

**RESOLUTION NO. \_\_\_\_\_  
OF THE BOARD OF DIRECTORS OF  
NEVADA COUNTY SANITATION DISTRICT NO. 1**

**RESOLUTION APPROVING THE NEVADA COUNTY SANITATION  
DISTRICT NO. 1 DECLARING ITS INTENTION TO JOIN THE  
CALIFORNIA SANITATION RISK MANAGEMENT AUTHORITY  
AND PARTICIPATE IN THEIR POOLED LIABILITY PROGRAM FOR  
GENERAL LIABILITY, AUTOMOBILE LIABILITY, EMPLOYMENT  
PRACTICES LIABILITY, AND PUBLIC ENTITY ERRORS AND  
OMISSIONS LIABILITY COVERAGE**

WHEREAS, the Nevada County Sanitation District No. 1 (District) is a wastewater utility district made up of 10 independent zones.

WHEREAS, the District is covered for general liability, automobile liability, employment practices liability and public entity errors and omissions liability by the County of Nevada's General Liability Fund, which includes excess coverage provided by the Public Risk Innovation, Solutions, and Management (PRISM) Joint Powers Authority (JPA); and

WHEREAS, Resolution SD94-22 authorized the Risk Management Committee to approve the settlement of all claims against the District as allowed in Government Code 935.2; and

WHEREAS, Resolution 20-347 dissolved the Risk Management Committee on July 28, 2020; and

WHEREAS, Government Code 935.4 allows the District to authorize an employee of the District to allow, compromise, or settle a claim against the District; and

WHEREAS, Resolution 90-639 and subsequent amendments created the General Liability Fund as an internal service fund for the provision of insurance services through risk sharing, in-house claims management, and other risk management activities to the component units; and

WHEREAS, the District desires more cost-effective coverage for wastewater operations and working with Alliant Insurance Services was unable to find cost effective first dollar primary and excess coverage with a commercial carrier, but did find a risk pooling JPA; and

WHEREAS, the California Sanitation Risk Management Authority (CSRMA) is a member governed, staff administered, JPA formed in 1986 to provide members with cost effective self-insured risk sharing/pooling and group purchasing coverage for third-party liability specific to wastewater operations through their Pooled Liability Program; and

WHEREAS, Article 1, Chapter 5, Division 7, Title 1 of the California Government Code (Section 6500 et seq.) permits two or more public agencies by agreement to exercise jointly powers common to the contracting parties; and

WHEREAS, the District deems joining together with the members of CSRMA for the purpose of jointly funding and/or establishing primary coverage, excess coverage, other coverage, loss control, and loss prevention programs to be in the best interest.

NOW, THEREFORE, BE IT HEREBY RESOLVED that the Board of Directors of Nevada County Sanitation District No. 1 (District) as follows:

SECTION 1, The District intends to join together with the members of the California Sanitation Risk Management Authority (CSRMA) effective September 1, 2021 and agreeing to become a contracting party to the Joint Exercise of Powers Agreement (the Agreement, attached as Exhibit A), to be bound by all of the Terms and Conditions of the Agreement and, in consideration of all rights and privileges afforded, to fulfill all of the duties and obligations of a Member Agency of CSRMA; and

SECTION 2, The District intends to participate in CSRMA's Pooled Liability Program for general liability coverage, automobile liability coverage, employment practices liability coverage, public entity errors and omissions liability coverage, claims adjusting, and claims defense effective September 1, 2021; and

- (A) Agrees to pay CSRMA \$90,854 for initial membership fee, initial premium, and Underwriting Fee
- (B) Agrees to participate in the Pooled Liability Program for at least three (3) full years or until December 31, 2024, and to give six (6) months prior notice if intending to withdraw.

SECTION 3, The Chair of the Board of Directors be and is hereby authorized to execute, on behalf of the District, the Agreement, the Liability Program Participation Agreement, and the Board of Directors Status Form for CSRMA, and give notice, or cause notice to be given, to CSRMA no later than August 1, 2021 that this District intends to participate in CSRMA as of September 1, 2021.

BE IT, FURTHER RESOLVED the District approves the appointment of the County of Nevada Wastewater Operations Manager as the Primary Representative and the County of Nevada Risk Manager as the Alternate Representative, together the Representatives, to CSRMA's Board of Directors; the District authorizes their Representatives to exercise the District's voting rights pursuant to CSRMA's Bylaws and to act on behalf of the District with respect to all matters pertaining to CSRMA.

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