

December 9, 2004

Honorable Mayor and Members of
The Hermosa Beach City Council

Regular Meeting of
December 14, 2004

Adoption of a Resolution Amending the ICRMA Joint Exercise of Powers Agreement

Recommendation:

That the City Council adopt the attached resolution amending the Joint Exercise of Powers Agreement with the Independent Cities Risk Management Authority (ICRMA) and Confirming Appointed Delegates.

Background:

The Independent Cities Risk Management Authority (ICRMA) is a pool of 30 cities that are joined in agreement to share in the costs of purchasing and funding excess insurance and risk management services. The City of Hermosa Beach is a member of ICRMA for the purchase of excess liability, workers' compensation, and property insurance. In addition to excess insurance, ICRMA provides training and a variety of risk management services. The Governing Board is made up of a representative from each member city. An elected representative serves as the primary representative with staff members typically serving as alternates and substitute alternates. Currently, City Council Member Edgerton is the designated representative, the Personnel & Risk Management Director is the alternate representative and the Finance Director is the substitute alternate representative.

Analysis:

The Joint Exercise of Powers Agreement for Insurance and Risk Management Purposes ("JPA") was last amended in 1998. Since then, the Certificates of Participation ("COP") have been retired and, due to the creation of JPA Bylaws, other changes are necessary to reflect the manner in which the ICRMA conducts its business. The ICRMA Governing Board, at its meeting on October 13, 2004, approved a Fifth Amended JPA which deletes references to the COP and makes other changes as shown on the "Comparison of 1998 Joint Powers Agreement and October 2004 Amended Joint Powers Agreement," which accompanies this report. The Fifth Amended JPA will become effective after it is approved by two-thirds of the ICRMA members. The ICRMA Governing Board is requesting that this City Council approve the amended JPA by adopting the Resolution which accompanies this staff report. It would also be appropriate to reconfirm this City's appointees to the ICRMA Governing Board. The Governing Board provides policy direction for all of the ICRMA committees and, among its duties, appoints the General Manager, admits, sanctions and expels members, adopts the budget, approves and amends Program Bylaws, establishes, amends and terminates programs, approves the Memorandum of Coverage, elects members to committees, settles claims and approves dissolution of ICRMA.

Fiscal Impact:

There is no additional fiscal impact to the proposed changes.

Respectfully Submitted,

Concur:

Michael A. Earl, Director
Personnel & Risk Management

Stephen Burrell
City Manager



Comparison of
JEOPA 2004 Amendr



Bylaws FINAL AS
APPROVED BY THE C

RESOLUTION NO. _____

A RESOLUTION OF THE HERMOSA BEACH CITY COUNCIL
APPROVING THE FIFTH AMENDMENT TO THE JOINT EXERCISE OF
POWERS AGREEMENT FOR INSURANCE AND RISK MANAGEMENT
PURPOSES AND APPOINTING REPRESENTATIVES TO THE
INDEPENDENT CITIES RISK MANAGEMENT AUTHORITY'S
GOVERNING BOARD AND ITS SEPARATE RISK MANAGEMENT
PROGRAMS

WHEREAS the City of Hermosa Beach is a member of the Independent Cities Risk Management Authority ("ICRMA") and a signatory to its Joint Exercise of Powers Agreement for Insurance and Risk Management Purposes ("JPA"); and

WHEREAS the original JPA provided for the issuance of Certificates of Participation ("COP") which have been retired and contained other provisions for the governance of ICRMA; and

WHEREAS the ICRMA's Governing Board has approved a Fifth Amendment to the JPA ("Fifth Amended JPA") which deletes references to the COP and makes other changes to the JPA as shown on the "Comparison of 1998 Joint Powers Agreement and October 2004 Amended Joint Powers Agreement" which has been provided to this City Council along with a staff report; and

WHEREAS, the Fifth Amended JPA will become effective upon approval by the city councils of two-thirds of the ICRMA members; and

WHEREAS, the Fifth Amended JPA and the individual risk management program bylaws require the City Council to appoint an elected official to serve as the designated representative on the ICRMA Governing Board along with an alternate and substitute alternate if the City determines to do so.

NOW, THEREFORE, the City Council of the City of Hermosa Beach does hereby find, determine and declare as follows:

1. This City Council does approve the Fifth Amendment to the JPA as recommended for approval by the ICRMA Governing Board and as presented to this City Council;
2. The City Council does hereby appoint Councilmember Sam Y. Edgerton to serve as the primary Governing Board representative and the Director of Personnel & Risk Management and the Director of Finance to serve as the alternate and substitute alternate representatives respectively. These persons shall also act as the City's representatives to the individual Risk Management Programs in which this City participates.

RESOLVED, FURTHER that the appointed city representatives are authorized and empowered to take such action as is deemed appropriate, as provided in the Fifth Amended JPA and the ICRMA Bylaws and the bylaws of the separate Risk Management Programs and such decision(s) shall be binding upon this City.

RESOLVED, FURTHER, that the City Clerk shall certify to the adoption of this resolution and the same shall be in full force and effect.

RESOLVED, FURTHER, that a certified copy of this resolution shall be forwarded to the ICRMA, to the attention of its General Manager.

PASSED, APPROVED AND ADOPTED THIS _____ DAY OF December, 2004.

MAYOR, CITY OF _____

ATTEST:

CITY CLERK