

WASHINGTON STATE RISK MANAGEMENT GROUP
Interlocal Agreement

THIS IS AN AGREEMENT entered into among the listed Fire Protection Districts and Fire Authorities listed in Attachment #1. These Fire Districts and Fire Authorities are all Washington State Municipal Corporations. These Fire Districts and Fire Authorities will hereinafter also jointly be referred to simply as "Districts" or singularly as "District."

The title of the Interlocal Agreement shall be the Washington State Risk Management Group (WSRMG).

WHEREAS, RCW 52.12.031 (3) encourages fire districts to contract with one another and with governmental entities to consolidate services partially so that economies of scale may result. Section (4) of this statute encourages fire districts to form associations to promote more economical and efficient operation of their respective districts. Chapter 39.24 RCW is entitled "Interlocal Cooperation Act", the purpose of which, in general, is to permit local governments to cooperate and form agreements with one another on a basis of mutual advantage. RCW 39.34.030 (2) permits two or more public agencies to enter into agreements with one another for their mutual benefit; and

WHEREAS, the Districts seek to form an Association for the following purposes:

1. To consolidate in purchasing insurance coverage for the Districts in order to achieve economies of scale;
2. To provide risk management services for the Districts;
3. To provide for the possible administration of other services already jointly engaged in by the Districts; and
4. To carry on any activities necessary to carry out the objectives and purposes of this Agreement; and

WHEREAS, the purpose of this Agreement is to set forth the specific details of meeting the purpose herein stated.

NOW, THEREFORE, for and in consideration of the foregoing recitals and the promises and covenants of the parties hereinafter set forth, they agree as follows:

1. **Risk Management Association.** The above stated Districts hereby form a joint association (“Association”) for the following purposes:
 - A. To investigate, and procure, if the Association deems it prudent and if approved by the Board of Commissioners of each District, joint insurance coverage and risk management services for the operations of each District or those specific operations for which the obtainment of joint insurance coverage and risk management services would be economically advantageous. Insurance coverage and risk management as contemplated in this agreement shall mean all forms of insurance and risk management obtained under the provisions of this Agreement and permitted by Washington law. If the parties determine to jointly obtain insurance coverage and risk management services pursuant to this agreement, it is their intent to have this coverage take effect on November 1, 2020 at 12:01 AM and annually thereafter on November 1 at 12:01 AM.
 - B. To provide joint risk management services for the Districts as approved by the Board of Commissioners of each District;
 - C. To provide for the possible administration of other services already jointly engaged in by the Districts, as approved by the Board of Commissioners of each District; and
 - D. To carry on any activities necessary to carry out the objectives and purposes of this Agreement as approved by the Board of Commissioners of each District.

It is the overriding intent of this Agreement that all agreed upon actions of the Association be first agreed to by the Board of Commissioners of each District before formally enacted and implemented by the Association. NOTWITHSTANDING ANYTHING TO THE CONTRARY herein, however, the Board of Commissioners for each District named herein hereby delegates to the Association, on an annual basis, the authority to select the insurance agent “Association Agent”, Risk Manager and insurance carrier(s) to represent the Districts, or ratify the existing Association Agent, Risk Manager and insurance carrier(s) previously named.

2. **Association Members/Lead Agency.** The individual Districts named herein stated shall comprise the Association. One individual from each District as selected by each District shall be referred to herein as “Association”. There is no “Lead Agency” for the Association because there are no monies or treasury.

The designated Association member from each District may be replaced from time to time by the District which they represent as each District shall deem prudent and necessary. From its ranks, the Association members, each year, shall select Co-Chairs who shall be in charge of running the Association meetings and a Secretary insuring that an accurate record of each meeting and the decisions made shall be recorded. For matters requiring a vote, each Association member shall be entitled to one vote and a majority vote of the total attending members of the Association shall be required to enact any matter brought up for consideration, subject, however, to the later approval of each District as herein before provided.

Association members shall act at all times in good faith and in a reasonable manner to the end that the purposes of this Agreement shall be met at the best level attainable and for the best price. The primary function of the Association members shall be: to negotiate with the Association Agent, the

Risk Manager, and insurance companies to achieve the best level of insurance service, insurance coverage and risk management services possible at the best possible rate and then to recommend to the Board of Commissioners of each District that each Board ratify and agree to the procurement of joint insurance and risk management, from time to time, as recommended by the Association member; to provide for the possible administration of other services already jointly engaged in by the Districts; and to carry on any activities necessary to carry out the objectives and purposes of this Agreement as approved by the Board of Directors of each District.

As there is no "Lead Agency," the Association Agent and the Risk Manager are hereby designated as responsible for managing the affairs of the Association as directed by the Association including but not limited to providing services for the Association for the purpose of receiving from and sending to Districts stated herein, and third parties with whom the Association deals, all correspondence, insurance and risk management correspondence, billings, all communication, documentation, insurance policies, risk management documents, and insurance endorsements and on behalf of the Association by the Association Agent and Risk Manager to third parties with whom the Association deals.

3. **Association Meetings.** The Association members shall meet at least annually at a time and place determined by the Association Agent, Risk Manager and Co-Chairs or by a majority of the Association members and the Districts shall be notified sixty (60) days in advance when possible. Each District shall have one vote. A quorum is defined as 51% of the total membership being in attendance. There shall be no proxy voting. The Association Agent, Risk Manager, and insurance company(s) shall have no vote in any matter before the Association.

The Association shall review the terms of this Agreement, and if they agree any changes are in order, they shall recommend those changes to their respective Boards of Commissioners. Meetings shall be held in compliance with Washington's Public Open Meetings Act.

WSRMG membership territories include 4 (four) "Hubs" (Attachment #2), utilized for meetings, risk management classes and training. Hub 1 represents North WSRMG, Hub 2 represents Central WSRMG, Hub 3 represents East WSRMG, and Hub 4 represents Western WSRMG.

4. **Term and Withdrawal.** The term of this Agreement shall be on a year to year basis tied to the annual insurance policy time period (now November 1 through October 31), continuing indefinitely, but any District may withdraw with **advance notice** in writing of their withdrawal from the Agreement and Association that is received by the Association Agent **prior to 120 days** of the insurance policy renewal effective date (November 1). However if notice is received by the Association Agent **120 days** or less in advance of the insurance policy renewal effective date (November 1), that District shall be responsible and shall be liable for their full annual premium costs (as determined in Section 6) for the insurance policy renewal and insurance endorsements for the renewal effective date and shall be responsible for any and all expenses, legal fees and costs that may apply.
5. **Notices.** All notices to the Association called for herein shall be in writing and submitted to the Association Agent first by Email then concurrently by certified mail, return receipt requested, unless personal service is achieved. Service shall be deemed complete three (3) days after notice is sent through the U.S. mail or on the day of personal service with the receiving party signing a receipt

therefor. All notices shall be directed to the Association Agent at the Association Agent's mailing address and subsequently provide by written notice to the Association.

6. **Payment for Insurance Premiums.** It is recognized the total cost for insurance and risk management services for each District is different and will continue to be different. After determining the total cost of insurance premium and risk management services, the Association members shall, with the aid of the Association Agent, Risk Manager and insurance company selected to provide insurance and risk management services, determine the allocation of the insurance and risk management costs to each District.

The Association members shall then report back to the respective Board of Commissioners for each District regarding the total insurance premium and risk management cost to that District, and the Board for each District shall then make provision for payment of the insurance premium and risk services cost attributed to it. Each District shall be solely responsible for payment of any and all insurance premiums and risk management services attributed to it and shall hold the other Districts harmless from payment therefor. After determination has been made and accepted by each respective District regarding its insurance premium and risk management services billing obligations, that District shall make provision for the prompt payment to the Association Agent.

7. **Hold Harmless Provision.** No District shall be liable in any manner whatsoever for any liability arising through the acts or omissions of another District ("committing District"), or any property damage arising through the acts or omissions of the committing District, and the committing District's agents, employees and representatives, and the committing District shall hold the Districts not involved in the liability or property damage event harmless from any and all liability arising therefrom, including all expenses, legal costs and legal fees associated therewith.

No party hereto shall be deemed an agent of any other party, and each District agrees to assume responsibility for all liabilities that occur or arise in any way out of the performance of this Agreement by its personnel only and to save and hold the other Districts, their employees and officials, harmless from all the costs, expenses, losses and damages, including the cost of defense, incurred as a result of acts or omission of the committing District's employees relating to the performance of this Agreement.

8. **Insurance Deductibles.** In the event of an insured loss by a District, that District shall be solely responsible for any deductibles in the coverage provided for its property, equipment, operations and other items covered by the policy.
9. **Uninsured Loss.** In the event a District shall sustain a claim, loss or become a party to litigation that is excluded from coverage under the insurance policy or exceeds the policy coverage limit, that District shall be solely responsible for the cost of processing the uninsured claim, litigation expenses if the insurance carrier does not defend, and uninsured damages, and to pay any and all said sum for which it is liable that are not paid by the insurance carrier.

10. **Risk Management Provisions.**

- A. Each District shall provide to the Association Agent as requested by the Association Agent and Risk Manager the following information:

- (1) Complete descriptions of all stations or other structures owned or leased by the District. The descriptions shall include all information necessary to obtain a rating for insurance coverage of the structures and their contents.
- (2) A complete description of all vehicles owned or leased by the District including the make, model, year of manufacture, replacement cost and nature of equipment carried on each vehicle, Water GPM and Water Gallon Capacity carried on each vehicle.
- (3) A complete inventory as requested by the Association Agent and insurance carrier of all equipment maintained by the District and the location of the equipment.
- (4) A description of the services provided by the District to the public within its jurisdiction. Supply the Association Agent with annual call volume for Aid Calls, Emergency Transports, and Fire in the District responsible territory. (Do not include Mutual Aid)
- (5) A list of all paid and volunteer office administration, paid career and volunteer personnel of the District. A roster including all personnel including position held, date of birth, gender and full legal name.
- (6) A copy of all contracts, including Mutual Aid Agreements, the District is a party to that provide for either the supplying or receiving of services by the District.
- (7) A copy of all District lease agreements.
- (8) Relevant loss history information.
- (9) Any underwriting information required by the Association Agent, Risk Manager and insurance carrier.
- (10) Annual Emergency Service Organization Forms.

B. The Association Agent, Risk Manager and Association shall determine the insurance coverage to be provided each District and shall provide risk management services to each District.

11. **Admitting Additional Districts.** Additional Districts may be added as parties to this Agreement from time to time upon unanimous approval of all Districts already a party to this Agreement, and upon the "additional District(s)" signing a statement agreeing to be bound by the terms of this Agreement, and all decisions made as a result of this Agreement. As additional districts are added, meeting quorum requirements shall be adjusted accordingly with the addition of one Association member for each newly admitted District.

Pre-approval authority for mid-term District additions to the Agreement and Association is granted to the Association Agent and Risk Manager of the Districts following the "Passbook" for eligibility (Attachment #3), evaluated by the Association Agent and Risk Manager that the prospect District meets at least the minimum requirements of the Passbook and additional underwriting requirements needed for insurance company rating.

12. **Property Ownership.** The Agreement does not provide for jointly owned property. All property presently owned or hereafter acquired by any District under this agreement, shall remain the property of that District in the event of the termination of this agreement.
13. **Severability.** If any provision of this Agreement or its application is held invalid, the remainder of the Agreement or the application of the remainder of the Agreement shall not be affected.
14. **Benefits.** This Agreement is entered into for the benefit of the parties to this Agreement only and shall confer no benefits direct or implied on any third parties.
15. **Complete Agreement.** This Agreement represents the entire Agreement between the Districts regarding the matters contained herein. No change, termination or attempted waiver of any of the provisions of this Agreement shall be binding on any of the Districts unless executed in writing by authorized representatives of each of the Districts. This Agreement shall not be modified, supplemented or otherwise affected by the course of dealing between the Districts.
16. **Cooperation/Interpretation.** These Districts and their respective Association members shall seek to fully and completely cooperate with one another in good faith at all times so the terms and spirit of this Agreement may be fully implemented. All Districts have had the ability to equally participate in and negotiate the terms of this Agreement. This Agreement shall be provided with a reasonable interpretation and not weighted in favor or against any District.
17. **Agreement Approval.** The terms of this Agreement were acted upon and approved by the Board of Commissioners for each district at their respective public meeting pursuant to the attached dated signature page for each District.

As a condition precedent to this agreement taking effect, each of the Districts must duly execute this agreement by no later than sixty days from the date of the first signature appearing hereon.

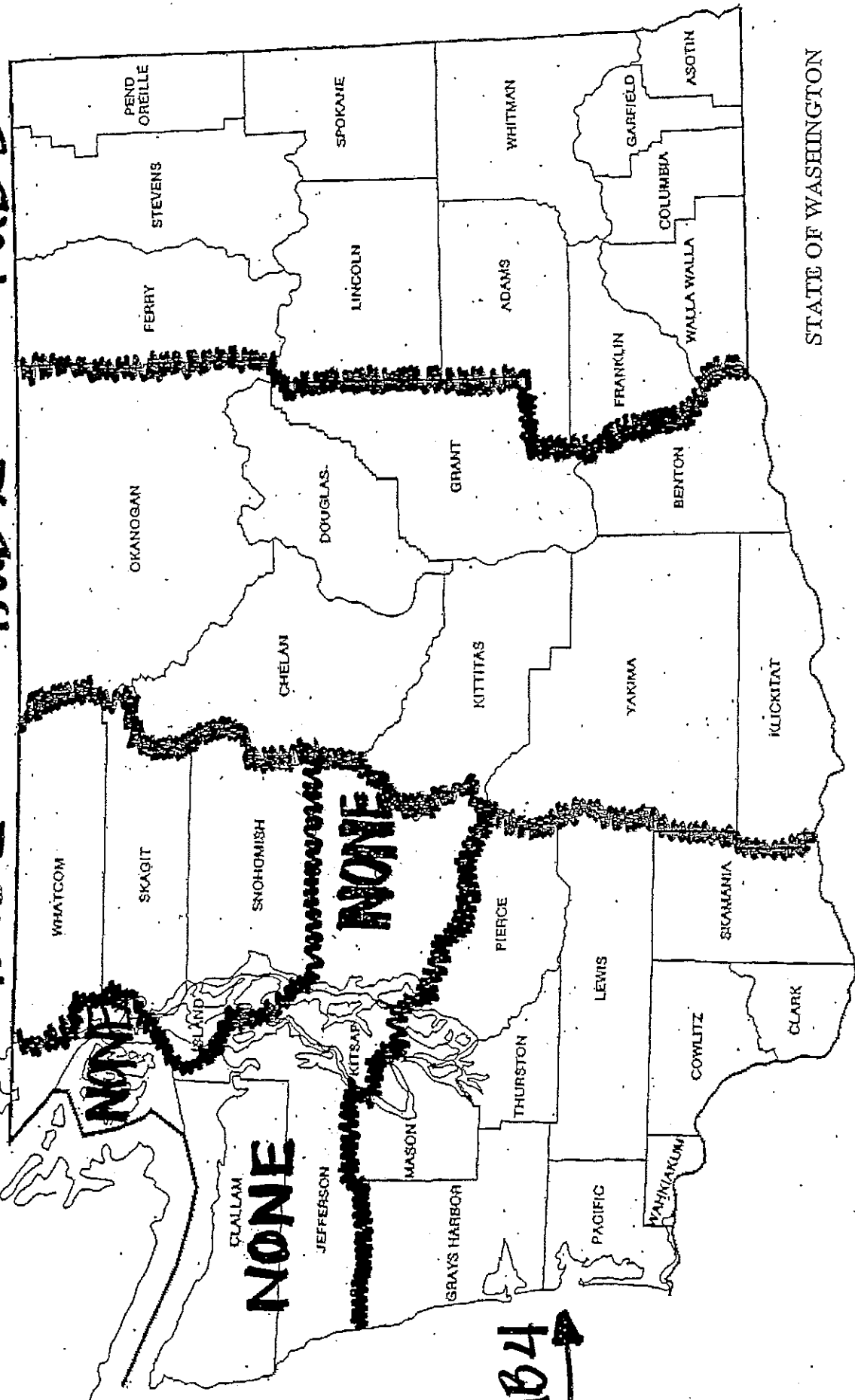
18. **Counterparts.** This Agreement may be executed in any number of counterparts, and each and all counterparts together shall constitute one and only one agreement. This Agreement contains the entire agreement of the parties, and supersedes any previous agreements they may have made with regard to the subject matter of this Agreement, whether orally or in writing.
19. **Recordation of Agreement.** Pursuant to RCW 39.34.040, after this agreement has been fully executed by all parties, but before it is to take effect, it shall be recorded including all attachments with the Lewis County Auditor and the Secretary of State for the State of Washington.

Attachment #1
Districts

- Cowlitz Co FPD 3, Cowlitz 3 Fire & Rescue
- Grays Harbor Co FPD 6
- Grays Harbor Co FPD 16
- Interlocal of Lewis County, Lewis County Interlocal Organization, Lewis County Medic 1
- Kittitas Co FPD 2, Kittitas Valley Fire and Rescue
- Lewis Co FPD 1
- Lewis Co FPD 4
- Lewis Co FPD 6
- Lewis Co FPD 9
- Lewis Co FPD 11
- Lewis Co FPD 14
- Lewis Co FPD 15
- Lewis Co FPD 16
- Lewis Co FPD 18
- Lincoln Co FPD 1
- Mason Co FPD 12
- Mason Co FPD 13
- Mason Co FPD 16, West Mason Fire
- Riverside Fire Authority
- Skagit Co FPD 2
- Skagit Co FPD 3
- Skagit Co FPD 14, Alger Fire Dept.
- Spokane Co FPD 8
- Spokane Co FDP 11
- Stevens Co FPD 6, Kettle Falls Fire 6
- Thurston Co FPD 13, Griffin Fire Dept.
- Wahkiakum Co FPD 1
- Wahkiakum Co FPD 3, Grays River Fire Dept.
- Wahkiakum Co FPD 4
- Walla Walla Co FPD 8
- Whatcom Co FPD 16

ATTACHMENT #2

HUB 1 HUB 2 HUB 3



HUB 4

Attachment # 3

Passbook for new prospect eligibility at least the following data

1. Five (5) years prior to application, insurance company prepared hard copy of client claims report with details of claims shown in report.
 - a. The District may attach an additional information page to identify what preventions were put in place to reduce the repeat of the claim.
2. Five (5) years Premium paid for their full insurance package on district letterhead along with declaration insurance pages of the immediate prior to application
3. Provide their written guidelines describing the process to choose drivers for all of their apparatus
4. Provide in writing how often they provide EVTP training for the personnel, how they identify certified drivers and the number of remaining uncertified drivers
5. Provide in writing how often is the driver training "Rodeo" provided to personnel?
6. Provide in writing how the agency obtain motor vehicle reports (MVR) for their members.
7. Provide the guideline for their membership how and when to report new MVR activity.
8. Include pictures of each district *insured* building at corner, showing 2-sides, close enough to show foundations, roof and bays. Include ages of each building.
9. Include a complete list and description of all vehicles owned or leased by the District including the make, model, year of manufacture, replacement cost and nature of equipment carried on each vehicle, Water GPM and Water Gallon Capacity carried on each vehicle
10. Include a complete vehicle list of year, make and model for staff, command and any medical vehicles to include transport and non-transport capacity.
11. Give short overview of typical maintenance schedules for buildings, portable equipment and motor vehicles
12. What type of Firefighter training and qualifications are required for new prospective firefighters.
13. Attach a sample/blank copy of the district's Firefighter/EMS application for prospect members
14. Give short explanation how often Employment Practice Claims Prevention Training is provided and who provides that training?
 - a. What percentages of ALL Emergency and staff personnel have the training? (Including paid and volunteer, including volunteer associations/auxiliary).
 - b. How many of the commissioner board members have had this training? (Commissioners, Chief and Administrator Assistant/Secretary).
15. **Shall** participate in WSRMG with *at least* the Insurance Package including Property, Auto (Liability and Physical Damage), Crime, Inland Marine (Portable Equipment) and Casualty

(General Liability) and Umbrella (if an umbrella is to be provided), and/or a Benefit Package (A&S, AD&D, Supplement to State Programs and/or Group Term Life Insurance).

WA State Risk Management Group
Interlocal Agreement

Signature Page (19 of 31)

Riverside Fire Authority

Joe Gonda Date 5-14-20
Commissioner

Stephanie Storey Date 5-14-20
Witness