



Lake Shastina Community Services District

RESOLUTION 12-89

RESOLUTION APPROVING SDIA PROPOSED AMENDMENT NO. 2 TO THE FIRST AMENDED JOINT AMENDED JOINT POWERS AGREEMENT

RESOLVED, that the Board of Directors of the Lake Shastina Community Services District, on this 10th day of October, 1989, approves Amendment No. 2 - Commitment - to the First Amended Joint Amended Joint Powers Agreement of the Special District Insurance Authority.

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Adopted by the following vote:

- AYES: Spahr, Johns, and Trager
- NOES: Applegate
- ABSENT: Wallace
- ABSTAIN: None

*J. Richard Spahr*  
\_\_\_\_\_  
J. RICHARD SPAHR, President

ATTEST

*Mary M. Krolak*  
\_\_\_\_\_  
MARY M. KROLAK, District Secretary

EXECUTION BY DISTRICT

The Second Amended Joint Powers Agreement of the Special District Risk Management Authority, including Amendments No. 1 and No. 2 to the First Amended Joint Powers Authority, have been approved by the Board of Directors of the District listed below, on the date shown, and said District agrees to be subject to all of the terms and conditions set forth in said Agreement.

Date: October 10, 1989

LAKE SHASTINA  
COMMUNITY SERVICES District  
By J. Richard Spahr President  
By Mary M. Krolak Clerk

EXECUTION BY AUTHORITY

The Special District Risk Management Authority (SDRMA), the joint powers authority created by the foregoing Second Amended Joint Powers Agreement, hereby executes this Agreement and accepts the district named above as a participating member district in SDRMA, subject to all of the terms and conditions set forth in the Second Amended Joint Powers Agreement and in the Bylaws, effective on \_\_\_\_\_.

SPECIAL DISTRICT RISK MANAGEMENT AUTHORITY

By \_\_\_\_\_ President

Date: \_\_\_\_\_

EXECUTION BY DISTRICT

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Date: October 10, 1989

LAKE SHASTINA  
COMMUNITY SERVICES District  
By J. Richard Spahr President  
By Mary M. Krolak Clerk  
MARY M. KROLAK

EXECUTION BY AUTHORITY

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SPECIAL DISTRICT RISK MANAGEMENT AUTHORITY  
By \_\_\_\_\_ President

Date: \_\_\_\_\_



# SPECIAL DISTRICT INSURANCE AUTHORITY

2400 Venture Oaks Way  
Suite 460  
Sacramento, CA 95833-3291

October 1, 1989

Board of Directors

(President)  
Juan A. Lopez  
Heber PUD  
P.O. Box H  
Heber, CA 92249  
(619) 353-0323

(Vice President)  
Art Holmes  
34 Calle Sol  
San Clemente, CA 92672  
(714) 498-1280

(Secretary)  
Jeffrey K. Shields  
Trinity County PUD  
P.O. Box 1216  
Weaverville, CA 96093  
(916) 623-5536

John Woolley  
147 Melven Road  
Arcata, CA 95521  
(707) 445-8451

James W. Towns  
Running Springs Water  
P.O. Box 2206  
Running Springs, CA 92382  
(714) 867-2766

James A. Evensen  
San Lorenzo Valley Water  
P.O. Box H  
Boulder Creek, CA 95006  
(408) 338-2153

Betty Harrison-Smith  
P.O. Box 367  
Shasta, CA 96087  
(916) 246-1222

Administrator

Richard K. Maddalena

Risk Manager

Robin K. Lantz

TO: SDIA Member-districts  
FROM: The Administrator  
RE: Balances due on 1988-1989 Credit Incentive Program, etc.

A number of member-districts had additional credits due from the 1988-1989 Credit Incentive Program, where credits earned during the 1988-1989 Program Year were to apply to the 1989-1990 contributions. Most of these credits were for:

- Attendance at the Irvine Workshop July 10th, or
- Sending in Safety Committee meeting minutes for 1988-1989, too late to have the credits included in the billing calculations.

In addition, some districts did not take the credit for the buy-in fee.

Finally, some of you reported your clerical payroll too late to have Revised Invoices sent to you prior to the due date, so you paid from the original invoices.

If you have a refund coming for any of the above reasons, or for duplicate payment or other reasons, a CHECK is (happily) enclosed herewith, together with an explanation.

If you did not receive a refund check herewith, our records indicate we're clear with you. But if you believe your district is due a refund, please call Risk Manager Robin Lantz, whose job it is to figure credits.

[The newly revised Credit Incentive Program for 1989-1990 should eliminate this confusion next year. Thank you for your patience and cooperation.]

*Bud*

**ANNOUNCING**

**SDIA's**

**Credit  
Incentive  
Program  
for 1989-1990**



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Administrator

Richard K. Maddalena

Risk Manager

Robin K. Lantz

TO: SDIA Member-districts  
FROM: The Board of Directors  
RE: This mailing

Herewith a very large mailing - which we considered sending in several different packets, but decided to send all at once, so you aren't continually receiving packets from us.

Included are some very important items:

- Proposed amendments to the JPA and Bylaws
- Announcements of the next Safety/Claims Workshop and Education Day No. 2 (and reservation forms therefor)
- New vehicle I.D. cards for 1989-1990, plus Safety Manual Revisions, LP/SB 405 notices and information from the Risk Manager
- The Credit Incentive Program for 1989-1990 [for credits on the 1990-1991 contributions] and checks (for those who have adjustments to 1989-1990 contributions)
- AND your MEMBERSHIP CERTIFICATE (if you did not receive it at the Annual Meeting, plus other Annual Meeting distributions)

Please give us a call if you have any questions about any of the enclosed materials.

We hope to be able to mail the underlying excess policies to you soon, but are still awaiting their receipt from the carriers.

*Bud*



**JPA**

**&**

**Bylaws**

**Amendments**

**10-3-89**

PROPOSED AMENDMENT NO. 2

TO THE  
FIRST AMENDED JOINT POWERS AGREEMENT

The Board of Directors of the SPECIAL DISTRICT INSURANCE AUTHORITY proposes to change Paragraph (9) of the First Amended Joint Powers Agreement of the SPECIAL DISTRICT INSURANCE AUTHORITY, by requiring all districts who join SDIA after the date of enactment of the proposed amendment to make a three-year commitment to participation in the Authority. The reasons for the proposed change are several:

1. During its three-year history, the Authority, which was formed to provide a stable market to special districts for their risk-financing needs, and to reduce the huge swings in premiums that were experienced in the early 1980s, has experienced less than desirable commitment from some members - usually districts with larger contributions, that can attract the commercial market, where those who pay "average" or small contributions are not so attractive to "traditional" insurers. This has caused difficulty for SDIA in attracting excess markets, and in budgeting and financial planning.
2. While most Authority members have appreciated the availability of SDIA, and the services it provides, those (mostly larger) districts that have elected to withdraw after one or two years in the program have not viewed participation in SDIA as an investment to protect against the future, when the commercial market will again "dry up", but have viewed participation in SDIA as something they can do at will, with no consequences for moving in and out of pool membership. When the market again dries up, those entities will again find a need for the organization that you, who have continued your investment in SDIA's future, have sustained.
3. Many districts, because they are partly or fully tax-supported, have felt the need to annually "bid" their risk-financing needs - a procedure which reduces staff time available for other services that the districts can provide their public. A three-year commitment will partially eliminate that pressure.
4. All present members of SDIA will continue to operate under the First Amended Joint Powers Agreement provisions, which require only that you notify SDIA at least 90 days before the end of the program year if you wish to withdraw. This is true for any member who joined SDIA prior to the effective date of this amendment.

The proposed amendment follows:

\* \* \* \* \*



AMENDMENT NO. 2, FIRST AMENDED JOINT POWERS AGREEMENT

Paragraph (9), Page -6- of the First Amended Joint Powers Agreement shall be amended as follows:

Added words are in BOLD type. Words to be deleted are in strike-out.

(9) Withdrawal or Involuntary Termination: Any participating member district may voluntarily withdraw from any particular joint protection program at the end of any coverage year of participation, upon three months' advance written notice of termination to the Board of Directors- of the Authority, provided that the member shall have participated in the Package Program for not less than three full program years as of the date of the proposed withdrawal, and further provided that the member joined the Authority on or after the effective date of the Second Amended Joint Powers Agreement or any document successor thereto.

In the event said notice is not provided, and/or the three-year participation has not been met, any such participating member district shall be obligated to pay any and all contributions premiums and assessments for the next full coverage year- and for any portion of the three full years for which the district has not already paid.

A district may be involuntarily terminated as provided in the Bylaws.

\* \* \* \* \*

NOTES:

1. This amendment shall become effective when two-thirds of the member-districts as of October 1, 1989 shall have ratified the amendment by adopting an appropriate Resolution and returned Page 9 of the Second Amended Joint Powers Agreement to the Authority.
2. A true and complete copy of the Second Amended Joint Powers Agreement, with all changes effected by this amendment, will be forwarded to each member-district following enactment of the amendment.

\* \* \* \* \*

Attachments:

- Form of Resolution adopting Amendment No. 2.
- Page 9 Execution.
- Applicable Bylaws change that will take effect concurrently with effective date of the JPA Amendment.

FORM OF RESOLUTION FOR APPROVING JPA AMENDMENTS  
Proposed Amendment No. 2  
October 1, 1989

To enable SDIA members to more easily approve the proposed JPA amendment, the following form of Resolution is provided. Your district may fill in the applicable information hereon, or prepare a similar resolution in your usual resolution form, for consideration by your Board.

12-89

RESOLUTION NO. \_\_\_\_\_

RESOLVED, that the Board of Directors of the \_\_\_\_\_  
\_\_\_\_\_ District,  
on this \_\_\_\_\_ day of \_\_\_\_\_, 1989, approves  
Amendment No. 2 - Commitment - to the First Amended  
Joint Amended Joint Powers Agreement of the Special  
Special District Insurance Authority.

\* \* \* \* \*

Adopted by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

\_\_\_\_\_  
President

\_\_\_\_\_  
Secretary/Clerk

Bylaw Amendment:

AMENDMENT NO. 2

In accordance with applicable provisions of the SDIA Bylaws, the Board of Directors, by the vote required by the Bylaws, hereby amends the Bylaws, as follows:

ARTICLE VII

TERMINATION OF MEMBERSHIP

(1) Withdrawal

Any participating member district may voluntarily withdraw from any particular joint protection program in accordance with the applicable provision of the Second Amended Joint Powers Agreement or any document successor thereto. ~~at-the-end-of-any-coverage-year-of-participation-upon-three-months-written-notice-of-termination-to-the-Board-of-Directors.-In-the-event-said-notice-is-not-provided,-any-participating-member-district-shall-be-obligated-to-pay-any-and-all-premiums-and-assessments-for-the-next-coverage-year-~~

[Strike-outs and bold faced words constitute the amendments to this Article.]

NOTE: Paragraph (2) of the Article remains unchanged.

\* \* \* \* \*

NOTE: This Amendment shall take effect upon final action by the Board of Directors of the Authority, but not sooner than 30 days after distribution to the members and CSDA, or the date upon which proposed Amendment No. 2 to the First Amended Joint Powers Agreement is ratified by two-thirds of the members of the Authority, whichever is later.

NOTE: A true and complete copy of the amended Bylaws will be provided to each member-district, after this amendment becomes effective.

3. Decision not required this meeting. Recommend tasking Computer Committee with investigation of the subject and reporting back to the Board in November.

Director Johns will meet with John Diehm pertaining to the aforementioned and will provide an opinion.

D. SDIA Proposed Amendment to First Amended Joint Powers Agreement - NOTE: The need to take action arose since posting of agenda.

Director Johns moved and duly seconded by Director Trager to approve Resolution 11-89 pertaining to SDIA proposed amendment No. 1 to the First Amended Joint Amended Joint Powers Agreement to change name from Special District Insurance Authority to Special District Risk Management. Upon roll call vote, motion carried, AYES: Spahr, Trager and Johns, NOES: Applegate

Director Johns moved and duly seconded by Director Trager to approve Resolution 12-89 pertaining to SDIA proposed amendment No. 2 to the First Amended Joint Amended Joint Powers Agreement which will require all districts that wish to join SDIA to be committed to a three year membership in order to reduce the huge swings in premiums that were experienced in the early 1980s. Upon roll call vote, motion carried, AYES: Spahr, Trager and Johns, NOES: Applegate

VII. PUBLIC COMMENT - None to report.

VIII. ANNOUNCEMENT - None to report.

IX. ADJOURNED - There being no further business noted the meeting adjourned at 5:35 p.m.

Respectfully submitted,

*Mary M. Krclak*  
MARY M. KRCLAK  
District Secretary