



TOWN OF DISCOVERY BAY CSD

President - Kevin Graves • Vice-President - Mark Simon • Director - Brian Dawson • Director -- Chris Steele • Director - Ray Tetreault

**NOTICE, CALL AND AGENDA OF A SPECIAL MEETING
OF THE BOARD OF DIRECTORS OF THE
TOWN OF DISCOVERY BAY CSD
Monday December 20, 2010
1800 Willow Lake Road, Discovery Bay, California
Website address: www.todb.ca.gov**

REGULAR MEETING at 7:00p.m.

A. ROLL CALL

1. Call business meeting to order 7:00p.m.
2. Pledge of Allegiance

B. PUBLIC COMMENTS (Public Comments will be limited to a 3-minute time limit)

The public may address the Board on any issue in the District's jurisdiction, which is not on the agenda. The public may comment on any item on the agenda at the time that item is taken up. Any person wishing to speak must come up and speak from the podium. There will be no dialog between the Board and the commenter. Any clarifying questions from the Board must go through the Chair.

C. CONSENT CALENDAR

1. Employee Medical Coverage Implementation Documents

D. ADJOURNMENT

Adjourn to next Regular meeting of January 5, 2011 starting at 7:00pm at 1800 Willow Lake Road-Located in back of the Delta Community Presbyterian Church.

"This agenda shall be made available upon request in alternative formats to persons with a disability, as required by the American with Disabilities Act of 1990 (42 U.S.C. § 12132) and the Ralph M. Brown Act (California Government Code § 54954.2). Persons requesting a disability related modification or accommodation in order to participate in the meeting should contact the Town of Discovery Bay, at (925)634-1131, during regular business hours, at least twenty-four hours prior to the time of the meeting."

"Materials related to an item on the Agenda submitted to the Town of Discovery Bay CSD after distribution of the agenda packet are available for public inspection in the District Office located at 1800 Willow Lake Road during normal business hours."



Town of Discovery Bay CSD

AGENDA REPORT

Meeting Date

December 20, 2010

Prepared By: Rick Howard, General Manager
Submitted By: Rick Howard, General Manager *RH*

Agenda Title

Employee Medical Coverage Implementation Documents

Recommended Action

1. Authorize agreements between the Special District Risk Management Authority (SDRMA) and the Town of Discovery Bay CSD, and authorize the President of the Board to execute the necessary documents approving participation in SDRMA's medical and ancillary employee benefits program; and
2. Approving the Form of and Authorizing The Execution of a Memorandum of Understanding and Authorizing Participation in the Special District Risk Management Authority's Medical Benefits Program; and
3. Approving the Form of and Authorizing the Execution of a Memorandum of Understanding and Authorizing Participation in the Special District Risk Management Authority's Health Benefits Ancillary Coverage Program.

Executive Summary

On November 17, 2010 the Town of Discovery Bay CSD Board of Directors authorized participation in Special District Risk Management Authority's Medical Benefits Program for District employees.

The SDRMA is a not-for-profit public agency formed under California Government Code Section 6500 et seq. and provides a full-service risk management program for California's local governments. SDRMA provides its members (the TODBCSD is a member) comprehensive liability protection coverage in many areas, including workers' compensation, general liability, and employee medical coverage, as well as a wide variety of other coverage.

SDRMA notified the District on December 15, 2010 that our application for medical coverage had been approved by their underwriters and that it would be necessary to adopt the attached resolutions and approve the necessary paperwork in order to facilitate a January 1, 2011 effective date. The resolution and agreements for the "Ancillary" coverage – Dental and Vision – will not become effective until SDRMA underwriting has finalized their review. It is expected that the dental and vision coverage will be effective February 1, 2011.

Fiscal Impact:

Amount Requested \$

Sufficient Budgeted Funds Available?: Current budget includes \$52,500 for employee medical coverage.

Prog/Fund # Category: Pers. Optg. Cap. -or- CIP# Fund#

Previous Relevant Board Actions for This Item

November 17, 2010 Approval of Participation in SDRMA Medical Program
October 20, 2010 and November 3, 2010 Closed Sessions.

Attachments

SDRMA Authorization forms; Resolution 2010-21 and Resolution 2010-22.

AGENDA ITEM: C-1



MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding (hereafter "MEMORANDUM") is entered into by and between the Special District Risk Management Authority (hereafter "SDRMA") and the participating public entity (hereafter "ENTITY") who is signatory to this MEMORANDUM.

Recitals

WHEREAS, on August 1, 2006, SDRMA was appointed administrator for the purpose of enrolling small public entities typically having 250 or less employees into the California State Association of Counties - Excess Insurance Authority ("CSAC-EIA Health") Health's Small Group Medical Benefits Program (hereinafter "PROGRAM").

WHEREAS, the terms and conditions of the PROGRAM as well as benefit coverage, rates, assessments, and premiums are governed by CSAC-EIA Health Committee for the PROGRAM (the "COMMITTEE") and not SDRMA.

WHEREAS, ENTITY desires to enroll and participate in the PROGRAM.

NOW THEREFORE, SDRMA and ENTITY agree as follows:

1. **PURPOSE.** ENTITY is signatory to this MEMORANDUM for the express purpose of enrolling in the PROGRAM.
2. **INITIAL COMMITMENT PERIOD.** ENTITY understands and acknowledges that it is required to remain in the PROGRAM for a period of at least three (3) full years as a condition to participation in the PROGRAM (the "INITIAL COMMITMENT PERIOD").
3. **ENTRY INTO PROGRAM.** ENTITY shall enroll in the PROGRAM by making application through SDRMA which shall be subject to approval by the PROGRAM's Underwriter and governing documents and in accordance with applicable eligibility guidelines.
4. **MAINTENANCE OF EFFORT.** PROGRAM is designed to provide an alternative medical benefit solution to all participants of the ENTITY including active and retired employees, dependents and public officials. ENTITY must contribute at least the minimum percentage required by the eligibility requirements. After the INITIAL COMMITMENT PERIOD, ENTITY may discontinue coverage or change the contribution amount for retirees.
5. **PREMIUMS.** ENTITY understands that premiums and rates for the PROGRAM are set by the COMMITTEE. ENTITY will remit monthly premiums based upon rates established for each category of participants and the census of covered employees, dependents and retirees.

Rates for the ENTITY and each category of participant will be determined by the COMMITTEE designated for the PROGRAM based upon advice from their consultants and/or a consulting Benefits Actuary and insurance carriers. In addition, SDRMA will add an administrative fee to premiums and rates set by the COMMITTEE for costs associated with administering the PROGRAM. Rates may vary depending upon factors including, but not limited to, demographic characteristics, loss experience of all public entities participating in the PROGRAM and differences in benefits provided (plan design), if any.
 - a. SDRMA will administer a billing to ENTITY each month, with payments due by the date specified by SDRMA. Payments received after the specified date will accrue penalties. Medical benefit premiums are based on a full month. There are no partial months or prorated premiums.
 - b. ENTITY must send notification of termination of benefits for a covered employee to the PROGRAM and SDRMA by the 15th of the current month to terminate at the end of the month. Otherwise (i.e. notification after the 15th), termination will be as of the end of the following month.
6. **BENEFITS.** Benefits provided to ENTITY participants shall be as set forth in ENTITY's Plan Summary for the PROGRAM and as agreed upon between the ENTITY and its recognized employee organizations as applicable.



7. **COVERAGE DOCUMENTS.** Except as otherwise provided herein, CSAC-EIA Health documents outlining the coverage provided, including terms and conditions of coverage, are controlling with respect to the coverage of the PROGRAM.
8. **PROGRAM FUNDING.** It is the intent of this MEMORANDUM to provide for a fully funded PROGRAM by any or all of the following: pooling risk; purchasing individual stop loss coverage to protect the pool from large claims; and purchasing aggregate stop loss coverage.
9. **ASSESSMENTS.** Should the PROGRAM not be adequately funded for any reason, pro-rata assessments to the ENTITY may be utilized to ensure the approved funding level for applicable policy periods. Any assessments, which are deemed necessary to ensure approved funding levels, shall be made upon the determination and approval of the COMMITTEE in accordance the following:
 - a. Assessments/dividends will be used sparingly. Generally, any over/under funding will be factored into renewal rates.
 - b. If a dividend/assessment is declared, allocation will be based upon each ENTITY's proportional share of total premium paid for the preceding 3 years. ENTITY's must be current participants to receive a dividend except upon termination of the PROGRAM and distribution of assets.
 - c. ENTITY will be liable for assessments for 12 months following withdrawal from the PROGRAM.
 - d. Fund equity will be evaluated on a total program-wide basis as opposed to each year standing on its own.
10. **WITHDRAWAL.** ENTITY may withdraw after their INITIAL COMMITMENT PERIOD (three (3) full year commitment period) and subject to the following condition; ENTITY shall notify SDRMA and the PROGRAM in writing of their intent to withdraw at least 180 days prior to their actual coverage renewal date. ENTITY may rescind its notice of intent to withdraw.
11. **LIAISON WITH SDRMA.** Each ENTITY shall maintain staff to act as liaison with the SDRMA and between the ENTITY and the SDRMA's designated PROGRAM representative.
12. **DISPUTES.** Disputes between the parties related to this MEMORANDUM shall be resolved as follows:
 - a. Mediation Before Litigation. The parties agree that in the event of any dispute by and between them, they shall first attempt to resolve the dispute by way of an informal mediation and if such efforts do not result in a resolution, they may proceed to litigate the claims.
 - b. Selection of Mediator. The mediation shall be held before a neutral mediator having at least 15 years civil business litigation experience or a retired judge. Within ten (10) days of a demand for mediation, the parties shall attempt to mutually select a neutral and qualified mediator. If the parties agree on the selection of the mediator, the mutually selected mediator shall be appointed for the mediation. If the parties are unable to mutually select a qualified mediator, they shall each select a neutral mediator and the two shall then select the third who shall be designated as the parties' neutral mediator for the dispute. Any selected mediator who is unable or unwilling to fulfill his duties may be replaced.
 - c. Time of Mediation. Subject to the mediator's availability, the parties will make best efforts to have the mediation scheduled and held within 45 days of a demand.
 - d. Costs of Mediation. The parties shall split and pay for the fees charged by the mediator equally.
 - e. Confidentiality of Mediation Process. The parties agree that the mediation of the dispute will be an effort to compromise disputed claims and that mediation shall be deemed confidential and no statements made at the mediation can be used against them in the event of future litigation.
 - f. Position Statements. Any party making a demand for mediation shall set forth in their written demand for mediation the factual and legal basis known to them for their claims or dispute and provide copies of any statements, summaries, reports, or documentary information known to them at the time to support their

claims, save and except, privileged or confidential information, which may be withheld. Within thirty (30) days after receipt of a demand for mediation, the recipient shall provide a written response to the claims setting forth the factual and legal basis known to them to support the response or affirmative defenses and also provide copies of any statements, summaries, reports, or documentary information known to them at the time to support the response or affirmative defenses, save and except, privileged or confidential information, which may be withheld. Copies of the position statements and information exchanged between the parties under this provision shall be provided to the mediator in advance of the mediation.

- g. Failure to Participate in Mediation. Any party who fails to participate in the mediation shall waive their right to collect attorney fees herein.
 - h. Exclusions From Mediation. The parties agree that any claim for immediate injunctive relief is specifically excluded from the requirements of mediation. The parties further agree that disputes related to coverage under the PROGRAM are excluded from this provision and shall be governed in accordance with CSAC-EIA Health documents and/or PROGRAM documents.
13. GOVERNING LAW. This MEMORANDUM shall be governed in accordance with the laws of the State of California.
 14. VENUE. Venue for any dispute or enforcement shall be in Sacramento, California.
 15. ATTORNEY FEES. The prevailing party in any dispute shall be entitled to an award of reasonable attorney fees.
 16. COMPLETE AGREEMENT. This MEMORANDUM together with the related PROGRAM documents constitutes the full and complete agreement of the ENTITY.
 17. SEVERABILITY. Should any provision of this MEMORANDUM be judicially determined to be void or unenforceable, such determination shall not affect any remaining provision.
 18. AMENDMENT OF MEMORANDUM. This MEMORANDUM may be amended by the SDRMA Board of Directors and such amendments are subject to approval of ENTITY's signatory to this MEMORANDUM. Any ENTITY who fails or refuses to execute an amendment to this MEMORANDUM shall be deemed to have withdrawn from the PROGRAM on the next annual renewal date.
 19. EFFECTIVE DATE. This MEMORANDUM shall become effective upon the signing of this MEMORANDUM by the ENTITY and Chief Executive Officer or Board President of SDRMA.
 20. EXECUTION IN COUNTERPARTS. This MEMORANDUM may be executed in several counterparts, each of which shall be an original, all of which shall constitute but one and the same instrument.



In Witness Whereof, the undersigned have executed the MEMORANDUM as of the date set forth below.

Dated: _____

By: _____

Special District Risk
Management Authority

Dated: _____

By: _____

J. Kevin Graves, Board President
Town of Discovery Bay Community Services District



MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding (hereafter "MEMORANDUM") is entered into by and between the Special District Risk Management Authority (hereafter "SDRMA") and the participating public entity (hereafter "ENTITY") who is signatory to this MEMORANDUM.

Recitals

WHEREAS, on August 1, 2006, SDRMA was appointed administrator for the purpose of enrolling small public entities typically having 250 or less employees into the California State Association of Counties ("CSAC") Excess Insurance Authority ("EIA") EIAHealth's Small Group Health Benefits Ancillary Coverages Program (hereinafter "PROGRAM").

WHEREAS, the terms and conditions of the PROGRAM as well as benefit coverage, rates, assessments, and premiums are governed by EIAHealth Committee for the PROGRAM (the "COMMITTEE") and not SDRMA.

WHEREAS, ENTITY desires to enroll and participate in the PROGRAM.

NOW THEREFORE, SDRMA and ENTITY agree as follows:

1. **PURPOSE.** ENTITY is signatory to this MEMORANDUM for the express purpose of enrolling in the PROGRAM.
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Rates for the ENTITY and each category of participant will be determined by the COMMITTEE designated for the PROGRAM based upon advice from their consultants and/or a consulting Benefits Actuary and insurance carriers. In addition, SDRMA will add an administrative fee to premiums and rates set by the COMMITTEE for costs associated with administering the PROGRAM. Rates may vary depending upon factors including, but not limited to, demographic characteristics, loss experience of all public entities participating in the PROGRAM and differences in benefits provided (plan design), if any.

- a. SDRMA will administrate a billing to ENTITY each month, with payments due by the date specified by SDRMA. Payments received after the specified date will accrue penalties. Health benefit ancillary coverage premiums are based on a full month. There are no partial months or prorated premiums.
 - b. ENTITY must send notification of termination of ancillary benefits for a covered employee to the PROGRAM and SDRMA by the 15th of the current month to terminate at the end of the month. Otherwise (i.e. notification after the 15th), termination will be as of the end of the following month.
6. **BENEFITS.** Benefits provided to ENTITY participants shall be as set forth in ENTITY's Plan Summary for the PROGRAM and as agreed upon between the ENTITY and its recognized employee organizations as applicable.



7. **COVERAGE DOCUMENTS.** Except as otherwise provided herein, CSAC-EIA Health documents outlining the coverage provided, including terms and conditions of coverage, are controlling with respect to the coverage of the PROGRAM.
8. **PROGRAM FUNDING.** It is the intent of this MEMORANDUM to provide for a fully funded PROGRAM by any or all of the following: pooling risk; purchasing individual stop loss coverage to protect the pool from large claims; and purchasing aggregate stop loss coverage.
9. **ASSESSMENTS.** Should the PROGRAM not be adequately funded for any reason, pro-rata assessments to the ENTITY may be utilized to ensure the approved funding level for applicable policy periods. Any assessments, which are deemed necessary to ensure approved funding levels, shall be made upon the determination and approval of the COMMITTEE in accordance the following:
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 - b. If a dividend/assessment is declared, allocation will be based upon each ENTITY's proportional share of total premium paid for the preceding 3 years. ENTITY's must be current participants to receive a dividend except upon termination of the PROGRAM and distribution of assets.
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 - b. Selection of Mediator. The mediation shall be held before a neutral mediator having at least 15 years civil business litigation experience or a retired judge. Within ten (10) days of a demand for mediation, the parties shall attempt to mutually select a neutral and qualified mediator. If the parties agree on the selection of the mediator, the mutually selected mediator shall be appointed for the mediation. If the parties are unable to mutually select a qualified mediator, they shall each select a neutral mediator and the two shall then select the third who shall be designated as the parties' neutral mediator for the dispute. Any selected mediator who is unable or unwilling to fulfill his duties may be replaced.
 - c. Time of Mediation. Subject to the mediator's availability, the parties will make best efforts to have the mediation scheduled and held within 45 days of a demand.
 - d. Costs of Mediation. The parties shall split and pay for the fees charged by the mediator equally.
 - e. Confidentiality of Mediation Process. The parties agree that the mediation of the dispute will be an effort to compromise disputed claims and that mediation shall be deemed confidential and no statements made at the mediation can be used against them in the event of future litigation.
 - f. Position Statements. Any party making a demand for mediation shall set forth in their written demand for mediation the factual and legal basis known to them for their claims or dispute and provide copies of any statements, summaries, reports, or documentary information known to them at the time to support their

claims, save and except, privileged or confidential information, which may be withheld. Within thirty (30) days after receipt of a demand for mediation, the recipient shall provide a written response to the claims setting forth the factual and legal basis known to them to support the response or affirmative defenses and also provide copies of any statements, summaries, reports, or documentary information known to them at the time to support the response or affirmative defenses, save and except, privileged or confidential information, which may be withheld. Copies of the position statements and information exchanged between the parties under this provision shall be provided to the mediator in advance of the mediation.

- g. Failure to Participate in Mediation. Any party who fails to participate in the mediation shall waive their right to collect attorney fees herein.
 - h. Exclusions From Mediation. The parties agree that any claim for immediate injunctive relief is specifically excluded from the requirements of mediation. The parties further agree that disputes related to coverage under the PROGRAM are excluded from this provision and shall be governed in accordance with CSAC-EIAHealth documents and/or PROGRAM documents.
13. **GOVERNING LAW.** This MEMORANDUM shall be governed in accordance with the laws of the State of California.
 14. **VENUE.** Venue for any dispute or enforcement shall be in Sacramento, California.
 15. **ATTORNEY FEES.** The prevailing party in any dispute shall be entitled to an award of reasonable attorney fees.
 16. **COMPLETE AGREEMENT.** This MEMORANDUM together with the related PROGRAM documents constitutes the full and complete agreement of the ENTITY.
 17. **SEVERABILITY.** Should any provision of this MEMORANDUM be judicially determined to be void or unenforceable, such determination shall not affect any remaining provision.
 18. **AMENDMENT OF MEMORANDUM.** This MEMORANDUM may be amended by the SDRMA Board of Directors and such amendments are subject to approval of ENTITY's signatory to this MEMORANDUM. Any ENTITY who fails or refuses to execute an amendment to this MEMORANDUM shall be deemed to have withdrawn from the PROGRAM on the next annual renewal date.
 19. **EFFECTIVE DATE.** This MEMORANDUM shall become effective upon the signing of this MEMORANDUM by the ENTITY and Chief Executive Officer or Board President of SDRMA.
 20. **EXECUTION IN COUNTERPARTS.** This MEMORANDUM may be executed in several counterparts, each of which shall be an original, all of which shall constitute but one and the same instrument.



In Witness Whereof, the undersigned have executed the MEMORANDUM as of the date set forth below.

Dated: _____

By: _____

Special District Risk
Management Authority

Dated: _____

By: _____

J. Kevin Graves, Board President
Town of Discovery Bay Community Services District



**TOWN OF DISCOVERY BAY
COMMUNITY SERVICES DISTRICT
RESOLUTION NO. 2010-21**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE TOWN OF
DISCOVERY BAY COMMUNITY SERVICES DISTRICT APPROVING THE FORM
OF AND AUTHORIZING THE EXECUTION OF A MEMORANDUM OF
UNDERSTANDING AND AUTHORIZING PARTICIPATION IN THE
SPECIAL DISTRICT RISK MANAGEMENT AUTHORITY'S
MEDICAL BENEFITS PROGRAM**

WHEREAS, the Town of Discovery Bay Community Services District, a public agency duly organized and existing under and by virtue of the laws of the State of California (the "Entity"), has determined that it is in the best interest and to the advantage of the Entity to participate in Medical Benefits offered by the Special District Risk Management Authority (the "Authority"); and the Entity understands a condition of participation in Medical Benefits is a minimum of three (3) full years; and

WHEREAS, Special District Risk Management Authority was formed in 1986 in accordance with the provisions of California Government Code 6500 *et seq.*, for the purpose of providing risk financing and risk management programs; and other coverage protection programs; and

WHEREAS, participation in Special District Risk Management Authority programs requires the Entity to execute and enter into a Memorandum of Understanding (the "MOU"); which states the purpose and participation requirements for Medical Benefits; and

WHEREAS, all acts, conditions and things required by the laws of the State of California to exist, to have happened and to have been performed precedent to and in connection with the consummation of the transactions authorized hereby do exist, have happened and have been performed in regular and due time, form and manner as required by law, and the Entity is now duly authorized and empowered, pursuant to each and every requirement of law, to consummate such transactions for the purpose, in the manner and upon the terms herein provided.

**NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE ENTITY
AS FOLLOWS:**

Section 1. Findings. The Entity's Governing Body hereby specifically finds and determines that the actions authorized hereby relate to the public affairs of the Entity.

Section 2. Memorandum of Understanding. The Memorandum of Understanding, to be executed and entered into by and between the Entity and the Special District Risk Management Authority, in the form presented at this meeting and on file with the Entity's Secretary, is hereby approved. The Entity's Governing Body and/or Authorized Officers ("The Authorized Officers") are hereby authorized and directed, for and in the name and on behalf of the Entity, to execute and deliver to the Authority the Memorandum of Understanding.

Resolution 2010-21 (Continued)

Section 3. Program Participation. The Entity's Governing Body approves participating for a minimum of three (3) full years in Special District Risk Management Authority Medical Benefits.

Section 4. Other Actions. The Authorized Officers of the Entity are each hereby authorized and directed to execute and deliver any and all documents which is necessary in order to consummate the transactions authorized hereby and all such actions heretofore taken by such officers are hereby ratified, confirmed and approved.

Section 5. Effective Date. This resolution shall take effect immediately upon its passage.

PASSED AND ADOPTED this 20th day of December 2010 by the following vote:

J. Kevin Graves
Board President

I hereby certify that the foregoing Resolution was duly adopted by the Board of Directors of the Town of Discovery Bay Community Services District at a regularly scheduled meeting, held on December 20, 2010, by the following vote of the Board:

AYES:
NOES:
ABSENT:
ABSTAIN:

Richard J. Howard
Board Secretary



**TOWN OF DISCOVERY BAY
COMMUNITY SERVICES DISTRICT
RESOLUTION NO. 2010-22**

**A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT
APPROVING THE FORM OF AND AUTHORIZING THE EXECUTION OF A
MEMORANDUM OF UNDERSTANDING AND AUTHORIZING PARTICIPATION IN
THE SPECIAL DISTRICT RISK MANAGEMENT AUTHORITY'S
HEALTH BENEFITS ANCILLARY COVERAGES**

WHEREAS, The Town of Discovery Bay Community Services District, a public agency duly organized and existing under and by virtue of the laws of the State of California (the "Entity"), has determined that it is in the best interest and to the advantage of the Entity to participate in Health Benefits Ancillary Coverages offered by the Special District Risk Management Authority (the "Authority"); and the Entity understands a condition of participation in Health Benefits Ancillary Coverages is a minimum of three (3) full years; and

WHEREAS, Special District Risk Management Authority was formed in 1986 in accordance with the provisions of California Government Code 6500 *et seq.*, for the purpose of providing risk financing and risk management programs; and other coverage protection programs; and

WHEREAS, participation in Special District Risk Management Authority programs requires the Entity to execute and enter into a Memorandum of Understanding (the "MOU"); which states the purpose and participation requirements for Health Benefits Ancillary Coverages; and

WHEREAS, all acts, conditions and things required by the laws of the State of California to exist, to have happened and to have been performed precedent to and in connection with the consummation of the transactions authorized hereby do exist, have happened and have been performed in regular and due time, form and manner as required by law, and the Entity is now duly authorized and empowered, pursuant to each and every requirement of law, to consummate such transactions for the purpose, in the manner and upon the terms herein provided.

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE ENTITY AS FOLLOWS:

Section 1. Findings. The Entity's Governing Body hereby specifically finds and determines that the actions authorized hereby relate to the public affairs of the Entity.

Section 2. Memorandum of Understanding. The Memorandum of Understanding, to be executed and entered into by and between the Entity and the Special District Risk Management Authority, in the form presented at this meeting and on file with the Entity's Secretary, is hereby approved. The Entity's Governing Body and/or Authorized Officers ("The Authorized Officers") are hereby authorized and directed, for and in the name and on behalf of the Entity, to execute and deliver to the Authority the Memorandum of Understanding.

Resolution 2010-22 (Continued)

Section 3. Program Participation. The Entity's Governing Body approves participating for a minimum of three (3) full years in Special District Risk Management Authority Health Benefits Ancillary Coverages.

Section 4. Other Actions. The Authorized Officers of the Entity are each hereby authorized and directed to execute and deliver any and all documents which is necessary in order to consummate the transactions authorized hereby and all such actions heretofore taken by such officers are hereby ratified, confirmed and approved.

Section 5. Effective Date. This resolution shall take effect immediately upon its passage.

PASSED AND ADOPTED this 20th day of December, 2010 by the following vote:

J. Kevin Graves
Board President

I hereby certify that the foregoing Resolution was duly adopted by the Board of Directors of the Town of Discovery Bay Community Services District at a regularly scheduled meeting, held on December 20, 2010, by the following vote of the Board:

AYES:
NOES:
ABSENT:
ABSTAIN:

Richard J. Howard
Board Secretary