

**INTERLOCAL AGREEMENT: CREATING PRE-MEMBERSHIP CONDITIONS  
BETWEEN WASHINGTON CITIES INSURANCE AUTHORITY AND THE  
CITY OF SEQUIM**

THIS AGREEMENT, made pursuant Chapter 39.34 RCW, is made and entered into in the State of Washington by and among Washington Cities Insurance Authority, a quasi-municipal corporation organized and existing under the Constitution and laws of the State of Washington, Chapter 48.62 RCW, hereinafter referred to as WCIA, and the **City of Sequim**, a municipal corporation existing under the Constitution and laws of the State of Washington, hereinafter referred to as "Entity" who are the parties signatory to this Agreement. Washington Cities Insurance Authority and the **City of Sequim** are sometimes referred to herein as "parties".

**RECITALS**

WHEREAS, the **City of Sequim** desires and is committed to taking all steps necessary to become a Full Member of WCIA, as membership is defined by WAC 82-60-020(18(a), (b), (c)) as now exists or hereinafter is amended and as defined by the foundational Interlocal Agreement creating Washington Cities Insurance Authority, and;

WHEREAS, the **City of Sequim** has applied for membership in WCIA and is committed to becoming a Full Member, if approved for membership by WCIA, on the date of **January 1, 2019** at 12:01 a.m. and;

WHEREAS, WCIA is desirous and committed to taking and completing all necessary steps to evaluate the **City of Sequim** for Full Membership in WCIA and to prepare the **City of Sequim** for Full Membership in WCIA starting on the date of **January 1, 2019** at 12:01 a.m., and;

WHEREAS, it appears economically feasible and mutually beneficial for the parties to this Agreement to take all steps reasonably necessary to evaluate the **City of Sequim** for Full Membership in WCIA and to prepare said entity for Full Membership on the date of **January 1, 2019** at 12:01 a.m.;

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

**I. Covenants.**

- a. The **City of Sequim** hereby formally applies to Washington Cities Insurance Authority to become a Full Member of WCIA to participate in its joint self-insurance and risk sharing programs and receive its full membership benefits including orientation, risk management training, and consulting services and all other support services offered to Full Members of WCIA starting on the date of **January 1, 2019** at 12:01 a.m., if so approved by the governing body of WCIA.
- b. The Entity hereby agrees to give all necessary written notice to any insuring or self insuring pooling organization to which the Entity is currently a member or

subscriber that it intends to end its current liability insuring or self insuring Entity membership so as to allow the Entity to become a Full Member of WCIA on the effective date cited above, if so approved by WCIA.

- c. The Entity agrees to provide full and open access to its records and claim history so as to allow WCIA to properly evaluate the entity's risk profile for prospective membership in WCIA.
- d. The Entity agrees to accept and complete all recommended pre-membership orientation, risk management training, and consulting services as specified by WCIA and to reimburse WCIA the reasonable cost of any such services provided within sixty (60) days of being billed for the same if the Entity's full membership in WCIA is rejected or if the Entity declines to sign the "appendix" to the foundation Interlocal Agreement creating WCIA when offered Full Membership.
- e. The Entity agrees that if its Full Membership in WCIA is approved by its governing body it will, through its authorized officer, sign via appendix the foundational Interlocal Agreement creating WCIA and thereby become a full participating Member of WCIA as of the effective date of **January 1, 2019** at 12:01 a.m. Thereafter, the Entity agrees to be fully bound by all of the terms and conditions and benefits of full WCIA membership including, but not limited to those specified in the Interlocal Agreement creating WCIA, the WCIA Bylaws and Joint Protection Program documents.
- f. WCIA agrees to perform a full, fair and prompt evaluation of the **City of Sequim's** qualifications for membership with WCIA and to deliver a final decision accepting or rejecting the Entity for membership no later than sixty (60) days prior than the proposed effective date of membership stated above. At the same time, if WCIA accepts the Entity for membership, it will state in its acceptance the proposed initial assessment the Entity will be required to pay for the Entity's initial membership.
- g. WCIA agrees to provide all necessary orientation, risk management training and consulting services to the **City of Sequim** and its officers, employees and elected officials as necessary to prepare the **City of Sequim** for Full Membership in WCIA.
- h. This pre-membership agreement shall become effective on the date that it has been signed by both parties authorized representatives as indicated below.

## **II. Amendments.**

This Agreement may be amended at any time only by the written approval of all the parties signatory to it.

**III. Agreement Complete.**

The foregoing constitutes the full and complete agreement of the parties. There are no oral understandings or agreements not set forth in writing herein.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement by signature of the authorized officials thereof on the date indicated below their signatures.



\_\_\_\_\_  
For and on behalf of the **City of Sequim**  
Charles P. Bush, City Manager

Dated this 26<sup>th</sup> day of March, 2018.



\_\_\_\_\_  
For and on behalf of Washington Cities Insurance Authority  
Ann Bennett, Executive Director of WCIA

Dated this 30<sup>th</sup> day of March, 2018.

This document is to be recorded at the Clallam County Auditor Office or posted on the Entity's website pursuant to RCW 39.34.040.



Insurance Authority

P.O. Box 88030

Tukwila, WA 98138

March 12, 2018

Phone: 206-575-6046

Fax: 206-575-7426

Sue Hagener  
Director of Administrative Services  
City of Sequim  
PO Box 1087  
Sequim, WA 98382

RE: WCIA/Sequim Pre-membership and Membership Interlocal Agreements

Dear Ms. Hagener:

The WCIA Executive Committee approved the City of Sequim's request for pre-membership and membership at its meeting on March 9, 2018. Enclosed is the Interlocal Agreement Creating Pre-membership Conditions and Appendix 141-18 to the WCIA Interlocal Agreement.

Please have the two documents executed and return one of each original signed document to WCIA as follows:

WCIA  
Attention: Michele Neumann  
PO Box 88030  
Tukwila, WA 98138

Sincerely,

A handwritten signature in blue ink that reads "Michele Neumann".

Michele Neumann  
Administrative Services Assistant

Enclosures

**APPENDIX 141-18 TO INTERLOCAL AGREEMENT  
CREATING THE WASHINGTON CITIES  
INSURANCE AUTHORITY**

WHEREAS, in 1980 the Cities of Mercer Island, Mountlake Terrace, Olympia, Kirkland, Marysville, Lacey, Kent, Everett and Des Moines did enter into and sign an Interlocal Agreement, as authorized by CH 48.62 RCW, for the creation of and operation of a liability self-insurance pool for the mutual protection and benefit of said entities known as the Puget Sound Cities Interlocal Insurance Authority; and,

WHEREAS, on March 13, 1986, the Board of Directors of the Authority did pass a motion to change the name to Washington Cities Insurance Authority. Said change is also ratified by new members; and,

WHEREAS, the above referenced Interlocal Agreement provides in Article 19 for the addition of new members to said Authority after one year of operation as determined by vote of the Board of Directors of said Authority; and,

WHEREAS, Article IV, Section 8 of the By-Laws of the Washington Cities Insurance Authority provides the procedure for the admission of new members to said Authority; and,

WHEREAS, on **March 9, 2018**, the Executive Committee of the Washington Cities Insurance Authority did pass a motion authorizing and inviting **City of Sequim** to become a new member of said Authority; and,

WHEREAS, **City of Sequim** by decision of its respective legislative and executive authorities, has decided to become a new member to the Washington Cities Insurance Authority commencing on **January 1, 2019**;

NOW THEREFORE, for and in consideration of all of the mutual benefits, covenants, and agreements contained herein, **City of Sequim** by signature of its respective authorized representative to this **APPENDIX 141-18** to the original Interlocal Agreement, do hereby agree to be bound to all the terms, conditions, and covenants of the original Interlocal Agreement creating the Washington Cities Insurance Authority and all

previous appendixes, which are incorporated by reference herein and to become members of said Authority commencing at **12:01 a.m. on January 1, 2019.**

The new member whose representative signs this **APPENDIX 141-18** agree that they shall be bound to the original Interlocal Agreement and all previous appendixes, and to which the **APPENDIX 141-18** is attached; and further agree that they shall be bound by all provisions and terms of the By-Laws for the Washington Cities Insurance Authority as they now exist or may be amended in the future. The new member whose representative signs this agreement shall have the benefits of the Joint Protection Programs and obligations thereto as provided by the Washington Cities Insurance Authority commencing at **12:01 a.m., January 1, 2019.**

IN WITNESS WHEREOF, the party hereto has executed this **APPENDIX 141-18** to the Interlocal Agreement creating the Washington Cities Insurance Authority by authorized official thereof, on the date indicated below.

DATE: 9/25/18 BY: David Martin

TITLE: Acting city manager

ATTEST: [Signature]

DATE: 9/25/18