



**CITY OF ILWACO
CITY COUNCIL MEETING**

Monday, August 11, 2014

**5:00 p.m. SPECIAL MEETING
6:00 p.m. REGULAR COUNCIL MEETING
AGENDA**

A. Call to order

B. Flag Salute

C. Roll Call

D. Approval of Agenda

E. Consent Agenda

All matters, which are listed within the consent section of the agenda, have been distributed or made available for review to each member of the council prior to the meeting. Items listed are considered routine and will be enacted with one motion unless a council member specifically requests it to be removed from the Consent Agenda to be considered separately. The staff recommends the approval of the following items:

1. Approval of Minutes (TAB 1)

- a. June 28, 2014, Regular meeting

2. Claims & Vouchers (TAB 2)

- | | |
|--|--------------------|
| a. Checks: 36806 to 36814 + Electronic | \$37,937.71 |
| b. Checks: 36805 to 36866 | <u>\$91,980.13</u> |
| GRAND TOTAL: | \$129,917.84 |

F. Reports

1. Staff Reports (TAB 3)
 - a. Police Chief's Report
2. Council Reports
3. Mayor's Report

G. Comments of Citizens and Guests Present

At this time, the mayor will call for any comments from the public on any subject not on the agenda. Please limit your comments to five (5) minutes. The City Council does not take any action or make any decisions during public comment. To request an item be added to a future agenda, please contact the city clerk for the council rules of procedure for agenda items.

H. Business

I. Discussion

1. **Amendment to Interlocal Agreement with the Department of Revenue for Business Licensing Services (TAB 9) –Cassinelli**
2. **Interlocal Agreement between the City of Ilwaco and Cities Insurance Association of Washington (TAB 10) –Chambreau**
3. **Transportation Improvement Board (TIB) grant applications (TAB 11) –Jensen & Forner**

J. Correspondence and Written Reports

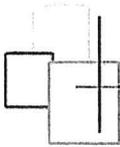
K. Future Discussion/Agendas

1. **Amended Procedures Ordinance --City Planner**
2. **Pursuit of New Agreement with Seaview Sewer District –Cassinelli**

M. Adjournment

N. Upcoming Meetings

PURPOSE	COUNCIL/COMMISSION	PURPOSE	DAY	DATE	TIME	LOCATION
Regular Meeting	City Council	Regular Meeting	Monday	08/11/14 08/25/14	6:00 p.m.	Community Building
Special Meeting Update to the Comprehensive Plan	City Council & Planning Commission	Special Meeting – Consistency Update to the Comprehensive Plan	Monday	08/11/14	5:00 p.m.	Community Building
Special Meeting Department of Health	City Council	Special Meeting Department of Health	Tuesday	08/12/14	2:00 p.m.	Ilwaco Fire Station
Regular Meeting	Parks & Rec. Commission	Regular Meeting	Friday	09/12/14	5:00 p.m.	Community Building
Regular Meeting (meetings subject to cancellation if there is no business to transact)	Planning Commission	Regular Meeting (meetings subject to cancellation if there is no business to transact)	Tuesday	09/02/14	6:00 p.m.	Community Building
Will resume in October	Port/City Council Meeting	Will resume in October	Tuesday	10/14/14	6:00 p.m.	Port Meeting Room



Register

Number	Name	Fiscal Description	Cleared	Amount
<u>36806</u>	Fero, Jimmie W	2014 - August - First meeting		\$1,240.15
<u>36807</u>	Gardner, Daryl W	2014 - August - First meeting		\$2,195.72
<u>36808</u>	Jensen, David	2014 - August - First meeting		\$181.52
<u>36809</u>	Richardson, Troy	2014 - August - First meeting		\$1,412.63
<u>36810</u>	Williams, Thomas R	2014 - August - First meeting		\$889.89
<u>36811</u>	AWC - Life Insurance	2014 - August - First meeting		\$13.40
<u>36812</u>	AWC Employee Benefit Trust	2014 - August - First meeting		\$5,311.38
<u>36813</u>	Dept of Retirement - Def Comp	2014 - August - First meeting		\$280.00
<u>36814</u>	Dept of Retirement Systems	2014 - August - First meeting		\$6,272.01
ACH Pay - 1165	Benson, Austin	2014 - August - First meeting		\$1,039.56
ACH Pay - 1166	Cassinelli, Michael	2014 - August - First meeting		\$422.61
ACH Pay - 1167	Chambreau, Jon H.	2014 - August - First meeting		\$181.52
ACH Pay - 1169	Fornier, Gary	2014 - August - First meeting		\$374.26
ACH Pay - 1171	Gustafson, David M.	2014 - August - First meeting		\$1,768.14
ACH Pay - 1172	Hazen, Warren M.	2014 - August - First meeting		\$1,919.03
ACH Pay - 1174	Marshall, Fred	2014 - August - First meeting		\$181.52
ACH Pay - 1175	Mc Kee, David A	2014 - August - First meeting		\$1,964.01
ACH Pay - 1176	Mc Millan, Elaine	2014 - August - First meeting		\$1,107.90
ACH Pay - 1177	Mulinix, Vinessa	2014 - August - First meeting		\$180.32
ACH Pay - 1179	Schweizer, Dennis	2014 - August - First meeting		\$2,028.55
ACH Pay - 1180	Smith, Ariel	2014 - August - First meeting		\$1,079.68
ACH Pay - 1181	Staples, Terri P	2014 - August - First meeting		\$529.26
<u>EFT 8-5-14-1</u>	Discovery Benefits	2014 - August - First meeting		\$1,125.00
<u>EFT 8-5-14-2</u>	U.S. Treasury Department	2014 - August - First meeting		\$6,239.65
				\$37,937.71

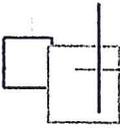
We, the undersigned members of the city council of the City of Ilwaco, Pacific County, Washington, do hereby certify that the merchandise or services hereinafter specified have been received and the voucher numbers 36806 through 36814 and electronic payments totalling \$37,937.71 are approved this 11th day of August, 2014.

Council member

Council member

Treasurer

Council member



Register

Fiscal: 2014

Bank of the Pacific	8023281			
Check				
<u>36805</u>	Department of Licensing	7/31/2014		\$252.75
<u>36815</u>	A & E Security Solutions, Inc.	8/11/2014		\$568.65
<u>36816</u>	ABECO Office Systems	8/11/2014		\$40.29
<u>36817</u>	ALS Environmental	8/11/2014		\$270.00
<u>36818</u>	Alsco-American Linen Div.	8/11/2014		\$32.81
<u>36819</u>	Art's Auto Parts, Inc.	8/11/2014		\$3.55
<u>36820</u>	Baileys Saw Shop Inc.	8/11/2014		\$314.38
<u>36821</u>	Cartomation, Inc.	8/11/2014		\$50.00
<u>36822</u>	City of Ilwaco	8/11/2014		\$2,889.52
<u>36823</u>	City of Long Beach	8/11/2014		\$15,261.69
<u>36824</u>	C-More Pipe Services Co.	8/11/2014		\$4,305.53
<u>36825</u>	CREST	8/11/2014		\$500.00
<u>36826</u>	D J Witmer Company	8/11/2014		\$144.64
<u>36827</u>	Dennis CO	8/11/2014		\$710.92
<u>36828</u>	Englund Marine Supply Inc	8/11/2014		\$518.19
<u>36829</u>	Evergreen Rural Water of Washington	8/11/2014		\$195.00
<u>36830</u>	Foster Pepper	8/11/2014		\$107.00
<u>36831</u>	Goulter Diamond Bar Ranch	8/11/2014		\$1,333.33
<u>36832</u>	Gray & Osborne, Inc.	8/11/2014		\$19,843.15
<u>36833</u>	Hach Company	8/11/2014		\$1,532.92
<u>36834</u>	HD Fowler Company	8/11/2014		\$14,658.89
<u>36835</u>	Heather Reynolds, Attorney	8/11/2014		\$1,440.00
<u>36836</u>	Hughes Fire Equipment Inc.	8/11/2014		\$48.06
<u>36837</u>	IFOCUS Consulting Inc.	8/11/2014		\$360.00
<u>36838</u>	John Bageant	8/11/2014		\$100.00
<u>36839</u>	John Deere Financial	8/11/2014		\$1,115.28
<u>36840</u>	Kubwater Resources Inc.	8/11/2014		\$1,373.66
<u>36841</u>	L N Curtis & Sons	8/11/2014		\$232.74
<u>36842</u>	Lawson Products	8/11/2014		\$99.15
<u>36843</u>	LEAF	8/11/2014		\$129.88
<u>36844</u>	Michael S. Turner	8/11/2014		\$412.00
<u>36845</u>	Nancy McAllister	8/11/2014		\$412.00
<u>36846</u>	Naselle Rock & Asphalt	8/11/2014		\$44.00
<u>36847</u>	North Central Laboratories	8/11/2014		\$162.29
<u>36848</u>	Northwest Traffic, Inc.	8/11/2014		\$754.60
<u>36849</u>	Oman & Son	8/11/2014		\$180.08
<u>36850</u>	One Call Concepts, Inc.	8/11/2014		\$19.12
<u>36851</u>	Pacific County Treasurer	8/11/2014		\$200.00
<u>36852</u>	Peninsula Sanitation Service, Inc.	8/11/2014		\$433.77
<u>36853</u>	Sid's IGA	8/11/2014		\$48.46
<u>36854</u>	State of WA Dept of DES Surplus Operations	8/11/2014		\$9,750.65
<u>36855</u>	Sunset Auto Parts Inc.	8/11/2014		\$852.23
<u>36856</u>	The Planter Box	8/11/2014		\$178.44
<u>36857</u>	Tidy By The Sea, LLC	8/11/2014		\$455.00
<u>36858</u>	USA Blue Book	8/11/2014		\$169.46
<u>36859</u>	Utility Services Associates	8/11/2014		\$6,050.00
<u>36860</u>	Verizon Wireless	8/11/2014		\$91.69
<u>36861</u>	Visa	8/11/2014		\$204.08
<u>36862</u>	Vision Municipal Solutions, Llc	8/11/2014		\$451.76
<u>36863</u>	WA Finance Officers Association	8/11/2014		\$375.00
<u>36864</u>	WA State Dept of Revenue	8/11/2014		\$97.30
<u>36865</u>	Wilcox & Flegel Oil Co.	8/11/2014		\$1,794.22
<u>36866</u>	William R. Penoyer, Attorney at Law	8/11/2014		\$412.00
			Total Check	\$91,980.13
			Total 8023281	\$91,980.13

Grand Total

\$91,980.13

CERTIFICATION

We, the undersigned do hereby certify under penalty of perjury that the material have been furnished, the services rendered or the labor performed that any advance payment is due and payable pursuant to a contract or is available as an option for full or partial fulfillment of a contractual obligation. The voucher numbers ___36805 and 36815___ through ___36866_ are approved for payment in the amount of: \$91,980.13

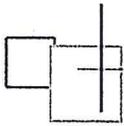
This _____ day of _____, 2014

Council member

Council member

Treasurer

Council member



Voucher Directory

A & E Security Solutions, Inc.
36815

2014 - August - First meeting

Invoice - 8/5/2014 2:16:11 PM

122808		
001-000-000-514-20-31-00	Office & Operating Supplies	\$113.73
001-000-000-522-10-31-00	Office & Operating Supplies	\$113.73
101-000-000-543-30-30-00	Office And Operating	\$113.73
401-000-000-534-00-31-00	Operation & Maintenance	\$113.73
409-000-000-535-00-31-01	Operations And Maintenance	\$113.73

Total Invoice - 8/5/2014 2:16:11 PM

\$568.65

Total 36815

\$568.65

Total A & E Security Solutions, Inc.
ABECO Office Systems

36816

2014 - August - First meeting

Invoice - 8/5/2014 12:26:00 PM

1244683-00		
001-000-000-514-20-31-00	Office & Operating Supplies	\$10.07
101-000-000-543-30-30-00	Office And Operating	\$10.07
401-000-000-534-00-31-00	Operation & Maintenance	\$10.07
409-000-000-535-00-31-01	Operations And Maintenance	\$10.08

Total Invoice - 8/5/2014 12:26:00 PM

\$40.29

Total 36816

\$40.29

Total ABECO Office Systems
ALS Environmental

36817

2014 - August - First meeting

Invoice - 8/5/2014 12:27:17 PM

51-266509-0		
401-000-000-534-00-31-00	Operation & Maintenance	\$270.00

Total Invoice - 8/5/2014 12:27:17 PM

\$270.00

Total 36817

\$270.00

Total ALS Environmental
Alsco-American Linen Div.

36818

2014 - August - First meeting

Invoice - 8/5/2014 12:26:28 PM

1252783		
001-000-000-576-80-31-00	Office & Operating Supplies	\$8.20
101-000-000-543-30-30-00	Office And Operating	\$8.20
401-000-000-534-00-31-00	Operation & Maintenance	\$8.20
409-000-000-535-00-31-01	Operations And Maintenance	\$8.21

Total Invoice - 8/5/2014 12:26:28 PM

\$32.81

Total 36818

\$32.81

Total Alsco-American Linen Div.
Art's Auto Parts, Inc.

36819

2014 - August - First meeting

Invoice - 8/5/2014 12:27:51 PM

116647		
401-000-000-534-00-31-00	Operation & Maintenance	\$3.55

Total Invoice - 8/5/2014 12:27:51 PM

\$3.55

Total 36819

\$3.55

Total Art's Auto Parts, Inc.
Baileys Saw Shop Inc.

36820

2014 - August - First meeting

Invoice - 8/5/2014 12:28:28 PM

71514007		
401-000-000-534-00-31-00	Operation & Maintenance	\$94.47

Total Invoice - 8/5/2014 12:28:28 PM

\$94.47

Total 36820

\$94.47

Total Baileys Saw Shop Inc.
Cartomation, Inc.

36821

2014 - August - First meeting

Invoice - 8/5/2014 12:29:05 PM

71114001		
401-000-000-534-00-31-00	Operation & Maintenance	\$219.91

Total Invoice - 8/5/2014 12:29:05 PM

\$219.91

Total 36821

\$314.38

Total Cartomation, Inc.
City of Ilwaco

36821

2014 - August - First meeting

Invoice - 8/5/2014 4:38:53 PM

001-000-000-557-20-41-00	Ilwaco Web Page	\$50.00
	GIS map storage	\$50.00

Total Invoice - 8/5/2014 4:38:53 PM

\$50.00

Total 36821

\$50.00

Total City of Ilwaco

36822

2014 - August - First meeting

Invoice - 8/5/2014 12:40:32 PM

001-000-000-511-60-47-02	City Sewer - Museum	\$39.75
001-000-000-514-20-47-02	Water - City Hall	\$51.83
001-000-000-514-20-47-03	Sewer - City Hall	\$77.67
001-000-000-514-20-47-04	Storm Drainage	\$25.11
001-000-000-522-50-47-01	Water	\$194.00
001-000-000-522-50-47-02	Sewer	\$310.90
001-000-000-522-50-47-03	Storm Drainage	\$61.14
001-000-000-572-50-47-01	City Water	\$155.75
001-000-000-572-50-47-02	City Sewer	\$226.54
001-000-000-572-50-47-03	Storm Drainage	\$9.83
001-000-000-575-50-40-02	Community Building Water	\$0.00
001-000-000-575-50-40-03	Community Building Sewer	\$0.00
001-000-000-576-80-47-01	Water-Parks, Sprinklers,Blk Lake	\$281.98
001-000-000-576-80-47-02	Sewer-Parks, Black Lake	\$198.07
001-000-000-576-80-47-03	Storm Drainage	\$29.48
409-000-000-535-00-47-02	Water	\$502.91
409-000-000-535-00-47-03	Sewer	\$695.08
409-000-000-535-00-47-05	Storm Drainage	\$29.48

Total Invoice - 8/5/2014 12:40:32 PM

\$2,889.52

Total 36822

\$2,889.52

Total City of Ilwaco
City of Long Beach

\$2,889.52

36823

2014 - August - First meeting

Invoice - 8/5/2014 4:30:58 PM

001-000-000-521-10-50-00	Law Enforcement Contract	\$15,261.69
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Total Invoice - 8/5/2014 4:30:58 PM

\$15,261.69

Total 36823

\$15,261.69

Total City of Long Beach
C-More Pipe Services Co.

\$15,261.69

36824

2014 - August - First meeting

Invoice - 8/5/2014 12:29:48 PM

14-1318MH		
409-000-000-535-00-48-02	Annual Pipe Clean/tv Inspect	\$4,305.53

Total Invoice - 8/5/2014 12:29:48 PM

\$4,305.53

Total 36824

\$4,305.53

Total C-More Pipe Services Co.
CREST

\$4,305.53

36825

2014 - August - First meeting

Invoice - 8/5/2014 2:22:46 PM

001-000-000-558-60-41-00	Planner Services	\$500.00
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Total Invoice - 8/5/2014 2:22:46 PM

\$500.00

Total 36825

\$500.00

Total CREST
D J Witmer Company

\$500.00

36826

2014 - August - First meeting

Invoice - 8/5/2014 2:25:07 PM

7983		
001-000-000-514-20-20-00	Personnel Benefits	\$28.93
101-000-000-542-30-20-00	Benefits	\$28.93
401-000-000-534-00-20-00	Benefits	\$28.93
408-000-000-531-38-20-00	Benefits	\$28.93
409-000-000-535-00-20-00	Employee Benefits	\$28.92

Total Invoice - 8/5/2014 2:25:07 PM

\$144.64

Total 36826

\$144.64

Total D J Witmer Company
Dennis CO

\$144.64

36827

2014 - August - First meeting

Invoice - 8/5/2014 5:30:14 PM

001-000-000-522-10-31-00	Office & Operating Supplies	\$7.54
001-000-000-576-80-31-00	Office & Operating Supplies	\$169.15
101-000-000-543-30-30-00	Office And Operating	\$117.90
401-000-000-534-00-31-00	Operation & Maintenance	\$386.52
409-000-000-535-00-31-01	Operations And Maintenance	\$29.81

Total Invoice - 8/5/2014 5:30:14 PM

\$710.92

Total 36827

\$710.92

Total Dennis CO
Department of Licensing

\$710.92

36805

2014 - August - First meeting

Invoice - 7/23/2014 12:00:47 PM

1998 Ford		
401-000-000-594-64-34-00	Vehicle Purchase	\$252.75

Total Invoice - 7/23/2014 12:00:47 PM

\$252.75

Total 36805

\$252.75

Total Department of Licensing
Englund Marine Supply Inc

\$252.75

36828

2014 - August - First meeting

Invoice - 8/5/2014 2:31:45 PM

001-000-000-576-80-48-00	Repairs & Maintenance	\$22.10
401-000-000-534-00-31-00	Operation & Maintenance	\$324.92
409-000-000-535-00-31-01	Operations And Maintenance	\$130.92

Total Invoice - 8/5/2014 2:31:45 PM

\$477.94

Invoice - 8/5/2014 2:40:12 PM

	001-000-000-522-10-31-00	Office & Operating Supplies	\$40.25
	Total Invoice - 8/5/2014 2:40:12 PM		\$40.25
Total 36828			\$518.19
Total Englund Marine Supply Inc			\$518.19
Evergreen Rural Water of Washington			
36829			
	2014 - August - First meeting		
	Invoice - 8/5/2014 12:33:08 PM		
	27406		
	401-000-000-534-00-43-00	Travel/Meals/Lodging	\$195.00
	Total Invoice - 8/5/2014 12:33:08 PM		\$195.00
Total 36829			\$195.00
Total Evergreen Rural Water of Washington			\$195.00
Foster Pepper			\$195.00
36830			
	2014 - August - First meeting		
	Invoice - 8/5/2014 2:40:53 PM		
	1078556		
	409-000-000-535-00-41-00	Attorney Fees	\$107.00
	Total Invoice - 8/5/2014 2:40:53 PM		\$107.00
Total 36830			\$107.00
Total Foster Pepper			\$107.00
Goulter Diamond Bar Ranch			\$107.00
36831			
	2014 - August - First meeting		
	Invoice - 8/5/2014 4:38:46 PM		
	409-000-000-535-00-45-00	Spray Sludge Disposal Site	\$1,333.33
	sludge site		
	Total Invoice - 8/5/2014 4:38:46 PM		\$1,333.33
Total 36831			\$1,333.33
Total Goulter Diamond Bar Ranch			\$1,333.33
Gray & Osborne, Inc.			\$1,333.33
36832			
	2014 - August - First meeting		
	Invoice - 8/5/2014 3:00:12 PM		
	12437.00-6		
	101-000-000-595-61-60-01	Sidewalks	\$8,525.00
	Total Invoice - 8/5/2014 3:00:12 PM		\$8,525.00
	Invoice - 8/5/2014 3:01:34 PM		
	12555.00-24		
	401-000-000-594-34-41-01	Engineering - Plant	\$281.75
	Total Invoice - 8/5/2014 3:01:34 PM		\$281.75
	Invoice - 8/5/2014 3:02:38 PM		
	13437.00-16		
	101-000-000-595-30-65-00	Roadway Construction	\$11,036.40
	Total Invoice - 8/5/2014 3:02:38 PM		\$11,036.40
Total 36832			\$19,843.15
Total Gray & Osborne, Inc.			\$19,843.15
Hach Company			\$19,843.15
36833			
	2014 - August - First meeting		
	Invoice - 8/5/2014 3:03:41 PM		
	8944789		
	401-000-000-534-00-31-00	Operation & Maintenance	\$903.37
	Total Invoice - 8/5/2014 3:03:41 PM		\$903.37
	Invoice - 8/5/2014 3:15:14 PM		
	8953236		
	401-000-000-534-00-31-00	Operation & Maintenance	\$364.36
	Total Invoice - 8/5/2014 3:15:14 PM		\$364.36
	Invoice - 8/5/2014 3:15:30 PM		
	8955469		
	401-000-000-534-00-31-00	Operation & Maintenance	\$265.19
	Total Invoice - 8/5/2014 3:15:30 PM		\$265.19
Total 36833			\$1,532.92
Total Hach Company			\$1,532.92
HD Fowler Company			\$1,532.92
36834			
	2014 - August - First meeting		
	Invoice - 8/5/2014 3:16:04 PM		
	I3703384		
	401-000-000-534-00-31-00	Operation & Maintenance	\$1,248.04
	Total Invoice - 8/5/2014 3:16:04 PM		\$1,248.04
	Invoice - 8/5/2014 3:17:05 PM		
	I3703381		
	401-000-000-534-00-31-00	Operation & Maintenance	\$408.70
	Total Invoice - 8/5/2014 3:17:05 PM		\$408.70
	Invoice - 8/5/2014 3:17:23 PM		
	I3703379		
	401-000-000-594-64-34-01	Equipment	\$12,678.75
	Total Invoice - 8/5/2014 3:17:23 PM		\$12,678.75
	Invoice - 8/5/2014 3:18:04 PM		
	I3703377		
	401-000-000-534-00-31-00	Operation & Maintenance	\$323.40
	Total Invoice - 8/5/2014 3:18:04 PM		\$323.40
Total 36834			\$14,658.89
Total HD Fowler Company			\$14,658.89
Heather Reynolds, Attorney			\$14,658.89
36835			
	2014 - August - First meeting		
	Invoice - 8/5/2014 3:20:05 PM		
	July 2014		

	001-000-000-515-30-41-00	Legal Services	\$1,440.00
	Total Invoice - 8/5/2014 3:20:05 PM		\$1,440.00
Total 36835			\$1,440.00
Total Heather Reynolds, Attorney Hughes Fire Equipment Inc. 36836			\$1,440.00
		2014 - August - First meeting	
	Invoice - 8/5/2014 3:20:59 PM		
	487238		
	001-000-000-522-10-31-00	Office & Operating Supplies	\$48.06
	Total Invoice - 8/5/2014 3:20:59 PM		\$48.06
Total 36836			\$48.06
Total Hughes Fire Equipment Inc. IFOCUS Consulting Inc. 36837			\$48.06
		2014 - August - First meeting	
	Invoice - 8/6/2014 1:21:32 PM		
	7545		
	001-000-000-514-20-41-00	Professional Services	\$120.00
	401-000-000-534-00-41-04	Professional Services - Computer system	\$120.00
	409-000-000-535-00-41-02	Professional Services - Computer	\$120.00
	Total Invoice - 8/6/2014 1:21:32 PM		\$360.00
Total 36837			\$360.00
Total IFOCUS Consulting Inc. John Bageant 36838			\$360.00
		2014 - August - First meeting	
	Invoice - 8/5/2014 3:30:57 PM		
	71667		
	001-000-000-522-10-31-00	Office & Operating Supplies	\$100.00
	Total Invoice - 8/5/2014 3:30:57 PM		\$100.00
Total 36838			\$100.00
Total John Bageant John Deere Financial 36839			\$100.00
		2014 - August - First meeting	
	Invoice - 8/6/2014 1:27:52 PM		
	001-000-000-591-48-71-01	John Deer Mower 8157-96 - Prin	\$1,000.00
	001-000-000-592-48-83-00	John Deer Mower 8157-96 - Interest	\$115.28
	Total Invoice - 8/6/2014 1:27:52 PM		\$1,115.28
Total 36839			\$1,115.28
Total John Deere Financial Kubwater Resources Inc. 36840			\$1,115.28
		2014 - August - First meeting	
	Invoice - 8/5/2014 3:31:21 PM		
	4193		
	409-000-000-535-00-31-02	Chemicals	\$1,373.66
	Total Invoice - 8/5/2014 3:31:21 PM		\$1,373.66
Total 36840			\$1,373.66
Total Kubwater Resources Inc. L N Curtis & Sons 36841			\$1,373.66
		2014 - August - First meeting	
	Invoice - 8/5/2014 3:33:15 PM		
	2116157-00		
	001-000-000-522-10-31-00	Office & Operating Supplies	\$114.16
	Total Invoice - 8/5/2014 3:33:15 PM		\$114.16
	Invoice - 8/5/2014 3:33:43 PM		
	7092545-00nor		
	001-000-000-522-10-31-00	Office & Operating Supplies	\$118.58
	Total Invoice - 8/5/2014 3:33:43 PM		\$118.58
Total 36841			\$232.74
Total L N Curtis & Sons Lawson Products 36842			\$232.74
		2014 - August - First meeting	
	Invoice - 8/5/2014 3:31:39 PM		
	9302610123		
	001-000-000-576-80-31-00	Office & Operating Supplies	\$24.79
	401-000-000-534-00-31-00	Operation & Maintenance	\$24.78
	408-000-000-531-38-31-01	Operations & Maintenance	\$24.79
	409-000-000-535-00-31-01	Operations And Maintenance	\$24.79
	Total Invoice - 8/5/2014 3:31:39 PM		\$99.15
Total 36842			\$99.15
Total Lawson Products LEAF 36843			\$99.15
		2014 - August - First meeting	
	Invoice - 8/5/2014 3:32:54 PM		
	5149816		
	001-000-000-514-20-31-00	Office & Operating Supplies	\$22.08
	001-000-000-522-10-31-00	Office & Operating Supplies	\$20.78
	101-000-000-543-30-30-00	Office And Operating	\$22.08
	401-000-000-534-00-31-00	Operation & Maintenance	\$22.08
	408-000-000-531-38-31-01	Operations & Maintenance	\$20.78
	409-000-000-535-00-31-01	Operations And Maintenance	\$22.08
	Total Invoice - 8/5/2014 3:32:54 PM		\$129.88
Total 36843			\$129.88
Total LEAF Michael S. Turner 36844			\$129.88
		2014 - August - First meeting	

	Invoice - 8/5/2014 4:38:35 PM			
	001-000-000-512-50-40-03	Municipal Court Services		\$412.00
		Court services		
	Total Invoice - 8/5/2014 4:38:35 PM			\$412.00
Total Michael S. Turner				\$412.00
Nancy McAllister				\$412.00
36845				
		2014 - August - First meeting		
	Invoice - 8/5/2014 4:37:52 PM			
	001-000-000-512-50-40-03	Municipal Court Services		\$412.00
		Court services		
	Total Invoice - 8/5/2014 4:37:52 PM			\$412.00
Total Nancy McAllister				\$412.00
Naselle Rock & Asphalt				\$412.00
36846				
		2014 - August - First meeting		
	Invoice - 8/6/2014 1:41:28 PM			
	101-000-000-543-30-30-00	Office And Operating		\$44.00
	Total Invoice - 8/6/2014 1:41:28 PM			\$44.00
Total Naselle Rock & Asphalt				\$44.00
North Central Laboratories				\$44.00
36847				
		2014 - August - First meeting		
	Invoice - 8/5/2014 3:34:12 PM			
	342086			
	409-000-000-535-00-31-01	Operations And Maintenance		\$162.29
	Total Invoice - 8/5/2014 3:34:12 PM			\$162.29
Total North Central Laboratories				\$162.29
Northwest Traffic, Inc.				\$162.29
36848				
		2014 - August - First meeting		
	Invoice - 8/5/2014 12:32:37 PM			
	13117			
	001-000-000-572-50-48-00	Repairs & Maintenance		\$754.60
	Total Invoice - 8/5/2014 12:32:37 PM			\$754.60
Total Northwest Traffic, Inc.				\$754.60
Oman & Son				\$754.60
36849				
		2014 - August - First meeting		
	Invoice - 8/5/2014 3:35:17 PM			
	July 2014			
	001-000-000-514-20-31-00	Office & Operating Supplies		\$15.07
	001-000-000-576-80-31-00	Office & Operating Supplies		\$102.76
	101-000-000-543-30-30-00	Office And Operating		\$15.08
	401-000-000-534-00-31-00	Operation & Maintenance		\$47.17
	Total Invoice - 8/5/2014 3:35:17 PM			\$180.08
Total Oman & Son				\$180.08
One Call Concepts, Inc.				\$180.08
36850				
		2014 - August - First meeting		
	Invoice - 8/5/2014 3:39:49 PM			
	4079073			
	101-000-000-543-30-30-00	Office And Operating		\$6.37
	401-000-000-534-00-31-00	Operation & Maintenance		\$6.37
	409-000-000-535-00-31-01	Operations And Maintenance		\$6.38
	Total Invoice - 8/5/2014 3:39:49 PM			\$19.12
Total One Call Concepts, Inc.				\$19.12
Pacific County Treasurer				\$19.12
36851				
		2014 - August - First meeting		
	Invoice - 8/5/2014 3:40:13 PM			
	July 2014			
	001-000-000-512-50-40-03	Municipal Court Services		\$200.00
	Total Invoice - 8/5/2014 3:40:13 PM			\$200.00
Total Pacific County Treasurer				\$200.00
Peninsula Sanitation Service, Inc.				\$200.00
36852				
		2014 - August - First meeting		
	Invoice - 8/5/2014 3:40:33 PM			
	001-000-000-514-20-47-01	Garbage Bills		\$301.55
	409-000-000-535-00-47-04	Garbage Services		\$132.22
	Total Invoice - 8/5/2014 3:40:33 PM			\$433.77
Total Peninsula Sanitation Service, Inc.				\$433.77
Sid's IGA				\$433.77
36853				
		2014 - August - First meeting		
	Invoice - 8/5/2014 2:24:03 PM			
	409-000-000-535-00-31-01	Operations And Maintenance		\$30.91
	Total Invoice - 8/5/2014 2:24:03 PM			\$30.91
	Invoice - 8/5/2014 2:24:29 PM			
	401-000-000-534-00-31-00	Operation & Maintenance		\$17.55
	Total Invoice - 8/5/2014 2:24:29 PM			\$17.55
Total Sid's IGA				\$48.46
				\$48.46

State of WA Dept of DES Surplus Operations					
36854		2014 - August - First meeting			
	Invoice - 8/5/2014 2:20:25 PM				
	001-000-000-594-64-76-00	Parks Vehicles		\$9,750.65	
	Total Invoice - 8/5/2014 2:20:25 PM			\$9,750.65	
Total 36854				\$9,750.65	
Total State of WA Dept of DES Surplus Operations				\$9,750.65	
Sunset Auto Parts Inc.				\$9,750.65	
36855		2014 - August - First meeting			
	Invoice - 8/6/2014 1:39:37 PM				
	July 2014				
	101-000-000-542-70-31-00	Roadside Operating		\$133.90	
	401-000-000-534-00-31-00	Operation & Maintenance		\$235.55	
	409-000-000-535-00-31-01	Operations And Maintenance		\$482.78	
	Total Invoice - 8/6/2014 1:39:37 PM			\$852.23	
Total 36855				\$852.23	
Total Sunset Auto Parts Inc.				\$852.23	
The Planter Box				\$852.23	
36856		2014 - August - First meeting			
	Invoice - 8/5/2014 4:11:06 PM				
	12				
	409-000-000-535-00-45-00	Spray Sludge Disposal Site		\$178.44	
	Total Invoice - 8/5/2014 4:11:06 PM			\$178.44	
Total 36856				\$178.44	
Total The Planter Box				\$178.44	
Tidy By The Sea, LLC				\$178.44	
36857		2014 - August - First meeting			
	Invoice - 8/5/2014 4:39:25 PM				
	001-000-000-514-20-31-00	Office & Operating Supplies		\$80.00	
	001-000-000-522-10-31-00	Office & Operating Supplies		\$40.00	
	001-000-000-572-50-41-00	Custodian Library		\$335.00	
	Total Invoice - 8/5/2014 4:39:25 PM			\$455.00	
Total 36857				\$455.00	
Total Tidy By The Sea, LLC				\$455.00	
USA Blue Book				\$455.00	
36858		2014 - August - First meeting			
	Invoice - 8/5/2014 4:23:04 PM				
	402084				
	401-000-000-534-00-31-00	Operation & Maintenance		\$169.46	
	Total Invoice - 8/5/2014 4:23:04 PM			\$169.46	
Total 36858				\$169.46	
Total USA Blue Book				\$169.46	
Utility Services Associates				\$169.46	
36859		2014 - August - First meeting			
	Invoice - 8/5/2014 4:22:17 PM				
	124435				
	401-000-000-534-00-41-00	Professional Services		\$6,050.00	
	Total Invoice - 8/5/2014 4:22:17 PM			\$6,050.00	
Total 36859				\$6,050.00	
Total Utility Services Associates				\$6,050.00	
Verizon Wireless				\$6,050.00	
36860		2014 - August - First meeting			
	Invoice - 8/5/2014 4:24:30 PM				
	9728938792				
	401-000-000-534-00-42-00	Communications		\$91.69	
	Total Invoice - 8/5/2014 4:24:30 PM			\$91.69	
Total 36860				\$91.69	
Total Verizon Wireless				\$91.69	
Visa				\$91.69	
36861		2014 - August - First meeting			
	Invoice - 8/5/2014 4:25:00 PM				
	001-000-000-514-20-31-00	Office & Operating Supplies		\$68.02	
	401-000-000-534-00-31-06	Office & Customer Service		\$68.03	
	409-000-000-535-00-31-08	Office Supplies & Customer Service		\$68.03	
	Total Invoice - 8/5/2014 4:25:00 PM			\$204.08	
Total 36861				\$204.08	
Total Visa				\$204.08	
Vision Municipal Solutions, Llc				\$204.08	
36862		2014 - August - First meeting			
	Invoice - 8/5/2014 5:25:53 PM				
	401-000-000-534-00-31-06	Office & Customer Service		\$175.88	
	408-000-000-531-38-31-01	Operations & Maintenance		\$100.00	
	409-000-000-535-00-31-08	Office Supplies & Customer Service		\$175.88	
	Total Invoice - 8/5/2014 5:25:53 PM			\$451.76	
Total 36862				\$451.76	
Total Vision Municipal Solutions, Llc				\$451.76	
WA Finance Officers Association				\$451.76	
36863		2014 - August - First meeting			
	Invoice - 8/5/2014 4:30:19 PM				
	annual conference				
	001-000-000-522-10-31-01	Training/Attendance		\$375.00	
	Total Invoice - 8/5/2014 4:30:19 PM			\$375.00	
Total 36863				\$375.00	
Total WA Finance Officers Association				\$375.00	

WA State Dept of Revenue
36864

2014 - August - First meeting

Invoice - 8/5/2014 4:23:56 PM
2501-2014-q2
001-000-000-514-20-41-00 Professional Services \$97.30
Total Invoice - 8/5/2014 4:23:56 PM \$97.30
Total 36864 \$97.30
Total WA State Dept of Revenue \$97.30
Wilcox & Flegel Oil Co.
36865

2014 - August - First meeting

Invoice - 8/5/2014 5:34:50 PM
001-000-000-576-80-31-00 Office & Operating Supplies \$176.83
101-000-000-543-30-30-01 Gasoline & Oil Products \$216.00
401-000-000-534-00-32-00 Gasoline \$968.00
409-000-000-535-00-32-00 Gas/oil Products \$272.76
Total Invoice - 8/5/2014 5:34:50 PM \$1,633.59
Invoice - 8/6/2014 2:03:21 PM
001-000-000-522-10-32-00 Gasoline \$160.63
Total Invoice - 8/6/2014 2:03:21 PM \$160.63
Total 36865 \$1,794.22
Total Wilcox & Flegel Oil Co. \$1,794.22
William R. Penoyar, Attorney at Law
36866

2014 - August - First meeting

Invoice - 8/5/2014 4:37:45 PM
001-000-000-512-50-40-03 Municipal Court Services \$412.00
Total Invoice - 8/5/2014 4:37:45 PM \$412.00
Total 36866 \$412.00
Total William R. Penoyar, Attorney at Law \$412.00

Grand Total Vendor Count 53 \$91,980.13

Long Beach Police

P.O. Box 795
Long Beach, WA 98631

lbpdchief@centurytel.net

Phone 360-642-2911
Fax 360-642-5273

08-01-14

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To: Mayor Cassinelli and Ilwaco City Council

From: Chief Flint R. Wright

Ref.: Monthly Report for July 2014

During the month of July the Long Beach Police Department handled the following cases and calls:

Long Beach

822 Total Incidents
Aid Call Assists: 16
Alarms: 7
Animal Complaints: 23
Assaults: 10
Assists: 108
(Includes 21 Law Enforcement Agency Assists Outside City Boundaries)
Burglaries: 2
Disturbance: 52
Drug Inv.: 4
Fire Call Assists: 8
Follow Up: 196
Found/Lost Property: 40
Harassment: 10
Malicious Mischief: 7
MIP – Alcohol: 0
MIP – Tobacco: 2
Missing Person: 6
Prowler: 1
Runaway: 1
Security Checks: 83
Suspicious: 34
Thefts: 17
Traffic Accidents: 14
Traffic Complaints: 34
Traffic Tickets: 19
Traffic Warnings: 98
Trespass: 5
Warrant Contacts: 9
Welfare Checks: 16

Ilwaco

398 Total Incidents
Aid Call Assists: 5
Alarms: 6
Animal Complaints: 4
Assaults: 4
Assists: 65
Burglaries: 0
Disturbance: 15
Drug Inv.: 2
Fire Call Assists: 3
Follow Up: 92
Found/Lost Property: 11
Harassment: 3
Malicious Mischief: 2
MIP – Alcohol: 2
MIP – Tobacco: 0
Missing Person: 1
Prowler: 1
Runaway: 0
Security Checks: 51
Suspicious: 20
Thefts: 8
Traffic Accidents: 2
Traffic Complaints: 14
Traffic Tickets: 5
Traffic Warnings: 52
Trespass: 10
Warrant Contacts: 17
Welfare Checks: 3

Monthly Report Continued:

Page 2 of 2

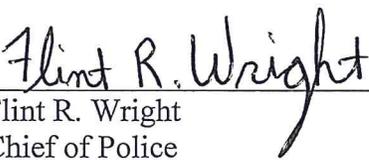
On July 1st the department took possession of a new patrol vehicle. It is a 2014 Ford Explorer AWD. Officer Jeff Cutting will be driving it.

The July 4th weekend was very busy. The crowds were some of the largest I have ever seen. For the July 4th Long Beach show I hired an additional 3 officers and 3 flaggers. We had a lot of calls but fortunately people were well behaved for the most part. The fireworks show in Ilwaco was very well attended and very peaceful. I did have foot patrol officers in the port area as well as officers for directing traffic. All things considered, with the exception of the drowning, the weekend went well.

Sandsations, which was held on July 19th, went well. The crowds were large and well behaved. I hired three flaggers to keep the approach open during the event and I had an officer on the beach as well.

The parade for the Long Beach Rodeo was held on July 25th. It went off without any problems. I regretted not being able to ride in it this year but hopefully I will be there next time.

On the 28th I received a check from the Washington State Criminal Justice Training Commission for \$18,940.63. This was payment for the extra officer we hired for when Officer Nawn was at the academy.



Flint R. Wright
Chief of Police

CITY OF ILWACO
CITY COUNCIL AGENDA ITEM BRIEFING

A. Meeting Dates: Council Workshop: Public Hearing:
Council Discussion Item: 08/11/14 Council Business Item:

B. Issue/Topic: **Amendment No. K1143-1 to Interlocal Agreement between DOR and City of Ilwaco for Business Licensing Services**

C. Sponsor(s):

1. Mike Cassinelli
- 2.

D. Background (overview of why issue is before council): The City of Ilwaco has an Interlocal Agreement with the Department of Revenue to handle all business licensing services. This agreement was just renewed at the June 23rd meeting.

E. Discussion (specific details relevant to the issue, pros/cons, alternatives and any other decision-making details): This Fall, BLS will be moving to a new payment system and will begin passing the debit/credit card fees on to customers that choose this payment method. The transaction fee will not be charged or received by BLS, but by the third party vendor. Once this new process starts, BLS will no longer bill partners (City of Ilwaco) for their share of the credit card bank fees. They have updated the compensation section of the contract to reflect this change.

There have also been some changes to the Exhibit A portion of the contract. Exhibit A addresses confidential licensing information and data sharing

F. Impacts:

1. Fiscal: The City will save on credit card processing fees
2. Legal:
3. Personnel:
4. Service/Delivery:

G. Planning Commission: Recommended N/A Public Hearing on

H. Staff Comments:

- 1.

I. Time Constraints/Due Dates:

J. Proposed Motion: **I move to authorize the mayor to execute amendment No. K1143-1 to the Interlocal Agreement between the Department of Revenue and the City of Ilwaco.**



STATE OF WASHINGTON
DEPARTMENT OF REVENUE

INTERAGENCY/INTERLOCAL CONTRACT BETWEEN

DEPARTMENT OF REVENUE
AND
CITY OF ILWACO

CONTRACT AMENDMENT NO. K1143-1
TO
INTERAGENCY/INTERLOCAL CONTRACT NO. K1143

Interagency/Interlocal Contract No. K1143, by and between the Department of Revenue (REVENUE) and City of Ilwaco (PARTNER) is amended as follows:

BUSINESS LICENSING SERVICES AGREEMENT

II. Purpose

The purpose of this Agreement is to establish the terms under which the Business Licensing Services (BLS) program of the Department of Revenue will act as Partner's agent for the purpose of collecting, processing, and disbursing information, licenses, and fees related to Partner's licensing or other regulatory activities, hereafter referred to as Confidential Licensing Information. Partner retains all power and authority over its business licensing and other regulatory activities except as expressly delegated to Revenue under this Agreement.

VI. Compensation

The first bullet point under this section is deleted and replaced with the following:

- The Partner shall reimburse Revenue for all fees charged by credit card processors and/or financial institutions upon any funds charged, collected, or refunded by Revenue in processing applications and/or collecting fees related to Partner's licensing or other regulatory activities. If a suitable alternative to the credit card processing can be established, eliminating the requirement of Partner reimbursement for credit card bank fees, this provision can be disregarded upon implementation of the suitable alternative without amending this Agreement. The Partner is still accountable for remaining credit card bank fees owed prior to implementation of the suitable alternative.

EXHIBIT A

1. Purpose and Scope

The following provisions establish the terms under which Revenue and Partner will share all data, including Confidential Licensing Information, pursuant to the BLS Agency Partnership Agreement (the "Agreement").

2. Definitions

"Confidential Licensing Information" has the same meaning as "Licensing Information" under RCW 19.02.115(1)(b) and includes, but is not limited to, any information included in the business license applications, renewal applications, and business licenses under the Business Licensing Service program. Confidential Licensing Information is classified as at least Category 3 data under Washington's Standard for Securing Information Technology Assets, OCIO Standard No. 141.10.

3. Confidentiality



STATE OF WASHINGTON
DEPARTMENT OF REVENUE

Partner and Revenue each agree to keep confidential and secure from unauthorized use, access, or disclosure, all Confidential Licensing Information received under the Agreement.

- A. Ensuring Security: Partner and Revenue shall each establish and implement physical, electronic, and managerial policies, procedures, and safeguards to ensure that all Confidential Licensing Information received by it under this Agreement is secure from unauthorized use, access, or disclosure.
- B. Proof of Security. Revenue reserves the right to monitor, audit, or investigate Partner's security policies, procedures, and safeguards for Confidential Licensing Information. Partner agrees to provide information or proof of its security policies, procedures, and safeguards as reasonably requested by Revenue.

4. Statutory Prohibition Against Disclosure; Secrecy Affidavit.

- A. Criminal Sanctions. RCW 19.02.115 prohibits the disclosure of Confidential Licensing Information, except as expressly authorized by RCW 19.02.115. It is a misdemeanor for any person acquiring Confidential Licensing Information under this Agreement to disclose such information in violation of the disclosure limitations stated in RCW 19.02.115. Additionally, if the person is a state officer or employee, the person must forfeit such office or employment and is incapable of holding any public office or employment in Washington for a period of two years thereafter.
- B. Partner will require employees with access to Confidential Licensing Information to sign a copy of the secrecy affidavit attached at Exhibit B.

5. Authorized Use, Access, and Disclosure

- A. Permitted Uses: Confidential Licensing Information may be used for official purposes only.
- B. Permitted Access: Confidential Licensing Information may be accessed only by Partner's employees and agents that have a bona fide need to access such information in carrying out their official duties.
- C. Permitted Disclosure: Confidential Licensing Information received under the Agreement must not be disclosed to non-parties unless the disclosure is:
 - permitted under an express disclosure exception in RCW 19.02.115;
 - ordered under any judicial or administrative proceeding; or
 - otherwise expressly authorized by Revenue in writing.
- D. Public Records Requests: In the event that Partner reasonably believes that it must disclose information pursuant a Public Records Request, and Partner is prohibited from disclosing such information under the terms of this Agreement, Partner must give notice to Revenue of its intention to disclose. The notice shall be provided at least 14 business days in advance of disclosure, the notice shall contain a copy of the public records request, and the notice shall reasonably identify the information that Partner believes is prohibited from disclosure under this Agreement.

6. Breach of Confidentiality

In the event of any use, access, or disclosure of Confidential Licensing Information by Partner or its employees or agents in material violation of the confidentiality terms of this Agreement:

- A. Partner shall notify Revenue in writing as soon as practicable, but no later than three working



STATE OF WASHINGTON
DEPARTMENT OF REVENUE

days, after determining that a violation has occurred.

- B. Revenue may immediately terminate this Agreement and require the certified return or destruction of all records containing Confidential Licensing Information; however, Revenue shall provide Partner with an electronic record containing all information collected for Partner's licensing or other regulatory activities in an electronic medium.

7. Ownership and Retention of Records

Except as otherwise expressly provided in this Agreement, Partner may retain possession of all such records in accordance with Chapter 40.14 RCW and applicable local government retention schedules as approved by the Office of the Secretary of State.

8. Data Security

All data provided by Revenue shall be stored on a secure environment with access limited to the least number of staff needed to complete the purpose of this Agreement.

a. Protection of Data

Partner agrees to store data on one or more of the following media and protect the data as described:

- 1) Workstation Hard disk drives. Data stored on local workstation hard disks. Access to the data will be restricted to authorized users by requiring logon to the local workstation using a unique user ID and complex password or other authentication mechanisms which provide equal or greater security, such as biometrics or smart cards. If the workstation is located in an unsecured physical location the hard drive must be encrypted to protect Revenue data in the event the device is stolen.
- 2) Network server disks. Data stored on hard disks mounted on network servers and made available through shared folders. Access to the data will be restricted to authorized users through the use of access control lists which will grant access only after the authorized user has authenticated to the network using a unique user ID and complex password or other authentication mechanisms which provide equal or greater security, such as biometrics or smart cards. Data on disks mounted to such servers must be located in an area which is accessible only to authorized personnel, with access controlled through use of a key, card key, combination lock, or comparable mechanism. Backup copies for disaster recovery purposes must be encrypted if recorded to removable media.
- 3) Optical discs (e.g. CDs, DVDs, Blu-Rays) in local workstation optical disc drives. Data provided by Revenue on optical discs which will be used in local workstation optical disc drives and which will not be transported out of a secure area. When not in use for the Agreement purpose, such discs must be locked in a drawer, cabinet or other container to which only authorized users have the key, combination or mechanism required to access the contents of the container. Workstations which access Revenue data on optical discs must be located in an area which is accessible only to authorized individuals, with access controlled through use of a key, card key, combination lock, or comparable mechanism.
- 4) Data storage on portable devices or media.
 - a) Confidential Licensing Information may be stored by Partner on portable devices or media provided the data shall be given the following protections:
 - i. Encrypt the data with a key length of at least 128 bits



STATE OF WASHINGTON
DEPARTMENT OF REVENUE

- ii. Control access to devices with a unique user ID and password or stronger authentication method such as a physical token or biometrics.
 - iii. Manually lock devices whenever they are left unattended and set devices to lock automatically after a period of inactivity, if this feature is available. Maximum period of inactivity is 20 minutes.
 - iv. Physically protect the portable device(s) and/or media by:
 - Keeping them in locked storage when not in use;
 - Using check-in/check-out procedures when they are shared; and
 - Taking frequent inventories.
 - b) When being transported outside of a secure area, portable devices and media with Confidential Licensing Information must be under the physical control of Partner staff with authorization to access the data.
 - c) Portable devices include, but are not limited to; handhelds/PDAs, Ultramobile PCs, flash memory devices (e.g. USB flash drives, personal media players), portable hard disks, and laptop/notebook computers.
 - d) Portable media includes, but is not limited to; optical media (e.g. CDs, DVDs, Blu-Rays), magnetic media (e.g. floppy disks, tape, Zip or Jaz disks), or flash media (e.g. CompactFlash, SD, MMC).
- 5) Confidential Licensing Information received from Revenue will be encrypted using National Institute of Standards and Technology (NIST) approved cryptographic algorithms or modules when transmitted over the Internet, including information attached to or within email.
- b. Safeguards Against Unauthorized Access and Re-disclosure

Partner shall exercise due care to protect all Confidential Licensing Information from unauthorized physical and electronic access. Partner shall establish and implement the following minimum physical, electronic and managerial safeguards for maintaining the confidentiality of information provided by either party pursuant to this Agreement:

- 1) Partner will store the information in an area that is safe from access by unauthorized persons when not in use.
- 2) Partner shall take precautions to ensure that only authorized personnel and agents are given access to on-line files containing confidential or sensitive data.
- 3) Partner shall instruct all individuals with access to the Confidential Licensing Information regarding the confidential nature of the information, the requirements of Use of Data and Safeguards Against Unauthorized Access and Re-Disclosure clauses of this Agreement, and the sanctions specified in federal and state laws against unauthorized disclosure of information covered by this Agreement.



STATE OF WASHINGTON
DEPARTMENT OF REVENUE

ALL OTHER PROVISIONS OF THE ORIGINAL AGREEMENT WILL REMAIN IN EFFECT FOR THE CONTRACT PERIOD.

Dan Contris
Chief Financial Officer
Department of Revenue

Date

City of Ilwaco

Date

Approved as to form:

On File
Kelly Owings
Assistant Attorney General

July 22, 2014
Date

**CITY OF ILWACO
CITY COUNCIL AGENDA ITEM BRIEFING**

- A. Meeting Dates: Council Workshop: Public Hearing:
Council Discussion Item: 8/11/14 Council Business Item:
- B. Issue/Topic: **Amendment to current Interlocal Agreement with CIAW for City Insurance – Renewal date change**
- C. Sponsor(s):
1. Jon Chambreau 2.
- D. Background (overview of why issue is before council):
1. The City of Ilwaco is currently in an agreement with CIAW for the City’s insurance. The current coverage period is from September 1, 2013 to August 31, 2014. During the CIAW board meeting on July 21, 2014 it was passed that for the upcoming term the renewal date would be December 1st. CIAW will calculate the price for a three month extension period at the current rate.
- E. Discussion (specific details relevant to the issue, pros/cons, alternatives and any other decision-making details).
- F. Impacts:
1. Fiscal: CIAW will prorate the three months in between annual agreements at the current rate
2. Legal:
3. Personnel:
4. Service/Delivery:
- G. Planning Commission: Recommended N/A Public Hearing on
- H. Staff Comments:
- I. Time Constraints/Due Dates: This resolution must be in by October 1, 2014.
- J. Proposed Motion: **I move to adopt the resolution amending the Interlocal Agreement between the City of Ilwaco and the CIAW.**

**CITY OF ILWACO
RESOLUTION NO. 2014-XX**

**A RESOLUTION OF THE CITY OF ILWACO REGARDING CHANGES TO THE
BY-LAWS AND INTERLOCAL AGREEMENT TO THE
CITIES INSURANCE ASSOCIATION OF WASHINGTON (CIAW)**

WHEREAS; the City of Ilwaco is a member of the Cities Insurance Association of Washington (CIAW).

WHEREAS; the Cities Insurance Association of Washington (CIAW) is authorized under RCW 48.62 to develop and administer a program which provides an opportunity for members to jointly pool and self-insure their liability losses, and jointly purchase excess insurance, or reinsurance; as well as jointly utilize administrative and other services.

WHEREAS; the CIAW wishes to change its fiscal year.

WHEREAS; the Board of Directors at their regular meeting on June 9, 2014 voted to notify its Members, as well as the Washington State Department of Enterprise Services of a meeting on July 21st, 2014 to vote on said Amendment to the By-Laws and Interlocal Agreement to change the fiscal year.

WHEREAS; the Board of Directors at their regular meeting on July 21, 2014 conducted said vote and the Amendments to the By-Laws and Interlocal Agreement were approved by the membership.

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF ILWACO,
WASHINGTON, DOES RESOLVE AS FOLLOWS:**

Section 1. Article 14 of the By-Laws is amended to read as follows:

Article 14
Fiscal Year

The fiscal year of the corporation shall be from ~~September 1st through August 31st~~ **December 1st through November 30th**, of the next calendar year, or as set by the Board of Directors.

Section 2. Section 3.8.11 of the Interlocal Agreement is amended to read as follows:

3.8.11 The Board of Directors shall establish an annual budget for the Association. The Administrator shall submit a proposed budget for the following fiscal year 60 days prior to the end of each fiscal year to the Board of Directors. Fiscal years for the Association shall be from ~~September 1st through August 31st~~ **December 1st through November 30th** of the next calendar year. The Board of Directors shall determine the estimated expenses and cost to be incurred by

the Association for the next fiscal year and shall adopt a budget derived from the Administrator's proposed budget. The budget shall be in a form to provide the following information for the Association as a whole: (1) beginning and ending unreserved fund balance, (2) anticipated revenues in detail, and (3) appropriations in detail. The Board of Directors shall apportion that budget cost among the Members and Associates. All payments due the Association from Members or Associates upon the basis of each budgeted assessment shall be paid as invoiced for the fiscal year for which the assessment is made.

Section 3. Section 3.13 withdrawal. A Member may withdraw only at the end of the Associations fiscal year (~~August 31st~~) (**November 30th**) and only after it has given the Association written notice prior to ~~September~~ **December 1** of the preceding calendar year of its decision to withdraw from this Agreement.

Section 4. Effective Date. This Resolution, being an exercise of power specifically delegated to the city legislative body, is not subject to referendum and shall take effect five (5) days after passage by the City Council.

PASSED BY THE CITY COUNCIL OF THE CITY OF ILWACO, AND SIGNED IN AUTHENTICATION OF ITS PASSAGE THIS ___ DAY OF _____, 2014.

Mike Cassinelli, Mayor

ATTEST:

Ariel Smith, Deputy City Clerk

VOTE	Jensen	Karnofski	Marshall	Chambreau	Forner	Cassinelli
Ayes						
Nays						
Abstentions						
Absent						

EFFECTIVE:



INTERLOCAL AGREEMENT

OF

CITIES INSURANCE ASSOCIATION

OF WASHINGTON

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 FOR
 INTERLOCAL AGREEMENT
 CREATING THE
 CITIES INSURANCE ASSOCIATION OF WASHINGTON

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INTERLOCAL AGREEMENT CREATING THE
CITIES INSURANCE ASSOCIATION OF WASHINGTON

1. *Introduction.*

THIS AGREEMENT is made and entered into in the State of Washington pursuant to the provisions of Chapter 39.34 Revised Code of Washington and Chapter 48.62 Revised Code of Washington by and among the Washington cities and towns or public entities listed in Exhibit A attached hereto (the "Members").

2. *Recitals.*

2.1 Chapter 48.62 Revised Code of Washington provides that two or more "local governmental entities" may, pursuant to Chapter 39.34 Revised Code of Washington, jointly purchase insurance (these activities are hereafter collectively referred to as a "Joint Insurance Purchasing Pool").

2.2 Revised Code of Washington Section 48.62.020 defines "local government entities" to include cities and towns organized and existing under Title 35 or 35A Revised Code of Washington along with certain districts and municipal corporations.

2.3 It is to the mutual benefit of the Members and in the best public interest of the Members to join together to establish this Joint Insurance Purchasing Pool to accomplish the purpose set forth herein.

2.4 The Members have determined it is in their best interest to participate in such a program.

3. *Agreement.*

In consideration of the foregoing and the mutual benefits to be derived herefrom, the Members agree as follows:

3.1 *Purpose of Agreement.*

This Agreement is entered into by the Members pursuant to Chapter 39.34 and Chapter 48.62 Revised Code of Washington and Chapter 48.62 Revised Code of Washington for the purpose of authorizing the creation of the Cities

Insurance Association of Washington (the "Association"), which shall be organized as a non-profit corporation under Chapter 24.03 Revised Code of Washington, to provide a Joint Insurance Purchasing Pool for the benefit of cities and towns in the State of Washington organized and existing pursuant to Title 35 or 35A Revised Code of Washington and districts and other municipal corporations as defined by RCW 48.62.021(1). The Association shall, in exchange for the payment of annual assessments and retroactive assessments by the Regular Members, administer a Joint Insurance Purchasing Pool wherein the Members will pool their losses and claims and jointly purchase insurance and administrative and other services through the Association including claims adjusting, risk management consulting, loss prevention and related services at levels established in each annual budget. It is also the purpose of this Agreement to provide, to the extent permitted by law, for the inclusion at a subsequent date of such additional cities and towns organized and existing under Title 35 or 35A Revised Code of Washington and districts and other municipal corporations as defined by RCW 48.62.021(1) as may desire to participate in the Joint Insurance Purchasing Pool. It is also the purpose of this Agreement to provide, to the extent permitted by law, that the Association may, at the discretion of its Board of Directors, contract with other local governmental entities in the State of Washington to provide, at a reasonable charge, administrative and other services, including claims adjusting, risk management consulting, loss prevention and training.

3.2 Parties to Agreement.

3.2.1 Each party to this Agreement certifies that it intends to contract with all parties who are signatories of this Agreement on its effective date and with such other parties as may later be added to and become signatories to this Agreement pursuant to Section 3.12. Each party to this Agreement also certifies that the withdrawal or cancellation of any party to this Agreement, pursuant to Sections 3.13 or 3.14, shall not affect this Agreement or such party's intent to contract pursuant to the terms of this Agreement with the then remaining parties to this Agreement.

3.2.2 *Types of Memberships.*

There shall be two separate memberships in the Association. Regular Members shall be made up of cities and towns. Regular Members shall be owners of the corporation with full voting rights. Associate Members are Public Entities approved for special membership as per the By-Laws of the Association. Associate Members shall have no ownership in the corporation and shall have no vote in corporate matters.

3.3 *Term of Agreement.*

This Agreement shall become effective on September 1, 1988, and shall remain in force until terminated pursuant to the provisions of Section 3.16.

3.4 *Creation of Association.*

3.4.1 Pursuant to Chapter 48.62 Revised Code of Washington and Chapter 39.34 Revised Code of Washington, the Members authorize the incorporation of the Association as a non-profit corporation pursuant to Chapter 24.03 Revised Code of Washington and articles of incorporation substantially in the form attached as Exhibit B. The initial Board of Directors shall serve until the first annual election of Board of Directors members, which shall be held no later than 180 days after the effective date of this Agreement. Each Regular Member shall become a Member of the corporation. Associate Members shall be an associate of the corporation. The regulation and management of the affairs of the Association shall be governed by this Agreement, and corporate By-Laws substantially in the form attached as Exhibit C, which shall be adopted by the initial Board of Directors immediately upon the incorporation of the Association. The Association's articles of incorporation and By-Laws may be amended from time to time as deemed necessary by the Members and Board of Directors pursuant to the procedures set forth in Chapter 24.03 Revised Code of Washington and Article 17 of the By-Laws.

3.4.2 Notwithstanding the foregoing, the Board of Directors shall have no power or authority to incur any obligations on the part of, or to be chargeable to, Members or Associates in excess of the

requirement of each Member or Associate to compensate the Association or the insurance carrier with whom the Association has affected a transaction as authorized by this Agreement, for the individual Member's or Associate's share or obligation for the purchase of insurance contemplated and authorized by this Agreement. The debts, obligations and liabilities of any Member or Associate shall not become the debts, obligations and liabilities of other Members or Associates except as provided by Section 3.11 of this Agreement.

3.4.3 The insurance afforded to each Member or Associate pursuant to this Agreement is limited to the insurance provided by any insurer of the Association and the coverages defined in the policies of insurance issued by any insurer of the Association. No coverage, benefit or insurance in excess or different from that afforded by any insurer of the Association is offered or afforded to any Member or Associate by execution of this Agreement.

3.5 Powers of the Association.

The Members and Associates hereby delegate to the Association the powers which are common to the Members or Associates and which are reasonably necessary and proper to carry out the purposes and terms of this Agreement. Such powers shall include, but not be limited to, the power to:

3.5.1 Establish, and require compliance with, all terms of the Joint Insurance Purchasing Pool to be provided by the Association including the types and limits of the insurance coverage, the methodology to be used to allocate the Association's costs among Regular and Associate Members, and the amount of retroactive assessments to be paid by each Regular Member;

3.5.2 Make and enter into contracts;

3.5.3 Incur debts, liabilities or obligations;

3.5.4 Acquire, receive, hold or dispose of property, funds, services, and other forms of assistance from persons, firms, corporations and governmental entities;

- 3.5.5 Sue and be sued, complain and defend, in its corporate name;
- 3.5.6 Hire employees and agents; and
- 3.5.7 Employ a third party administrator to act in accordance with Section 3.8.6.

The powers delegated to the Association shall be exercised pursuant to the terms of this Agreement and in the manner provided by law.

3.6 *Responsibilities of the Association.*

The Association shall have the following responsibilities:

- 3.6.1 Within 30 days after the effective date of this Agreement, the Board of Directors shall adopt a budget. A similar budget shall be adopted by the Board of Directors prior to the beginning of each fiscal year thereafter. Such budget shall specify the types and limits of the insurance coverage to be provided through the Association, the estimated annual assessment to be paid by each Member or Associate, and the methodology to be used to allocate the Association's costs, including deductible costs, administrative costs, and loss costs, to each Regular Member on a retroactive basis and to establish the amount, if any, of each Regular Member's retroactive assessment.
- 3.6.2 The Association will assist each Member's or Associate's risk manager, upon request, with the implementation of risk management programs.
- 3.6.3 The Association may provide loss prevention, safety, and consulting services to Members and Associates.
- 3.6.4 The Association will provide claims adjusting and subrogation services for claims covered by the Association's Joint Insurance Purchasing Pool.
- 3.6.5 The Association will provide loss analysis for the Members and Associates for the purpose of identifying high exposure operations and evaluating proper levels of self-retention and deductibles.

3.6.6 The Association may conduct risk management audits to assess each Member's and Associate's participation in the Joint Insurance Purchasing Pool.

3.7 *Responsibilities of Members.*

Members shall have the following responsibilities:

3.7.1 The governing body of each Member or Associate shall designate in writing a representative who shall be authorized to exercise the Member's or Associate's voting rights with respect to the Association and to act on behalf of the Member or Associate with respect to all matters pertaining to the Association.

3.7.2 Each Member or Associate shall maintain its own set of records, as a loss log, on all categories of loss to ensure accuracy of the Association's loss reporting system and shall provide to the Association a written report of all potential claims or losses within 14 days after they become known to the Member or Associate.

3.7.3 Each Member or Associate shall pay to the Association when due all assessments and retroactive assessments established by the Association pursuant to the terms of this Agreement. After the withdrawal, cancellation, or termination of a Regular Member, such Regular Member shall continue to pay to the Association when due its share of any retroactive assessment established by the Association until all claims, losses, costs, and other unpaid liabilities relating to the Regular Member's period of membership have been resolved fully.

3.7.4 Each Member or Associate shall provide the Association with such information or assistance as may be necessary for the Association to carry out the Joint Insurance Purchasing Pool.

3.7.5 Each Member or Associate shall comply with all By-Laws, resolutions, and policies by the Board of Directors and shall cooperate with the Association, and any insurer of the Association, in accomplishing the purposes of this Agreement.

3.7.6 Each Member or Associate shall participate as provided herein in the selection of members of the Board of Directors.

3.8 *Board of Directors' Authority.*

3.8.1 The Association shall be governed by a Board of Directors. The Board of Directors shall consist of ten members, to be selected from the Regular Membership. Beginning with the second election of members to the Board of Directors, the Regular Members of that Committee shall be selected as follows: the area served by the Association shall be divided into three geographic regions, with each region represented by a number of representatives assigned to the region based on the number of Regular Members from that region.

3.8.2 To ensure that consistent management is provided for the Association into the future, the initial Board of Directors members shall have terms of one, two or three years. After the initial election, all Board of Directors members will be elected for a three-year term. Those terms will provide that four of the ten committee members will be elected for full terms in two consecutive years and three of the regular committee members will be elected for full terms the third year.

3.8.3 The Board of Directors shall elect a Chair for each fiscal year. In addition, the Board of Directors shall elect a Vice-Chair who will in the absence of the Chair or, in the event of the Chair's inability or refusal to act, perform the duties of the Chair.

3.8.4 Each member of the Board of Directors shall have one vote.

3.8.5 A majority of the members of the Board of Directors shall be required to transact the business of the Board of Directors.

3.8.6 The Third Party Administrator shall have the general supervisory control over the day to day decisions and administrative activities of the Association. Activities shall include but not be limited to: (1) negotiations and placement for insurance coverage contracts, (2) disbursement of billings to individual Members and Associates for their proportionate charges, (3) payment and management of claims

sustained by Members or Associates of the Association and liaison with representatives acting on behalf of participating Members or Associates.

3.8.7 Administrative costs and charges to be paid to the Third Party Administrator shall be negotiated between the Board of Directors and the Administrator.

3.8.8 Pool funds shall be administered by the Association Administrator under the control and supervision of the Board of Directors. The Administrator will be authorized to disburse funds for the processing of covered claims and administrative costs. All parties having check writing authority on Association funds shall be bonded to the Association in an amount established by the Board of Directors.

3.8.9 The Board of Directors will provide for an audit of the accounts and records of the Association. When such an audit of the accounts and records is made by the Washington State Auditor's office, a report thereof shall be filed as a record with the office of the Administrator. Such reports shall be conducted and filed as required by law. Costs of this audit shall be borne by the Association and shall be considered as administrative costs.

3.8.10 Pursuant to the laws and regulations of the State of Washington, the Association elects to invest its assets in permissible investments in a manner which is permitted by law, such manner of investment to be selected from time to time by resolution of the Board of Directors.

3.8.11 The Board of Directors shall establish an annual budget for the Association. The Administrator shall submit a proposed budget for the following fiscal year 60 days prior to the end of each fiscal year to the Board of Directors. Fiscal years for the Association shall be from December 1 through November 30 of the next calendar year. The Board of Directors shall determine the estimated expenses and costs to be incurred by the Association for the next fiscal year and shall adopt a budget derived from the Administrator's proposed budget. The budget shall be in a form to provide the following information for the Association as a whole:
(1) beginning

and ending unreserved fund balance, (2) anticipated revenues in detail, and (3) appropriations in detail. The Board of Directors shall apportion that budget cost among the Members and Associates. All payments due to the Association from Members or Associates upon the basis of each budgeted assessment shall be paid as invoiced for the fiscal year for which the assessment is made.

3.8.12 The first budget and premium assessments shall be proposed by the Administrator and approved by the Board of Directors not later than 30 days after the effective date of this Agreement.

3.8.13 Any vacancies on the Board of Directors that occur during a term of office shall be filled by an election of the Board of Directors by a simple majority vote. Any replacement shall fill out the unexpired term of the committee member replaced.

3.9 Service Representative Relationship.

3.9.1 Each participating Member or Associate of the Association shall designate a servicing representative to act on their behalf in liaison with the needs of the Association Administrator. Should a participating Member choose not to designate a local servicing representative, the Association shall supply such services in accordance with a fee schedule adopted annually by the Board of Directors. Service representatives' minimum duties and criteria will be established by resolution of the Board of Directors and reviewed annually. Duties will include, but are not limited to the providing of local claims assistance, the securing of underwriting information, completion of applications, updating of vehicle lists and information and such other functions as the Board of Directors may from time to time establish by resolution.

3.9.2 Any fees to be paid the servicing representative by each Member or Associate will be established and paid by the Member or Associate.

3.9.3 Each Member and Associate agrees to indemnify and hold the Association, its Administrator, employees and agents, harmless from and indemnify them against any claims, complaints, causes

of action or judgments arising from any allegation of a failure of the performance or negligence on the part of the Member's or Associate's servicing representative including a failure to communicate to or forward communications from the Association, the Association's Administrator or any Association insurer. The employment of a servicing representative and the scope of the services performed by that representative is completely within the domain of the Member or Associate. A Member or Associate acts upon the advice and actions or inactions of its servicing representative at its sole risk.

3.10 *Effective Date of Pooled Insurance Purchasing Program.*

The Joint Insurance Purchasing Pool shall become effective on September 1, 1988 or upon execution of this Agreement by two or more Members, whichever occurs first.

3.11 *Contingent Liability and Retroactive Assessments.*

3.11.1 Pursuant to the provisions of Revised Code of Washington Section 48.62.060, each Regular Member shall be contingently liable for the liabilities of the Association in the event the assets or insurance of the Association are not sufficient to cover its liabilities. Any actual or projected deficits of the Association shall be financed through retroactive assessments levied against each Regular Member in accordance with the following cost allocation methodology.

3.11.2 In the event the Association's assets should be insufficient to cover liabilities, the Board of Directors shall direct the Administrator to reassess Regular Members an amount according to the following formula:

$$\text{Member Reassessment Amount} = \frac{(\text{Liability Due and Not Serviced By Current Pool Assets}) + (\text{Required Reserve Account})}{\text{Member Contribution or Assessments Since Inception TOTAL OF ALL Assessments or Contributions Since Inception}} \times \text{X}$$

The reassessment will be implemented only after a review of the circumstances surrounding the deficiency by the Board of Directors and approved by the Board of Directors. Should any Member leave

the Association and subsequently a deficiency exist in the period that the entity was a Regular Member of the Association, the city or town in question shall be assessed the amount that the Association is held liable for the period in question.

3.12 *New Members.*

Members admitted as Regular Members of the Association after one year from the effective date of the Joint Insurance Purchasing Pool may be required to pay a reasonable share of the unreserved fund balance of the Association and the costs necessary to analyze their loss data and determine their premiums. Any costs to be paid by the Regular or Associate new Members shall be determined by the Board of Directors.

3.13 *Withdrawal.*

Any Member or Associate may withdraw only at the end of the Association's fiscal year (November 30) and only after it has given the Association written notice prior to December 1 of the preceding calendar year of its decision to withdraw from this Agreement.

3.14 *Cancellation.*

The Association shall have the right to cancel any Member's or Associate's participation in the Joint Insurance Purchasing Pool upon the affirmative vote of at least three-fourths of the whole Board of Directors at any regular or special meeting. Any Member or Associate so canceled shall be given 180 days' notice prior to the effective date of the cancellation.

3.15 *Effect of Withdrawal or Cancellation.*

Neither the withdrawal nor the cancellation of any Member or Associate shall cause the termination of this Agreement. No Member or Associate by withdrawing or having its membership canceled shall be entitled to payment or return of any assessment paid by the Member or Associate to the Association or any Association insurer, or to any distribution of the Association's assets. The withdrawal or cancellation of any Regular Member after the effective date of the Joint Insurance Purchasing Pool shall not terminate its responsibility to contribute its share of any

assessments or retroactive assessments established by the Association until all claims, losses, costs, and other unpaid liabilities relating to the Regular Member's period of membership have been resolved fully and a determination of the final amount of payment owed by the Regular Member or credit due the Regular Member for the period of its membership has been made by the Board of Directors. In making this determination, the Board of Directors shall use the cost allocation methodology or methodologies established by the budgets adopted pursuant to the requirement of Section 3.6.1 hereof. It is the intent of this Agreement that no assets of the Association shall be owned by Associate Members nor shall Associate Members be responsible for debts incurred by the Association other than insurance premiums, assessments and claim deductibles attributed to the Associate Member's membership.

3.16 Termination and Distribution.

3.16.1 Termination.

This Agreement may be terminated at any time by the written consent of three-fourths of the Members. However, this Agreement and the Association shall continue to exist for the purpose of paying all debts and liabilities, disposing of all claims, distributing net assets, and otherwise winding up and liquidating the affairs of the Association. The Board of Directors is vested with all powers of the Association during such winding up and liquidation, including the power to require Regular Members, including those Regular Members who withdrew prior to the termination date, to pay any retroactive assessments deemed necessary by the Board of Directors to fully resolve and dispose of all claims, losses and liabilities covered by this Agreement. The retroactive assessment shall be determined on the basis of the cost allocation methodology or methodologies established by the resolutions adopted pursuant to the requirements of Sections 3.6.1 and 3.11.2 hereof.

3.16.2 Distribution:

Upon termination of this Agreement and full satisfaction of all outstanding claims, losses, and liabilities of the Association, all assets of the Association shall be distributed among the Regular

Members who were Members of the Joint Insurance Purchasing Pool, on the date action to terminate this Agreement was taken, in proportion to the cash payments made by each Regular Member during the term of this Agreement. The Board of Directors shall determine such distribution within six months after the last pending claim or loss covered by this Agreement has been resolved fully.

3.17 *Notices.*

Notice to Members or Associates hereunder shall be sufficient if mailed to the office of the last official address of the respective Member.

3.18 *Amendment.*

This Agreement may be amended at any time by the approval of three-fourths of the Members present or voting at any meeting of the Members. All amendments shall be in writing. Amendments may be proposed by the Board of Directors. Any proposed amendment to this agreement adopted by three-fourths of the whole Board of Directors shall be deemed adopted subject to review by the Members. If four-tenths of the Members present or voting at any meeting of the Members (called in accordance with Article 3 of the By-Laws) vote to repeal any amendment adopted by three-fourths of the whole Board of Directors, that amendment is deemed repealed.

3.19 *Enforcement.*

The Association is hereby granted the authority to enforce the terms of this Agreement. In the event action is instituted to enforce any term of this Agreement or any term of the By-Laws against any Member or Associate or previous Member or Associate, the Member or Associate or previous Member or Associate agrees to pay such sums as the court may fix as reasonable attorneys' fees and costs in said action including fees and costs on appeal.

3.20 *Default and Remedies.*

If any Member or Associate fails to perform any term or condition of this Agreement and such failure continues for a period of sixty days after the Association has given the Member or Associate written notice of such

failure, the Member or Associate shall be in default hereunder. Upon default, the Association may immediately cancel the Member's or Associate's membership effective immediately without further notice, or exercise any remedies herein provided or otherwise provided by law. The rights and remedies of the Association are cumulative in nature and pursuit of any particular remedy shall not be deemed an election of remedies or a waiver of any other remedies available hereunder or otherwise available by law.

3.21 *No Waivers.*

No waiver or forbearance of a breach of any covenant, term, or condition of this Agreement shall be construed to be a waiver or forbearance of any other or subsequent breach of the same or of any other covenant, term or condition, and the acceptance of any performance hereunder, or the payment of any sum of money after the same has become due or at a time when any other default exists hereunder, shall not constitute waiver of the right to demand payment of all other sums owing or a waiver of any other default then or thereafter existing.

3.22 *Prohibition Against Assignment.*

No Member or Associate may assign any right, claim or interest it may have under this Agreement, except to a successor entity following a statutory reorganization. Should any Member or Associate reorganize in accordance with the statutes of the State of Washington, the successor in interest, or successors in interest, may be substituted as a Member or Associate or Members or Associates upon approval of the Board of Directors. No creditor, assignee or third party beneficiary of any Member or Associate shall have any right, claim or title to any part, share, interest, fund premium or asset of the Association.

3.23 *Entire Agreement.*

This Agreement contains the entire understanding of the parties, and they acknowledge that there is no other written or oral understanding or promise between them with respect to the matters addressed by this Agreement. This Agreement may not be altered, amended, or revoked except pursuant to the provision of Section 3.18.

3.24 Severability.

If any term or provision of this Agreement shall to any extent be determined by a court of competent jurisdiction to be invalid or unenforceable, the remainder of this Agreement shall not be affected thereby, and each term and provision in this Agreement shall be valid and be enforceable to the fullest extent permitted by law.

3.25 Time.

Time is of the essence of this Agreement and each and every provision hereof.

3.26 Section Headings.

The section headings in this Agreement are inserted for convenience only and are not intended to be used in the interpretation of the contents of the sections they introduce.

3.27 Governing Law.

This Agreement shall be governed by and construed in accordance with the laws of the State of Washington.

3.28 Counterpart Copies.

This Agreement may be signed in counterpart or duplicate copies, and any signed counterpart or duplicate copy shall be equivalent to a signed original for all purposes.

4. Execution.

The parties have executed this Agreement by authorized officials thereof.

Name of City or Town or Public Entity

Mailing Address

Street Address (if different from above)

City

Zip

Phone

By
Signature of Authorized Official

(Print or Type Name)

Title

Date

EXHIBIT A List

of Members



All Members 2013-2014

City Members

1. Town of Albion
2. City of Asotin
3. City of Bingen
4. City of Black Diamond
5. City of Blaine
6. City of Buckley
7. City of Colfax
8. City of College Place
9. Town of Colton
10. City of Colville
11. City of Connell
12. City of Cosmopolis
13. Town of Coulee Dam
14. Town of Creston
15. City of Davenport
16. City of Dayton
17. City of Duvall
18. City of East Wenatchee
19. Town of Electric City
20. Town of Elmer City
21. Town of Endicott
22. City of Entiat
23. City of Ephrata
24. City of Everson
25. City of Fircrest
26. City of Grand Coulee
27. City of Granite Falls
28. Town of Hartline
29. City of Ilwaco
30. Town of Lone
31. City of Kahlotus
32. City of Kittitas
33. Town of Krupp
34. Town of LaCrosse
35. City of Liberty Lake
36. Town of Lind
37. Town of Lyman
38. City of Lynden
39. City of Lynnwood
40. Town of Malden
41. Town of Mansfield
42. Town of Marcus
43. City of Mattawa
44. Town of Metaline Falls
45. City of Moxee
46. City of Napavine
47. Town of Nespelern
48. City of Newport
49. City of Nooksack
50. City of Oakville
51. City of Okanogan
52. City of Omak
53. City of Oroville
54. City of Palouse
55. City of Prosser
56. City of Quincy
57. Town of Reardan
58. City of Republic
59. City of Ritzville
60. Town of Riverside
61. City of Rock Island
62. City of Royal City
63. City of Sedro-Woolley
64. City of Selah
65. City of South Bend
66. Town of South Cle Elum
67. City of Sprague
68. Town of Starbuck
69. Town of St. John
70. City of Stevenson
71. City of Sultan
72. City of Sumas
73. City of Tonasket
74. Town of Uniontown
75. City of Waitsburg
76. Town of Washtucna

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Cities Insurance Association of Washington

All Members 2013-2014

77. Town of Waterville
78. City of White Salmon
79. Town of Wilbur
80. Town of Wilkeson
81. City of Woodland
82. City of Yakima

Special District Members

1. Alpine Water District
2. Asotin County Cemetery District #1
3. Basin City Water-Sewer District
4. Belfair Water District #1
5. Bellingham Public Development Authority
6. Bellingham-Whatcom Public Facilities District
7. Bridgeport Bar Irrigation District
8. Columbia Valley Water District
9. Columbia Water & Power Irrigation District
10. Consolidated Diking Improvement District #1
11. Consolidated Diking Improvement District #2
12. Consolidated Diking Improvement District #3
13. Consolidated Irrigation District
14. Dallesport Water District
15. Diking Improvement District #15
16. Douglas County Sewer District #1
17. Drainage Improvement District #1
18. East Spokane Water District 1-109
19. Elbe Water & Sewer District
20. Elochoman Valley Partners LLC
21. Endicott Park and Recreation District #7
22. Franklin County Irrigation District #1
23. Gardena Farms Irrigation District #13
24. Garfield Parks & Recreation
25. Garfield Public Development Authority
26. Glacier Water District #14
27. Grant County Cemetery District #1
28. Irvin Water District #6
29. Jefferson County Rural Library District
30. Kennewick Irrigation District
31. Kennewick Public Facilities District
32. King County Drainage District #13
33. Kittitas County Water District #2
34. Kittitas Reclamation District
35. Lake Wenatchee Water District
36. Lakehaven Utility District
37. Lenora Water & Sewer District
38. Lewis County Water & Sewer District #5
39. Lexington Flood Control Zone
40. Lind Cemetery District
41. Lopez Island Solid Waste Disposal District
42. Lower Stemilt Irrigation District
43. Lynden Transportation District
44. Lynnwood Transportation Benefit District
45. Malaga Water District
46. Moab Irrigation District
47. Moses Lake Irrigation & Rehabilitation District
48. Naches-Selah Irrigation District
49. North Spokane Irrigation District 8-232
50. Orchard Ave. Irrigation District 6-179
51. Pasadena Park Irrigation District 17-117
52. Peshastin Water District
53. Pierce County Flood Control District
54. Pierce County Noxious Weed Control Board
55. Point Roberts Parks & Recreation #1
56. Port of Kennewick
57. Port of Quincy
58. Prosser Transportation Benefit District
59. Ritzville Public Development Authority
60. Rosalia Park & Recreation District #5
61. Roza Irrigation District
62. Skagit County Dike Drainage & Irrigation Dist #12
63. Skagit County Drainage District #14
64. Skagit County Drainage District #16
65. Skagit County Sewer District #2
66. South Banks Lake Mosquito Control Dist #3
67. Spokane Aquifer Joint Board
68. Spokane County Water District #3
69. Startup Water District
70. Sunnyside Valley Irrigation District

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All Members 2013-2014

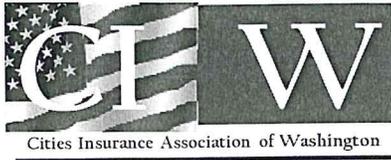
71. Timberland Regional Library
72. Trentwood Irrigation District #3
73. Uniontown Community Development Association
74. Washington State School Directors Association
75. Whitman County Public Hospital District #2
76. Whitman County Water Conservancy Board
77. Yakima County Joint Board of Control #1
78. Yakima Tieton Irrigation District

Fire District Members

1. Adams County FPD # 1
2. Adams County FPD # 2
3. Aero-Skagit Emergency Services
4. Bainbridge Island Fire Department
5. Blue Mountain Fire District # 1
6. Central Kitsap Fire & Rescue
7. Central Valley Ambulance Authority
8. Chelan County FPD #1
9. Chelan County FPD #3
10. Chelan County FPD #4
11. Clallam County FPD #6
12. Columbia County FPD #1
13. Douglas County FPD #2
14. Douglas County FPD #5
15. Ferry/Okanogan Fire District #13
16. Ferry/Okanogan County FPD #14
17. Franklin County FD #1
18. Franklin County FPD #4
19. Glacier Fire & Rescue
20. Grant County FPD #3
21. Grant County FPD #4
22. Grant County FPD #13
23. Grant County FPD #14
24. Grays Harbor County FPD #1
25. Grays Harbor County FPD #2
26. Grays Harbor County FPD #5
27. Grays Harbor County FPD #11
28. Joint County FPD #2
29. Joint Management Group (Kitsap County)
30. Kent Regional Fire District
31. King County FD #4 DBA Shoreline Fire Department
32. King County FPD #28 & Special Rescue
33. King County FPD #34
34. King County FPD #50
35. Kittitas County FPD #6
36. Klickitat County FPD #10
37. Lincoln County Emergency Communications
38. Lincoln County FPD #1
39. Lincoln County FPD #5 & Davenport FPD
40. Lincoln County FPD #7
41. North Pacific County EMS
42. Okanogan County FPD #1
43. Okanogan County FPD #4
44. Okanogan County FPD #9
45. Okanogan County FPD #16
46. Oroville Rural EMS District
47. Pacific County FPD #8
48. Pend Oreille County FPD # 5
49. Pierce County FPD #26
50. Poulsbo Fire Department
51. Region 6 Training Council
52. Riverside Fire & Rescue
53. San Juan County FPD #5
54. Skagit County FPD #10
55. Skagit County Fire District #19
56. Skagit County EMS Commission
57. Snohomish County FPD #5
58. Snohomish County FPD #10
59. South Kitsap Fire & Rescue
60. Stevens County FPD #3
61. Stevens County FPD #6
62. Stevens County FPD #7
63. Stevens County FPD #10
64. Thurston County FPD #16 DBA Gibson Valley Fire District
65. Waitsburg Ambulance Service
66. West Thurston Regional Fire Authority
67. Whatcom County FPD #1

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All Members 2013-2014

- 68. Whatcom County FPD #5
- 69. Whatcom County FPD #14
- 70. Whitman County FPD #1
- 71. Whitman County FPD #2
- 72. Whitman County FPD #3
- 73. Whitman County FPD #4 & City of Palouse FD
- 74. Whitman County FPD #6
- 75. Whitman County FPD #8

Administered by



BY-LAWS

OF

CITIES INSURANCE ASSOCIATION

OF WASHINGTON

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BY-LAWS
OF
CITIES INSURANCE ASSOCIATION OF WASHINGTON

ARTICLE 1
Offices

The principal office of the corporation shall be located within the State of Washington at the offices of the Third Party Administrator. The corporation may have such other offices, either within or without the State of Washington, as the Board of Directors may determine or as the affairs of the corporation may require from time to time.

The corporation shall have and continuously maintain in the State of Washington a registered office, and a registered agent whose office is identical with such registered office, as required by the Washington Non-Profit Corporation Act, Chapter 24.03 Revised Code of Washington. The registered office may be, but need not be, identical with the principal office of the corporation, and the address of the registered office may be changed from time to time by the Board of Directors.

ARTICLE 2
Members

Section 2.1. Classes of Members and Qualifications for Membership. The corporation shall have two classes of Members, Regular and Associate. Eligibility for Regular Membership in the corporation shall be limited to cities and towns organized and existing pursuant to Title 35 or 35A Revised Code of Washington. Cities and towns wishing to become Members of the corporation shall submit an application to the corporation on a form prescribed by the corporation. Cities and towns elected to membership pursuant to Section 3 below shall be required to become a signatory to the Interlocal agreement creating the Cities Insurance Association of Washington (the "Agreement") before such membership shall become effective.

Eligibility for Associate membership shall be limited to districts and municipal corporations as defined by 48.62.021(1) which meet the underwriting and classification criteria established by the Board of Directors. Each Associate Member must become a signature of the Associate Membership Agreement by a Resolution adopted by the entity's Board or Commission.

Section 2.2. Member Representative. Each Regular Member shall appoint one representative who shall be authorized to exercise the Member's voting rights in the corporation, if any, and to act on behalf of the Member with respect to all matters pertaining to the corporation. The name of the person appointed as a Member's representative shall be submitted in writing to the corporation. A change in a Member's appointed representative shall not become effective until the corporation has received written notice of such change. Each Member may also select an alternate Member representative to serve and act in the absence of the Member's representative.

Section 2.3. Selection of Additional Members. Additional Regular Members shall be approved by the Board of Directors. An affirmative majority vote of the Board of Directors members present shall be required for selection. Associate Members shall be approved by the Director or Third Party Administrator subject to the criteria established by the Board of Directors.

Section 2.4. Voting Rights and Procedures. Each Regular Member shall be entitled to one vote on each matter submitted to a vote of the Regular Members unless a record date for voting purposes is fixed by the Board of Directors. Members that are Regular Members on the day of the meeting of the membership shall be entitled to vote at such meeting. Elections and other matters submitted to the vote of Regular Members may, at the discretion of the Chair of the corporation, be conducted by mail ballot. Each Regular Member shall be entitled to one vote on each matter submitted to a vote of the Regular Members.

Section 2.5. Cancellation of Membership. The membership of any Member or Associate of the corporation may be canceled pursuant to the provisions of Section 3.14 of the Agreement.

Section 2.6. Resignation. Any Member or Associate may resign from the corporation pursuant to the procedures and limitations specified in Sections 3.13 and 3.15 of the Agreement.

Section 2.7. Transfer of Membership. Membership in this corporation is not transferable or assignable.

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ARTICLE 3
Meetings of Members

Section 3.1. Annual Meeting. At the discretion of the Board Of Directors an annual meeting of the Regular Members shall be held on the last Friday in the month of August in each year, if needed, with a date designated in writing by the Chair of the Board of Directors thirty days before the meeting, at such time and place designated in writing by the Chair, for the purpose of transacting such business as may come before the meeting. .

Section 3.2. Special Meetings. Special meetings of the Members or Associates may be called by the Board of Directors. The Board of Directors or not less than one-fourth of the Regular Members having voting rights.

Section 3.3. Place of Meeting. The The Board of Directors may designate any place, either within or without the State of Washington, as the place of meeting for any annual meeting or for any special meeting called by the Board of Directors. If no designation is made or if a special meeting be otherwise called, the place of meeting shall be the office of the Third Party Administrator in the State of Washington. If all of the Members shall meet at any time and place, either within or without the State of Washington, and consent to the holding of a meeting, such meeting shall be valid without call or notice and any corporate action may be taken at such meeting. Members of the corporation may participate in a meeting of Members by means of a conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other at the same time and participation by such means shall constitute presence in person at a meeting.

Section 3.4. Notice of Meetings. Written notice stating the place, day and hour of any meeting of Members shall be delivered, either personally or by mail, to each Member entitled to vote at such meeting, not less than ten nor more than fifty days before the date of such meeting, by or at the direction of the Chair of the Board of Directors, or the Third Party Administrator or persons calling the meeting. In case of a special meeting or when required by statute or by these By-Laws, the purpose or purposes for which the meeting is called shall be stated in the notice. If mailed, the notice of a meeting shall be deemed to be delivered when deposited in the United States mail addressed to the Member at the address of its representative as it appears on the records of the corporation, with postage thereon prepaid.

Section 3.5. Actions by Members Without a Meeting. Any action required by law to be taken at a meeting of the Members, or any action which may be taken at a meeting of Members, may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the Members entitled to vote with respect to the subject matter thereof.

Section 3.6. Quorum. The Members holding ten percent of the votes which may be cast at any meeting shall constitute a quorum at such meeting. If a quorum is not present at any meeting of Members, a majority of the Members present may adjourn the meeting from time to time without further notice.

Section 3.7. Manner of Acting. A majority of the votes entitled to be cast on a matter to be voted upon by the Members present at a meeting at which a quorum is present shall be necessary for the adoption thereof unless a greater proportion is required by law or by these By-Laws.

Section 3.8. Rule of Procedure for Meetings. All meetings of the membership shall be conducted in accordance with Roberts' Rules of Order, except where such rules are in conflict with applicable law, the Agreement, or these By-Laws.

ARTICLE 4

The Board of Directors

Section 4.1. General Powers. The affairs of the corporation shall be managed by its Board of Directors

Section 4.2. Tenure and Qualifications. The Board of Directors shall be comprised of ten representatives of Regular Members of the corporation elected for three year terms as provided in the Agreement.

Section 4.3. Voluntary Resignation. The Board of Directors member who is absent from three consecutive Board of Directors meetings or one-half of the Board of Directors meetings during the year without acceptable excuse shall be deemed to have voluntarily resigned from the Board of Directors. At any meeting of the Board of Director sat which there are absences, the Board of Directors shall determine if they are excused.

Section 4.4. Regular Meetings. A regular annual meeting of the Board of Directors shall be held without other notice than this by-law, in conjunction with, and at the same place as, the annual meeting of Members. The Board of Directors may provide by resolution the time and place, either within or without the State of Washington, for the holding of additional regular meetings of the Board of Directors, or of regular meetings of any committee of the Board of Directors, without notice other than such resolution.

Section 4.5. Special Meetings. Special meetings of the Board of Directors may be called by or at the request of the Chair or any three Board of Directors members. Special meetings of any committee of the Board of Directors may be called by or at the request of the Chair of the Board of Directors or Chairman of the committee or any two members of the committee. The person or persons authorized to call special meetings of the Board of Directors or of any committee of the Board of Directors may fix any place, either within or without the State of Washington, as the place for holding any special meeting of the Board of Directors or committee called by them.

Section 4.6. Notice. Notice of any special meeting of the Board of Directors or any committee of the Board of Directors shall be given at least two days prior to the meeting by written notice delivered personally or sent by mail, facsimile transmission or telegram to each committee member at the member's address as shown by the records of the corporation. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail in a sealed envelope so addressed, with postage thereon prepaid. If notice be given by telegram, such notice shall be deemed to be delivered when the telegram is delivered to the telegraph company. If notice be given by facsimile transmission, such notice shall be deemed to be delivered 24 hours after the transmission so long as no error was received during the transmission. Any committee member may waive notice of any meeting. The attendance of a committee member at any meeting shall constitute a waiver of notice of such meeting, except where a committee member attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Board of Directors or any committee of the Board of Directors need be specified in the notice or waiver of notice of such meeting, unless specifically required by law or by these By-Laws. Members of the Board of Directors or any committee of the Board of Directors may participate in a meeting of such committee by means of a conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other at the same time and participation by such means shall constitute presence in person at a meeting.

Section 4.7. Quorum. A majority of the Board of Directors shall constitute a quorum for the transacting of any business of the Board of Directors. However, if less than a majority of the Board of Directors members are present at said meeting, a majority of the Board of Directors members present may adjourn the meeting from time to time without further notice.

Section 4.8. Manner of Acting. The act of a majority of the Board of Directors members, or a majority of the members of any committee of the Board of Directors, present at a meeting at which a quorum is present shall be the act of the Board of Directors or its committee, unless the act of a greater number is required by law or by these By-Laws.

Section 4.9. Rule of Procedures for Meetings. All meetings of the Board of Directors or a committee of the Board of Directors shall be conducted in accordance with Roberts' Rules of Order, except where such rules are in conflict with applicable law, and Agreement, or these By-Laws.

Section 4.10. Compensation. The Board of Directors members or its committee members as such shall not receive any stated salaries for their services, but by resolution of the Board of Directors a fixed sum and expenses of attendance, if any, may be allowed for attendance at each regular or special meeting of the Board of Directors or any of its committees.

Section 4.11. Action by The Board of Directors Members Without a Meeting. Any action required by law to be taken at a meeting of the Board of Directors or any of its committees, or any action which may be taken at a meeting of the Board of Directors or any of its committees, may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the Board of Directors members or committee members.

ARTICLE 5
Officers

Section 5.1. Officers. The officers of the corporation shall be a Chair, a Vice Chair, a Fiscal Officer and such other officers as may be elected in accordance with the provisions of this article. The Board of Directors may elect or appoint such other officers, as it shall deem desirable, such officers to have the authority to perform the duties prescribed, from time to time, by the Board of Directors. No two or more offices may be held by the same person.

Section 5.2. Election and Term of Office. The officers of the corporation shall be elected every year by the Board of Directors from among its Regular members prior to the beginning of the fiscal year. If the election of officers shall not be held at such meeting, such election shall be held as soon thereafter as convenient. New offices may be created and filled at any meeting of the Board of Directors. Each officer shall hold office until a successor shall have been duly elected and qualified.

Section 5.3. Removal. Any officer elected or appointed by the Board of Directors may be removed by the Board of Directors whenever in its judgment the best interests of the corporation would be served thereby.

Section 5.4. Vacancies. A vacancy in any office because of death, resignation, removal, disqualification or otherwise, may be filled by the Board of Directors for the unexpired portion of the term.

Section 5.5. Chair. The Chair of the Board of Directors shall be the principal executive officer of the corporation and shall in general supervise and control all of the business and affairs of the corporation. He or she shall preside at all meetings of the Members and the Board of Directors. He or she may sign, with any other proper officer of the corporation authorized by the Board of Directors, any deeds, mortgages, bonds, contracts, or other instruments which the Board of Directors has authorized to be executed, except in cases when the signing and execution thereof shall be expressly delegated by the Board of Directors or by these By-Laws or by statute to some other officer or agent of the corporation; and in general he or she shall perform all duties incident to the office of Chairman and such other duties as may be prescribed by the Board of Directors from time to time.

Section 5.6. Vice Chair. In the absence of the Chair or in the event of the Chair's inability or refusal to act, the Vice Chair shall perform the duties of the Chair, and when so acting, shall have all the powers of and be subject to all the restrictions upon the Chair. The Vice Chair shall perform such other duties as from time to time may be assigned to him or her by the Chair or by the Board of Directors.

Section 5.7. Fiscal Officer. The Fiscal Officer shall be responsible to act with the Third Party Administrator as directed by the Board of Directors to carry out The Board of Directors fiscal policies and procedures.

Section 5.8. Third Party Administrator. The Third Party Administrator shall have charge and custody of and be responsible for all funds and securities of the corporation; receive and give receipts for moneys due and payable to the corporation from any source whatsoever, and deposit all such moneys in the name of the corporation in such banks, trust companies or other depositories as shall be selected in accordance with the provisions of Article 7 of these By-Laws; and in general perform such other duties as from time to time may be assigned to him by the Chair or by the Board of Directors. The Third Party Administrator shall keep the minutes of the meetings of the Members, the Board of Directors, and any committees of the Board of Directors, in one or more books provided for that purpose; see that all notices are duly given in accordance with the provisions of these By-Laws or as required by law; be custodian of the corporate records and of the seal of the corporation and see that the seal of the corporation is affixed to all documents, the execution of which on behalf of the corporation under its seal is duly authorized in accordance with the provisions of these By-Laws; keep a register of the post office address of each Member and each representative of each Member which shall be furnished to the Third Party Administrator by each Member. The Third Party Administrator shall be bonded in an amount determined by the Board of Directors.

ARTICLE 6 Committees

Section 6.1. Committees of the Board of Directors. The Board of Directors may designate and appoint one or more committees, each of which shall consist of two or more The Board of Directors members, which committees, to the extent provided in said resolution, shall have and exercise the authority of the Board of Directors in the management of the corporation, except that no such committee shall have the authority of the Board of Directors in reference to amending, altering or repealing the By-Laws; electing, appointing or removing any member of any such committee; amending the articles of incorporation; restating articles of incorporation; adopting a plan of merger or adopting a plan of consolidation with another corporation; authorizing the sale, lease, exchange or mortgage of all or substantially all of the property and assets of the corporation; authorizing the voluntary dissolution of the corporation or revoking proceedings therefor; adopting a plan for the distribution of the assets of the corporation;

or amending, altering or repealing any resolution of the Board of Directors which by its terms provides that it shall not be amended, altered or repealed by such committee or doing any act in conflict with the duties of the Board of Directors as set forth in the Agreement. The designation and appointment of any such committee and the delegation thereto of authority shall not operate to relieve the Board of Directors, or any individual The Board of Directors member, of any responsibility imposed upon it or him or her by law.

Section 6.2. Other Committees. Other Committees not having and exercising the authority of the Board of Directors in the management of the corporation may be appointed in such manner as may be designated by a resolution adopted by a majority of the Board of Directors members present at a meeting at which a quorum is present. Except as otherwise provided in such resolution, members of each such committee shall be representatives of Members of the corporation, and the Chair of the corporation shall appoint the members thereof. Any member thereof may be removed by the

person or persons authorized to appoint such member whenever in their judgment the best interests of the corporation shall be served by such removal.

Section 6.3. Term of Office. Each member of a committee shall continue as such until the next annual meeting of the Members of the corporation and until a successor is appointed, unless the committee shall be sooner terminated, or unless such member be removed from such committee, or unless such member shall cease to qualify as a member thereof.

Section 6.4. Chairman. One member of each committee shall be appointed chairman by the person or persons authorized to appoint the members thereof.

Section 6.5. Vacancies. Vacancies in the membership of any committee may be filled by appointments made in the same manner as provided in the case of the original appointments.

ARTICLE 7 Administrator

Section 7.1. Appointment and Removal. The Board of Directors shall appoint and employ a Third Party Administrator of the corporation (the "Administrator"), who shall be appointed and removable by the Board of Directors pursuant to whatever employment arrangement the Board of Directors shall have agreed to with the Administrator in writing.

Section 7.2. Powers and Duties. The Administrator shall be the chief administrator of the corporation and shall have control of the administrative functions of the corporation. He or she shall carry out the orders of the Board of

Directors and shall be responsible to the Board of Directors for the efficient administration of the affairs of the corporation. The Administrator shall keep the Board of Directors fully advised of the financial condition and needs of the corporation.

Section 7.3. Compensation. The Administrator shall receive such compensation as the Board of Directors shall fix by contract or resolution.

ARTICLE 8 Indemnification

The Board of Directors Members of the corporation; its directors, officers, employees and the Administrator, its agents, directors, officers and employees shall:

1. Use reasonable and ordinary care in the exercise of their duties as relates to the corporation;
2. Be afforded all of the privileges and immunities that attach generally to governmental officers;
3. Not be liable for, and be held harmless and defended by the corporation, for any act of negligence, any mistake of judgment or any other action, made, taken or omitted in good faith and on behalf of the corporation;
4. Not be liable for any loss incurred through investment of funds or failure to invest such funds so long as they are invested according to the direction of the Board of Directors.

The corporation may purchase, subject to availability and cost, insurance providing coverage for The Board of Directors members and the Administrator.

The corporation shall indemnify every person who was or is a party or is or was threatened to be made a party to any action, suit, or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that he or she is or was a member of the Board of Directors, any other committee of the corporation, employee, or agent of the corporation, or the Administrator, its agents, directors, officers or employees in the furtherance of corporation business, or is or was serving at the request of the corporation as a member, director, officer, employee, agent, or trustee of another corporation, partnership, joint venture, trust, employee benefit plan, or other enterprise, against expenses (including counsel fees), judgments, fines, and amounts paid in settlement actually and reasonably incurred by him or her in connection with such action,

suit or proceeding, to the full extent permitted by applicable law. Such indemnification may, in the discretion of the Board of Directors, include advances of his or her expenses in advance of final disposition of such action, suit or proceeding, subject to the provisions of any applicable statute. This indemnification provided in this Article shall not extend to suits, claims, actions, administrative procedures or investigations brought by or at

the request of the corporation. No indemnification shall extend to any person named above in any litigation, administrative proceeding or process of any type where the corporation and the individual are opposing each other.

ARTICLE 9 Coverage Determinations and Appeal Rights

Section 9.1. Coverage Determinations. All coverage's are limited to those coverage's provided through the corporation as identified in Section 3.4.3 of the Agreement. The Administrator, acting on behalf of the corporation, shall make all initial coverage determinations as respects the corporation's self retention or deductible under the jointly purchased policy or policies of insurance. Such determinations shall be made according to the procedures set forth in this Article and subject to the right of appeal set forth in Section 9.2. Such determination shall be made after appropriate consultation with the corporation's insurance carrier.

- (a) Upon receiving notice of a claim or a Summons and Complaint against a Member and/or persons requesting coverage (the "Covered Party"), the Administrator shall, within forty-five (45) days or such other reasonable time as agreed after receipt of said notice, make an initial coverage determination.
- (b) Upon making a coverage determination, the Administrator shall notify the Covered Party of the determination in writing. If the claim or complaint may exceed the corporation's self retention or deductible, the Administrator shall inform the Member or Covered Party of that determination.
- (c) The written coverage determination shall address the following issues:

- (1) Whether the corporation will provide the Covered Party legal counsel for defense of the Summons and Complaint.

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BY-LAWS OF
THE CITIES INSURANCE ASSOCIATION OF WASHINGTON

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- (2) Whether the corporation is reserving any rights to make subsequent coverage determinations.
- (3) Whether the corporation is denying coverage for the claims made in the claim or Summons and Complaint under review. In the event that coverage is denied, the Administrator shall inform the Covered Party in writing of the appeal process contained in Section 2 of this Article.

(d) In the event that the Administrator determines that the Association should (1) reserve its rights to make subsequent coverage determination, or (2) determines that coverage should be denied, then the written notice shall also state the reasons for any such reservation or denial.

(e) In the event that a final coverage determination cannot be made by the Administrator until after the facts of the claim or Complaint are determined in a legal proceeding, the Administrator shall make a final coverage determination within sixty (60) days or such reasonable time as agreed after the final disposition of the legal proceeding is provided to the Administrator. The determination shall be provided in writing to the Covered Party and shall contain the information required by Sections 9.1(c) and 9.1(d).

(f) All written determinations by the Administrator shall be deemed final and binding upon all parties unless the Covered Party files a timely notice of appeal with the Board of Directors in the manner specified in Section 9.2. The determination of the Administrator is only binding upon the corporation and relates only to the self retention or deductible in place at that time under the policy of insurance which insures the Association. The determination of the Administrator is not binding upon the carrier who insures the Association. Covered Parties are required to resolve coverage disputes with the insurance carrier pursuant to the terms of the policy issued by that carrier.

If a claim or Complaint is of such an amount or magnitude that in the opinion of the Administrator that claim or Complaint may exceed the amount of the self retention or deductible in terms of exposure and/or costs of defense, then the Administrator shall not be entitled to make a determination of coverage. In those instances, all determinations of coverage shall be made in accordance with the terms of the insurance policy issued by the Association's carrier.

The Covered Party shall deal with that carrier through the Administrator's office unless otherwise instructed by the Administrator. The provisions of this Article shall not apply in those instances where the claim or Complaint is of such an amount or magnitude that in the opinion of the Administrator that claim or Complaint may exceed the amount of the self retention or deductible in terms of exposure and/or costs of defense.

In those instances if a Covered Party or Member has requested a coverage determination, the Administrator shall notify the Covered Party or Member in writing that the Administrator has determined he or she may not issue a determination of coverage and refer the requesting party to the terms of the policy of insurance for resolution of coverage issues.

- (g) The Administrator shall not be obligated to make any coverage determinations until a claim or a Summons and Complaint has been served upon the Covered Party and until the Administrator has received notice thereof. However, the Administrator shall issue tentative written coverage determinations before a Summons and Complaint has been filed upon the written request of the Covered Party. If the Administrator makes a tentative coverage determination, he or she shall remain obligated to provide a subsequent final written coverage determination after a Summons and Complaint has been served and the Administrator has received notice thereof, as provided in Sections 9.1(a), (b), (c), (d), (e) and (f).

Section 9.2. Appeal. Any written determination made by the Administrator pursuant to Section 9.1(c) and (d) denying coverage to a Covered Party shall be final, as provided in Section 9.1(f), unless the procedures for appeal, provided hereafter, are followed by the Covered Party. The following appeal procedures shall apply in those cases where the Administrator has not determined the claim or Complaint is of such an amount or magnitude that in the opinion of the Administrator that claim or Complaint may exceed the amount of the self retention or deductible in terms of exposure and/or costs of defense. There is no appeal from a determination of the Administrator that the claim or Complaint is of such an amount or magnitude that the claim or Complaint may exceed the amount of the self retention or deductible in terms of exposure and/or costs of defense.

- (a) Any Covered Party aggrieved by the Administrator's written coverage determination may appeal the decision to the Board of Directors. The appeal must be initiated by the Covered Party within thirty (30) days following receipt of the Administrator's written determination.

If an appeal is not initiated within thirty (30) days, as provided herein, the Covered Party shall be deemed to have waived any further right to appeal the decision of the Administrator.

(b) An appeal is deemed initiated for purposes of this Article when the Covered Party, or his, her, or its legal representative, serves a written Notice of Appeal upon the Administrator or upon the Chair of the corporation. The written Notice of Appeal shall include the following information:

- (1) The name of the Covered Party initiating the appeal.
- (2) A brief statement identifying the subject of and basis for the appeal. A copy of the Administrator's written determination should be attached to the Notice of Appeal.
- (3) The signature of the Covered Party initiating the appeal or the signature of the Covered Party's legal representative.

(c) Within thirty (30) days, or such time as is agreed, after an appeal has been initiated, a meeting of the Board of Directors shall be convened by the Chairman of the Board of Directors to hear the appeal. Notice of the date set for hearing of the appeal by the Board of Directors shall be sent to the Covered Party not later than fifteen (15) days prior to the date set for the hearing. The Chair of the Board of Directors shall have the authority to set hearing dates for the appeal and to grant continuances where good cause is shown.

(d) The hearing by the Board of Directors may occur when a quorum of the Committee, pursuant to Section 4.6, is present. Voting by the Board of Directors and the procedures for the meeting of the Board of Directors on the appeal hearing shall be as provided in Sections 4.6 and 4.7. However, members of the Board of Directors shall abstain from participating or voting in any appeals involving a Member with which they are affiliated.

(e) The hearing of the Board of Directors on the appeal shall proceed as follows:

- (1) The Chair of the Board of Directors shall administer the hearing and make all necessary procedural rulings during the hearing.
- (2) The Covered Party or his, her, or its legal representative, if any, shall begin the proceeding with an explanation of the basis for the appeal.

The Covered Party shall present to the Board of Directors all evidence, testimony, argument and legal authority relevant to and in support of the appeal. Thereafter, the Administrator and/or corporation's legal representative may present all evidence, testimony, argument and legal authority relevant and in opposition to the Covered Party's position. Each side shall be provided an opportunity to present rebuttal evidence and argument.

- (3) Following the presentation of evidence, testimony, argument and legal authority, the Board of Directors may retire into executive session to discuss consideration of the appeal. Thereafter, the Board of Directors shall reconvene in public session to consider and vote on any motion made to decide the appeal. The Board of Directors

may vote to uphold the decision of the Administrator or to modify or reverse the decision of the Administrator. The decision of the Board of Directors shall be reduced to writing and signed by the Chairman of the Board of Directors and a copy thereof sent to the Covered Party within seven (7) days following the final decision of the Board of Directors.

- (4) The Chair may adjourn and reconvene any hearing on an appeal as may be necessary to preserve a fair hearing.

(f) A final decision of the Board of Directors denying the Covered Party the full relief sought shall not preclude the appealing party from seeking judicial review of the Administrator's and/or the Board of Directors's coverage determination. However, no Covered Party may maintain any lawsuit or complaint against the corporation alleging any improper or incorrect coverage denial unless the Covered Party has first exhausted the appeal procedures provided herein. Exhaustion of these appeal procedures shall be a condition precedent to any subsequent legal action or suit by a Covered Party.

ARTICLE 10

Conflict of Interest and Appearance of Fairness Procedure

All Members of the corporation, the Board of Directors, and its committees, shall exercise every effort to avoid conflicts of interest, or the appearance thereof, in their actions relating to the corporation. Any person who has a personal interest in any matter before the Board of Directors or one of its committees which would tend to prejudice his or her action shall so indicate

publicly and may abstain from the deliberations and voting on such matter.

ARTICLE 11 Contracts, Checks, Deposits and Funds

Section 11.1. **Contracts.** The Board of Directors may authorize any officer or officers, agent or agents of the corporation, in addition to the officers so authorized by these by- laws, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the corporation, and such authority may be general or confined to specific instances.

Section 11.2. **Checks, Drafts, etc.** All checks, drafts or orders for the payment of money, notes or other evidences of indebtedness issued in the name of the corporation, shall be signed by such officer or officers, agent or agents of the corporation and in such manner as shall from time to time be determined by resolution of the Board of Directors. In the absence of such determination by the Board of Directors, such instruments shall be signed by the Administrator and countersigned by the Board of Directors Chair, The Board of Directors Vice Chair or Fiscal Officer of the corporation.

Section 11.3. **Deposits.** All funds of the corporation shall be deposited from time to time to the credit of the corporation in such banks, trust companies or other depositories as the Board of Directors may select and as are allowed by the laws of the State of Washington.

Section 11.4. **Gifts.** The Board of Directors may accept on behalf of the corporation any contribution, gift, bequest or devise for the general purposes or for any special purpose of the corporation.

Section 11.5. **L&I Retro.** Pursuant to the authority granted the Association in the Agreement, the Board of Directors may elect to avail itself of the State of Washington, Department of Labor and Industries, Risk Management Services on behalf of those members of the Association electing to participate in programs offered by that agency. Association participation in such risk management services and programs may include participation in a group retrospective rating scheme as approved by the Board of Directors. Association participation in such risk management services or programs shall be on the basis that all Members are entitled to participate if they so elect. The election of any Member not to participate in such risk management services or programs shall not prohibit the expenditure of Association funds in connection with such services and programs as approved by the Board of Directors.

ARTICLE 12
Certificates of Membership

Section 12.1. Certificates of Membership. The Board of Directors may provide for the issuance of certificates evidencing membership in the corporation, which shall be in such form as may be determined by the Committee. Such certificates shall be signed by the Chair or Vice Chair and by the Administrator and shall be sealed with the seal of the corporation. All certificates evidencing membership shall be consecutively numbered. The name and address of each Member and the date of issuance of the certificate shall be entered on the records of the corporation. If any certificate shall become lost, mutilated or destroyed, a new certificate may be issued therefor upon such terms and conditions as the Board of Directors may determine.

Section 12.2. Issuance of Certificates. When a Member has been selected to membership and has paid any fee for the unencumbered fund balances and other charges that may then be required, a certificate of membership shall be issued in its name and delivered to it by the Administrator, if the Board of Directors shall have provided for the issuance of certificates of membership under the provisions of Section 12.1.

ARTICLE 13
Books and Records

The corporation shall keep complete books and records of account and shall also keep minutes of the proceedings of its Members and Board of Directors and shall keep at its registered or principal office a record giving the names and addresses of the Members entitled to vote. All books and records of the corporation may be inspected by any Member, or its attorney, for any proper purpose at any reasonable time.

ARTICLE 14
Fiscal Year

The fiscal year of the corporation shall be from December 1 through November 30 of the next calendar year, or as set by resolution of the Board of Directors.

ARTICLE 15
Seal

The seal of this corporation shall consist of the name of the corporation, the state of its incorporation, and the year of its incorporation.

ARTICLE 16
Waiver of Notice

Whenever any notice is required to be given under the provisions of the Washington Non-Profit Corporation Act or under the provisions of the articles of incorporation or the By-Laws of the corporation, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

ARTICLE 17
Amendments to By-Laws

These By-Laws may be altered, amended or repealed and new By-laws may be adopted by a majority of the Board of Directors members present at any regular meeting or at any special meeting, if at least two days' written notice is given of intention to alter, amend, or repeal or to adopt new By-Laws at such meeting.

Adopted by the Board of Directors on July 15, 2003.

CITY OF ILWACO
CITY COUNCIL AGENDA ITEM BRIEFING

A. Meeting Dates: Council Workshop: Public Hearing:
Council Discussion Item:8/11/14 Council Business Item:

B. Issue/Topic: Transportation Improvement Board (TIB) grant applications

C. Sponsor(s):
1. David Jensen 2. Gary Forner

D. Background (overview of why issue is before council):
In the last few years, the city has had four TIB projects: School Road reconstruction, Brumbach overlay, Elizabeth reconstruction, and various sidewalks. The applications for the next grant cycle are due by August 22nd. The city has submitted the application for the Spruce/Adelia re-construction previously. The last time the Spruce/Adelia application was submitted the score increased significantly (from 35 to 60 out of 100)

E. Discussion (specific details relevant to the issue, pros/cons, alternatives and any other decision-making details) Gray & Osborne will provide the drafted application for the Spruce/Adelia re-construction along with an application for various sidewalk repair prior to the meeting on August 11th.

F. Impacts:
1. Fiscal: No match is required; however, including match will increase the possible points awarded the project.
2. Legal:
3. Personnel:
4. Service/Delivery:

G. Planning Commission: Recommended N/A Public Hearing on

H. Staff Comments:

I. Time Constraints/Due Dates: Applications are due to TIB by Friday August 22nd.

J. Proposed Motion: **I move to authorize the mayor to submit grant applications to the Transportation Improvement Board for reconstruction of Spruce Street E/Adelia Avenue and various sidewalk replacement.**