of Industrial Relations, State of California. If the Certificate is issued, the applicant agrees to comply with applicable California statutes and regulations pertaining to the payment of compensation that may become due to the applicant's employees covered by the Certificate.

Signature of Authorized Official:

Celeste Farron

Typed Name:

Celeste Farron

Title:

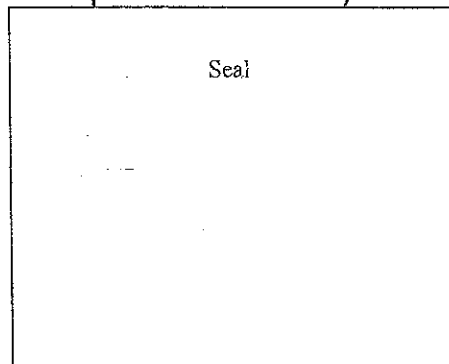
President of the Board of Directors

Agency Name:

Mountain House CSD

Date:

September 11, 2013



(Emboss seal above or Notarize signature)

RESOLUTION NO.: 2013-25 DATED: September 11, 2013

**A RESOLUTION AUTHORIZING APPLICATION
TO THE DIRECTOR OF INDUSTRIAL RELATIONS, STATE OF CALIFORNIA
FOR A CERTIFICATE OF CONSENT TO SELF INSURE
WORKERS' COMPENSATION LIABILITIES**

At a meeting of the Board of Directors
(enter title)

of the Mountain House Community Services District
(enter name of public agency, district)

a Community Services District
(enter type of agency) organized and existing under the laws of the State of California,

held on the 11th day of September, 2013, the following resolution was adopted:

RESOLVED, that the President of the Board of Directors
(enter position titles)

be and they are hereby severally authorized and empowered to make application to the Director of Industrial Relations, State of California, for a Certificate of Consent to Self Insure workers' compensation liabilities on behalf of the

Mountain House Community Services District
(enter name of district)

and to execute any and all documents required for such application.

I, Jim Lamb, the undersigned Vice President
(enter name) (enter title)

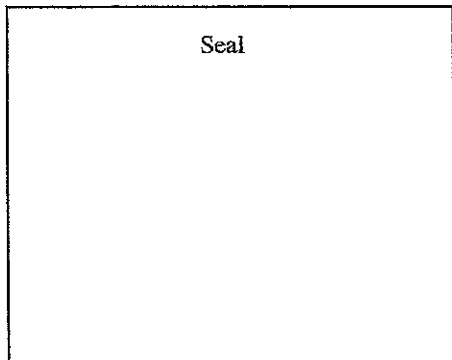
of the Board of the said Mountain House Community Services District
(enter name of agency)

a Community Services District, hereby certify that I am the Vice President of the Board
(enter type of agency) (enter title)

of said Community Services District, that the foregoing is a full, true and correct copy of the
(enter type of agency)

resolution duly passed by the Board at the meeting of said Board held on the day and at the place therein specified and that said resolution has never been revoked, rescinded, or set aside and is now in full force and effect.

IN WITNESS WHEREOF: I HAVE SIGNED MY NAME AND AFFIXED THE SEAL OF THIS



Community Services District
(enter type of agency)

THIS 11th DAY OF September, 2013.

[Handwritten Signature]
(Signature)

Preliminary Questionnaire



Program Year 2013-14

Mountain House Community Services District

Profile Section

Please enter all information in the space provided and ensure that it is complete, correct and current. For questions and assistance, please call Member Services at 800.537.7790.

Mailing Address 1: 230 S. Sterling Drive, Suite 100

Mailing Address 2:

Mailing City/ST/Zip: Mountain House, CA 95391

Mailing County: San Joaquin

Physical Address 1:

Physical Address 2:

Physical City/ST/Zip:

Physical County:

Phone Number: (209) 831 - 2300

Fax Number: (209) 831 - 5610

Number of Board Members, Commissioners, Council Members or Trustees: 5

Method of Selection (Elected or Appointed): Elected

If appointed, by whom:

Population: 10,346

Service Area (acres): 7

Office Hours: M-F 8-6pm

Year Formed: 1996



Preliminary Questionnaire

Program Year 2013-14

Mountain House Community Services District

Services Section

Please select from the following list of services that your organization currently provides. For questions and assistance, please call Member Services at 800.537.7790.

- Parks/Recreation
- Sewer
- Streetlighting
- Streets/Roads
- Water
- Air Pollution Control
- Airport
- Cemetery
- Dam
- Drainage Pond
- Electric
- Emergency Communications Center
- Fairs/Parades
- Fire
- Firing Ranges
- Flood Control
- Garbage
- Golf Course
- Healthcare
- Irrigation
- JPA
- Lakes/Reservoirs
- Levees/Dikes/Canals/Ditches
- Library
- Local Agency Formation Commissions
- Marina/Dock
- Police/Law Enforcement
- Resource Conservation
- Solid Waste Management
- Stadium
- Vector/Pest Control



Program Year 2013-14

Mountain House Community Services District

Contacts Section

Please enter your organization's contact information and ensure that it is complete, correct and current. For any questions or assistance, please call Member Services at 800.537.7790.

| Contact | Title | Phone | Email |
|----------------|--------------------|----------------|---------------------|
| Gay Giles | Finance Director | (209) 831-5643 | ggiles@sjgov.org |
| Karen Scholten | Accounting Manager | (209) 831-5645 | kscholten@sjgov.org |
| Harpal Singh | Safety Officer | (209) 831-2300 | |
| Celeste Farron | Board President | (209) 831-2300 | |
| | | () - | |
| | | () - | |
| | | () - | |

Contact Roles

Primary Contact: Gay Giles

General Manager: _____

Board President: Celeste Farron

Finance Officer: Gay Giles

Safety Officer: Harpal Singh

Broker/Agent: _____

Business Name: _____

Address: _____

City/SV/Zip: _____

Phone: _____

Fax: _____

Email: _____



Preliminary Questionnaire

Program Year 2013-14

Mountain House Community Services District

General Information Section

Please enter all information in the space provided and ensure that it is complete, correct and current. For questions and assistance, please call Member Services at 800.537.7790.

Governing Body

- 1. Are you a government agency? Yes
2. Has your Board appointed an advisory board or commission? No
3. Is an attorney present at each of your Board meetings? Yes
4. How often is an outside (independent) financial audit performed? (annually, every two years etc.) Annually
5. For which fiscal year was the last audit completed? 2012
6. What is the name of the firm performing your financial audit? Gallina, LLP
7. Does a committee, or the full Board, discuss the audit report and any audit findings directly with the auditor? Yes
8. Has your agency had in the last five years, any suits or claims filed against your Board which have not been forwarded to SDRMA? (If yes, please fax or mail detailed information) No
9. Has your agency had in the last five years, defaults on any debt payments? No
10. Has your agency had in the last five years, any employee strikes or work stoppages? No
11. Has your agency had in the last five years, any employee-filed suits/claims against your Agency which have not been forwarded to SDRMA? (other than Workers' Compensation claims) No
12. Has your agency had in the last five years, any Grand Jury investigations or recall proceedings? No
13. Has your agency had in the last five years, indictments of any public officials? No

Agency Management

- 1. Number of Full-Time Employees 13
2. Number of Part-Time Employees 5
3. Does your Agency have Licensed or Certified Positions on Staff? (For example: engineers, accountants, attorneys, etc.) Yes
4. Does your Agency have a volunteer/auxiliary association? (If yes, please fax or mail detailed information) No
5. What type of internet access do you have? (None, Dial Up, Cable/DSL, Broadband) Broadband



Preliminary Questionnaire

Program Year 2013-14

Mountain House Community Services District

General Information Section

Please enter all information in the space provided and ensure that it is complete, correct and current. For questions and assistance, please call Member Services at 800.537.7790.

Present Coverage

- 1. Do you have any locations where more than 50 Employees work in one building? No
- 2. Primary Carrier SLIP/SPIP
- 3. Excess Carrier
- 4. Policy Limits 1000000
- 5. Expiration Date July 1, 2013
- 6. Expiring Annual Premium 160202
- 7. Renewal Annual Premium
- 8. How many 'Additional Insureds' do you have on your current policy? 2
- 9. During the past three (3) years has insurance been declined, canceled, or not renewed? No
- 10. Are there any pending claims or lawsuits against your agency? Yes

Preliminary Questionnaire



Program Year 2013-14

Mountain House Community Services District

Services Information Section

Please enter all information in the space provided and ensure that it is complete, correct and current. For questions and assistance, please call Member Services at 800.537.7790.

Parks/Recreation

| | | |
|--------|--|-----------|
| S05-01 | Area of buildings (sq.ft) | 3,000 |
| S05-02 | Number of parks/playgrounds | 7 |
| S05-03 | Total area of parks/playgrounds (acres) | 26 |
| S05-04 | Number of pools | 0 |
| S05-05 | Number of swimming areas (excluding pools) | 0 |
| S05-06 | Number of supervised swimming areas | 0 |
| S05-07 | Number of sponsored events/activities during past year | 9 |
| S05-08 | Estimated number of participants in sponsored events | 250 |
| S05-09 | Number of campgrounds | 0 |
| S05-10 | Miles of trail | 3 |
| S05-11 | Miles of beach | 0 |
| S05-12 | Number of equestrian arenas | 0 |
| S05-13 | Number of horse boarding stalls | 0 |
| S05-14 | Total budgeted operating expenditures (see instructions) | \$646,275 |
| S05-15 | Total number of parks/playgrounds less than 1 acre | 1 |
| S05-16 | Total number of parks/playgrounds between 1-5 acres | 5 |
| S05-17 | Total number of parks/playgrounds greater than 5 acres | 2 |

Sewer

| | | |
|--------|---|-------------------|
| S02-01 | Capacity of treatment plant (million gal/day) | 3 |
| S02-02 | Percentage of treatment plant in use | 0 |
| S02-03 | Number of service connections/hookups | 3,407 |
| S02-04 | Length of mains (miles) | 33 |
| S02-05 | Number of pump stations | 0 |
| S02-06 | Method of effluent disposal | Disposed to river |
| S02-07 | is a discharge or runoff permit required | Yes |
| S02-08 | Number of permit violations during past year | 0 |
| S02-09 | Budgeted sewage collection expenditures | \$46,000 |
| S02-10 | Budgeted sewage treatment expenditures | \$1,680,100 |



Preliminary Questionnaire

Program Year 2013-14

Mountain House Community Services District

Services Information Section

Please enter all information in the space provided and ensure that it is complete, correct and current. For questions and assistance, please call Member Services at 800.537.7790.

Sewer

Table with 2 columns: Question ID and Answer. Rows include budgeted solids handling expenditures (\$65,000), agency heat/power generation (No), total payroll, and total budgeted operating expenditures (\$1,791,100).

Streetlighting

Table with 2 columns: Question ID and Answer. Rows include number of lights (1,427) and total budgeted operating expenditures (\$223,100).

Streets/Roads

Table with 2 columns: Question ID and Answer. Rows include miles of roadway (43), total budgeted operating expenditures (\$989,300), and various payroll amounts (\$0).

Water

Table with 2 columns: Question ID and Answer. Rows include capacity of treatment plant (15), percentage of treatment plant in use (0), number of reservoirs (0), number of fenced reservoirs (0), number of tanks (3), number of fenced tanks (3), length of mains (33), number of service connections (3,407), number of permit violations (0), consumption by commercial (0), consumption by residential (3,085), revenue from reclaimed water (\$0), and wholesale water sales (\$0).



Program Year 2013-14

Mountain House Community Services District

Services Information Section

Please enter all information in the space provided and ensure that it is complete, correct and current. For questions and assistance, please call Member Services at 800.537.7790.

Water

| | | | |
|--------|---|-------|-------------|
| S01-14 | Revenue from ground water replacement in prior year | _____ | \$0 |
| S01-15 | Does your agency generate heat or power with gas, diesel or hydro? | _____ | No |
| S01-16 | if yes, is the heat or power used by your own agency or is it sold? | _____ | |
| S01-17 | Total budgeted operating expenditures (see instructions) | _____ | \$1,955,700 |
| S01-18 | Total payroll (excluding clerical and administrative) | _____ | |

Total Operating Budget

| | | | |
|--------|--|-------|--------------|
| X01-01 | Total Annual Operating Budget Including All Departments/Services | _____ | \$11,753,295 |
|--------|--|-------|--------------|

Annual Agency budget includes all departments for the current fiscal year. Please exclude capital expenditures, reserves and principal/interest payments on long-term debt. In addition, only grants and pass through funding NOT used to support operations (risk transferred) should be excluded - therefore, grant funding used to support agency operations such as payroll and other administrative expenses should be included.



Preliminary Questionnaire

Program Year 2013-14

Mountain House Community Services District

Property Inventory Section

Please list all property owned, leased or occupied by your District/Agency. By listing the property in this section, you are warranting and representing on behalf of your District/Agency and its Employees, Officers and Board Members that to the best of your knowledge, the information contained below is complete and correct and includes all property owned, leased or occupied by the District.

Property Description: Water Treatment Plant
Address: 18045 West Kelso Road
City/ST/Zip: Mountain House, CA 95376
County: San Joaquin
Construction Type*: Non-Combustible
Roof Type**: Other
Area (sq. ft.): 27000
Fire Rating: 5
Year Built: 2008
Year of Last Major Renovation:
Renovation Cost:
Renovation Description***:
Last Appraisal:
Number of Floors: 1
Auto Sprinklers (Y/N): No
Percent (%) Sprinklered:
Earthquake Coverage (Y/N): No
Building Bolted to Foundation (Y/N): No
Building Value: \$11,040,840
Contents Value: \$28,622,410

*Construction Types

- Joisted Masonry
Metal
Non-Combustible
Wood Frame
Other

**Roof Types

- Shake
Tile
Metal
Non-Combustible
Other

***Structural Renovations

- Electrical
Plumbing
Seismic retrofitting
Square footage additions
Roof replacements
Auto sprinklers
Other (describe)



Program Year 2013-14

Mountain House Community Services District

Property Inventory Section

Please list all property owned, leased or occupied by your District/Agency. By listing the property in this section, you are warranting and representing on behalf of your District/Agency and its Employees, Officers and Board Members that to the best of your knowledge, the information contained below is complete and correct and includes all property owned, leased or occupied by the District.

| | |
|--------------------------------------|-----------------------------|
| Property Description: | Waste Water Treatment Plant |
| Address: | 17301 West Bethany Road |
| City/St/Zip: | Mountain House, CA 95736 |
| County: | San Joaquin |
| Construction Type*: | Non-Combustible |
| Roof Type**: | Other |
| Area (sq. ft.): | 2000 |
| Fire Rating: | 5 |
| Year Built: | 2002 |
| Year of Last Major Renovation: | |
| Renovation Cost: | |
| Renovation Description***: | |
| Last Appraisal: | |
| Number of Floors: | 1 |
| Auto Sprinklers (Y/N): | No |
| Percent (%) Sprinklered: | |
| Earthquake Coverage (Y/N): | No |
| Building Bolted to Foundation (Y/N): | No |
| Building Value: | \$6,498,122 |
| Contents Value: | \$1,237,935 |

***Construction Types**

Joisted Masonry
Metal
Non-Combustible
Wood Frame
Other

****Roof Types**

Shake
Tile
Metal
Non-Combustible
Other

*****Structural Renovations**

Electrical
Plumbing
Seismic retrofitting
Square footage additions
Roof replacements
Auto sprinklers
Other (describe)



Preliminary Questionnaire

Program Year 2013-14

Mountain House Community Services District

Property Inventory Section

Please list all property owned, leased or occupied by your District/Agency. By listing the property in this section, you are warranting and representing on behalf of your District/Agency and its Employees, Officers and Board Members that to the best of your knowledge, the information contained below is complete and correct and includes all property owned, leased or occupied by the District.

Property Description: Office
Address: 230 S. Sterling Drive, Suite 100
City/ST/Zip: Mountain House, CA 95391
County: San Joaquin
Construction Type*: Non-Combustible
Roof Type**: Other
Area (sq. ft.): 12000
Fire Rating: 5
Year Built: 2006
Year of Last Major Renovation:
Renovation Cost:
Renovation Description***:
Last Appraisal:
Number of Floors: 1
Auto Sprinklers (Y/N): No
Percent (%) Sprinklered:
Earthquake Coverage (Y/N): No
Building Bolted to Foundation (Y/N): No
Building Value:
Contents Value: \$302,556

Table with 3 columns: *Construction Types, **Roof Types, ***Structural Renovations. Lists categories like Joisted Masonry, Metal, Non-Combustible, Wood Frame, Other, Shake, Tile, Metal, Non-Combustible, Other, Electrical, Plumbing, Seismic retrofitting, Square footage additions, Roof replacements, Auto sprinklers, Other (describe).



Preliminary Questionnaire

Program Year 2013-14

Mountain House Community Services District

Property Inventory Section

Please list all property owned, leased or occupied by your District/Agency. By listing the property in this section, you are warranting and representing on behalf of your District/Agency and its Employees, Officers and Board Members that to the best of your knowledge, the information contained below is complete and correct and includes all property owned, leased or occupied by the District.

Property Description: Chemical Storage Room
Address: 18045 West Kelso Road
City/St/Zip: Mountain House, CA 95391
County: San Joaquin
Construction Type*: Non-Combustible
Roof Type**: Other
Area (sq. ft.): 6000
Fire Rating: 5
Year Built: 2008
Year of Last Major Renovation:
Renovation Cost:
Renovation Description***:
Last Appraisal:
Number of Floors: 1
Auto Sprinklers (Y/N): No
Percent (%) Sprinklered:
Earthquake Coverage (Y/N): No
Building Bolted to Foundation (Y/N): No
Building Value: \$766,725
Contents Value: \$1,549,950

*Construction Types

- Joisted Masonry
Metal
Non-Combustible
Wood Frame
Other

**Roof Types

- Shake
Tile
Metal
Non-Combustible
Other

***Structural Renovations

- Electrical
Plumbing
Seismic retrofitting
Square footage
additions
Roof replacements
Auto sprinklers
Other (describe)



Preliminary Questionnaire

Program Year 2013-14

Mountain House Community Services District

Property Inventory Section

Please list all property owned, leased or occupied by your District/Agency. By listing the property in this section, you are warranting and representing on behalf of your District/Agency and its Employees, Officers and Board Members that to the best of your knowledge, the information contained below is complete and correct and includes all property owned, leased or occupied by the District.

Property Description: Generator and Control Room
Address: 18045 West Kelso Road
City/St/Zip: Mountain House, CA 95391
County:
Construction Type*: Joisted Masonry
Roof Type**: Non-Combustible
Area (sq. ft.): 2000
Fire Rating: 5
Year Built: 2008
Year of Last Major Renovation:
Renovation Cost:
Renovation Description***:
Last Appraisal:
Number of Floors: 1
Auto Sprinklers (Y/N): No
Percent (%) Sprinklered:
Earthquake Coverage (Y/N): No
Building Bolted to Foundation (Y/N): No
Building Value: \$281,133
Contents Value: \$1,549,950

*Construction Types

Joisted Masonry
Metal
Non-Combustible
Wood Frame
Other

**Roof Types

Shake
Tile
Metal
Non-Combustible
Other

***Structural Renovations

Electrical
Plumbing
Seismic retrofitting
Square footage
additions
Roof replacements
Auto sprinklers
Other (describe)



Preliminary Questionnaire

Program Year 2013-14

Mountain House Community Services District

Property Inventory Section

Please list all property owned, leased or occupied by your District/Agency. By listing the property in this section, you are warranting and representing on behalf of your District/Agency and its Employees, Officers and Board Members that to the best of your knowledge, the information contained below is complete and correct and includes all property owned, leased or occupied by the District.

Property Description: Water Pumping
Address: 22 South Great Valley Parkway
City/St/Zip: Mountain House, CA 95391
County: San Joaquin
Construction Type*: Non-Combustible
Roof Type**: Non-Combustible
Area (sq. ft.): 1250
Fire Rating: 5
Year Built: 2008
Year of Last Major Renovation:
Renovation Cost:
Renovation Description***:
Last Appraisal:
Number of Floors: 1
Auto Sprinklers (Y/N): No
Percent (%) Sprinklered:
Earthquake Coverage (Y/N): No
Building Bolted to Foundation (Y/N): No
Building Value: \$281,133
Contents Value: \$1,446,620

*Construction Types

- Joisted Masonry
Metal
Non-Combustible
Wood Frame
Other

**Roof Types

- Shake
Tile
Metal
Non-Combustible
Other

***Structural Renovations

- Electrical
Plumbing
Seismic retrofitting
Square footage additions
Roof replacements
Auto sprinklers
Other (describe)



Program Year 2013-14

Mountain House Community Services District

Property Inventory Section

Please list all property owned, leased or occupied by your District/Agency. By listing the property in this section, you are warranting and representing on behalf of your District/Agency and its Employees, Officers and Board Members that to the best of your knowledge, the information contained below is complete and correct and includes all property owned, leased or occupied by the District.

| | |
|--------------------------------------|--------------------------|
| Property Description: | Water Treatment Plant |
| Address: | 18045 West Kelso Road |
| City/St/Zip: | Mountain House, CA 95376 |
| County: | San Joaquin |
| Construction Type*: | Non-Combustible |
| Roof Type**: | Other |
| Area (sq. ft.): | 6800 |
| Fire Rating: | 5 |
| Year Built: | 2002 |
| Year of Last Major Renovation: | |
| Renovation Cost: | |
| Renovation Description***: | |
| Last Appraisal: | |
| Number of Floors: | 1 |
| Auto Sprinklers (Y/N): | No |
| Percent (%) Sprinklered: | |
| Earthquake Coverage (Y/N): | No |
| Building Bolted to Foundation (Y/N): | No |
| Building Value: | \$3,179,933 |
| Contents Value: | \$2,475,868 |

Total Count : 7

Total TIV : \$59,233,175

***Construction Types**

Joisted Masonry
Metal
Non-Combustible
Wood Frame
Other

****Roof Types**

Shake
Tile
Metal
Non-Combustible
Other

*****Structural Renovations**

Electrical
Plumbing
Seismic retrofitting
Square footage additions
Roof replacements
Auto sprinklers
Other (describe)



Preliminary Questionnaire

Program Year 2013-14

Mountain House Community Services District

Property Inventory Section

Please list all property owned, leased or occupied by your District/Agency. By listing the property in this section, you are warranting and representing on behalf of your District/Agency and its Employees, Officer and Board Members that to the best of your knowledge, the information contained below is complete and correct and includes all property owned, leased or occupied by the District.

Please list additions in the spaces provided below:

Property Description: _____
Address: _____
City/St/Zip: _____
County: _____
Construction Type*: _____
Roof Type**: _____
Area (sq. ft.): _____
Fire Rating: _____
Year Built: _____
Year of Last Major Renovation: _____
Renovation Cost: _____
Renovation Description***: _____
Last Appraisal: _____
Number of Floors: _____
Auto Sprinklers (Y/N): _____
Percent (%) Sprinklered: _____
Earthquake Coverage (Y/N): _____
Building Bolted to Foundation (Y/N): _____
Building Value: _____
Contents Value: _____

*Construction Types

- Joisted Masonry
Metal
Non-Combustible
Wood Frame
Other

**Roof Types

- Shake
Tile
Metal
Non-Combustible
Other

***Structural Renovations

- Electrical
Plumbing
Seismic retrofitting
Square footage additions
Roof replacements
Auto sprinklers
Other (describe)



Program Year 2013-14

Mountain House Community Services District

Property Inventory Section

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Please list additions in the spaces provided below:

Property Description: _____

Address: _____

City/St/Zip: _____

County: _____

Construction Type*: _____

Roof Type**: _____

Area (sq. ft.): _____

Fire Rating: _____

Year Built: _____

Year of Last Major Renovation: _____

Renovation Cost: _____

Renovation Description***: _____

Last Appraisal: _____

Number of Floors: _____

Auto Sprinklers (Y/N): _____

Percent (%) Sprinklered: _____

Earthquake Coverage (Y/N): _____

Building Bolted to Foundation (Y/N): _____

Building Value: _____

Contents Value: _____

| *Construction Types | **Roof Types | ***Structural Renovations |
|---------------------|-----------------|---------------------------|
| Joisted Masonry | Shake | Electrical |
| Metal | Tile | Plumbing |
| Non-Combustible | Metal | Seismic retrofitting |
| Wood Frame | Non-Combustible | Square footage additions |
| Other | Other | Roof replacements |
| | | Auto sprinklers |
| | | Other (describe) |



Preliminary Questionnaire

Program Year 2013-14

Mountain House Community Services District

Vehicle Inventory Section

Please list all vehicles owned, leased or occupied by your District/Agency. By listing the vehicles in this section, you are warranting and representing on behalf of your District/Agency and its Employees, Officer and Board Members that to the best of your knowledge, the information contained below is complete and correct and includes all vehicles owned, leased or occupied by the District.

Table with columns: VIN, Year, Make/Model, Type*, Use, Original Cost, GVW, Deductible Program**. Includes 3 vehicle entries and a total value of \$59,571.

Please list additions in the space provided below:

Empty table structure for listing additional vehicles with columns: VIN, Year, Make/Model, Type*, Use, Original Cost, GVW, Deductible Program**.

*Vehicle Types

**Deductible Programs

Table mapping vehicle types (e.g., Auto Emergency, Fire, Fire Ambulance) to deductible programs (e.g., Declined, \$250, \$500, \$500/\$1000).

Note: You may elect to take comprehensive coverage without collision, but if you take collision coverage, you must take comprehensive coverage.
Important: Fire vehicles may be eligible for an additional discount if all vehicles are included in the deductible program.



Preliminary Questionnaire

Program Year 2013-14

Mountain House Community Services District

Driver Information Section

Please enter your organization's driver information and ensure that it is complete, correct and current. For any questions or assistance, please call Member Services at 800.537.7790.

| Name | DL Number | Date Of Birth | Position | Class | Vehicle Driven | |
|------|-----------|---------------|----------|-------|--------------------------|--------------------------|
| | | | | | Agency | Own |
| | | | | | <input type="checkbox"/> | <input type="checkbox"/> |
| | | | | | <input type="checkbox"/> | <input type="checkbox"/> |
| | | | | | <input type="checkbox"/> | <input type="checkbox"/> |
| | | | | | <input type="checkbox"/> | <input type="checkbox"/> |
| | | | | | <input type="checkbox"/> | <input type="checkbox"/> |
| | | | | | <input type="checkbox"/> | <input type="checkbox"/> |
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| | | | | | <input type="checkbox"/> | <input type="checkbox"/> |
| | | | | | <input type="checkbox"/> | <input type="checkbox"/> |
| | | | | | <input type="checkbox"/> | <input type="checkbox"/> |
| | | | | | <input type="checkbox"/> | <input type="checkbox"/> |
| | | | | | <input type="checkbox"/> | <input type="checkbox"/> |



Program Year 2013-14

Mountain House Community Services District

Please review all information to ensure that it is complete, accurate and current. Be advised that any misrepresentation contained in this renewal questionnaire could potentially void coverages for your Agency and its Employees, Officers and Board Members. For questions and/or assistance, please call Member Services at 800.537.7790.

ATTEST

I have reviewed the attached Preliminary Questionnaire and warrant that to the best of my knowledge, the information contained herewithin is complete and correct and as the signer I am authorized on behalf of our Agency and its Employees, Officers and Board Members to attest to its accuracy.

Signature:

Title:

Date:

**SPECIAL DISTRICT RISK MANAGEMENT AUTHORITY
 COMMERCIAL CRIME
 INSURANCE APPLICATION
 2012-2013**

For Agency Use Only
 Producer Name: _____
 Producer Number: _____
 Office: Newport Beach

Note: Please complete one questionnaire for each legal entity to be insured.

Applicant: Mountain House Community Services District

| | |
|-------------------------|---|
| Complete Named Insured: | <u>Mountain House Community Services District</u> |
| | <u>230 S. Sterling Way, Suite 100</u> |
| | <u>Mountain House, CA 95391</u> |
| | _____ |
| | _____ |

Insured Address: Same as above
 For overnight mail _____
 (No P.O. Box) _____

Mailing Address: Same AS above
 Same as above _____

Contact: Gay Giles Title: Finance Director
 Phone: (209) 813-8643 Ext. _____ Fax: (209) 831-5644
 email: ggiles@sjgov.org

• CURRENT COVERAGE •

Total Limit: \$ N/A Deductible: \$ N/A Policy Expiration Date: N/A / /

• OPTIONAL QUOTATIONS •

| | | | |
|-------------------|--|-------------|--------------------------------------|
| Limits Requested: | \$ <u>400,000</u> <input type="checkbox"/> | Deductible: | \$ <u>0</u> <input type="checkbox"/> |
|-------------------|--|-------------|--------------------------------------|

• RENEWAL INFORMATION REQUIRED •

| | | | |
|---|---|---|-------------------------------|
| Description of Operations: | <u>Local Government</u> | | |
| Type of Entity to be Insured: | <input type="checkbox"/> Municipality | <input type="checkbox"/> Nonprofit Corporation | |
| | <input type="checkbox"/> District Hospital | <input type="checkbox"/> Other (please specify) | |
| | <input checked="" type="checkbox"/> Special District | | |
| Total Number of Employees (Break down as follows): Full Time: | <u>15</u> | Part Time: | <u>0</u> |
| Elected/Appointed Officials: | <u>5</u> | Volunteers: | <u>1</u> |
| Number of Employees who actually handle, have access to or maintain records of money, securities or other property: | <u>4</u> | | |
| Number of Locations where all employees are located: | <u>1</u> | | |
| Total Revenues: | <u>\$17.6 million</u> | Total Assets: | <u>\$70.9 million</u> |
| | | Net Income or Revenue: | <u>\$<13.5> million</u> |
| Total Fund Equity (Total Assets – Total Liabilities): | <u>\$ 57.4 million</u> | | |
| Have any control recommendations been made by your CPA in the past 2 years? | Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> | | |
| (If yes, provide a list and explain): | _____ | | |

**SPECIAL DISTRICT RISK MANAGEMENT AUTHORITY
COMMERCIAL CRIME
INSURANCE APPLICATION
2012-2013**

Note: Please complete one questionnaire for each legal entity to be insured.

Have any control recommendations made by your CPA within the last 2 years NOT been implemented?

Yes No If yes, explain _____

Do you have separation of duties over wire fund transfer procedures (i.e. the same person does not authorize and execute the transfer?) Yes No If no, explain _____

Are any bank deposits or accounts reconciled on a monthly basis by someone NOT authorized to deposit or withdraw? Yes No If no, explain _____

Do you have counter signature on all checks? Yes No If no, describe alternate procedures: _____

Is an authorized vendor list utilized? Yes No
Are your procedures designed so that no single employee can control a transaction from beginning to end (i.e. approve a voucher, request and sign a check?) Yes No If no, explain _____

Do you have any employees on staff who act as internal claims adjuster? Yes No
If yes, please attach an explanation of the internal controls over the establishment of claims files and issuance of claims settlement checks.

Please list any changes or revisions to your audit or internal control procedures during the last 12 months.
None.

Has the Insured had any Commercial Crime losses in the last six (6) years? Yes No
(If yes, please provide details): _____

Please provide the latest annual financial statement and CPA Memorandum on Internal Controls if excess limits are being purchased.

NOTICE TO APPLICANTS: ANY PERSON WHO KNOWINGLY AND WITH INTENT TO DEFRAUD ANY INSURANCE COMPANY OR OTHER PERSON FILES AN APPLICATION FOR INSURANCE OR STATEMENT OF CLAIM CONTAINING ANY MATERIALLY FALSE INFORMATION OR, CONCEALS, FOR THE PURPOSE OF MISLEADING, INFORMATION CONCERNING ANY FACT MATERIAL THERETO, COMMITS A FRAUDULENT ACT, WHICH IS A CRIME AND SUBJECTS SUCH PERSON TO CRIMINAL AND CIVIL PENALTIES.

The undersigned authorized officer/manager of the applicant declares that the statements set forth herein are true. The undersigned authorized officer/manager agrees that if the information supplied on this application changes between the date of this application and the effective date of the insurance, he/she (undersigned) will, in order for the information to be accurate on the effective date of the insurance, immediately notify the insurer of such changes, and the insurer may withdraw or modify any outstanding quotations and/or authorizations or agreements to bind the insurance

Signing of this application does not bind the applicant or the insurer to complete the insurance, but it is agreed that this application shall be the basis of the contract should a policy be issued.

All written statements and materials furnished to the insurer in conjunction with this application are hereby incorporated by reference into this application and made a part hereof.

Signed *Ray Hillis*
(Applicant)

Title *Finance Director*

Date *9/23/13*